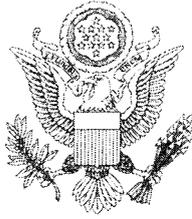


# APPENDIX



EXECUTIVE OFFICE OF  
THE PRESIDENT  
OFFICE OF MANAGEMENT  
AND BUDGET

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# BUDGET OF THE UNITED STATES GOVERNMENT

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FISCAL YEAR  
**1988**

## THE BUDGET DOCUMENTS

*Budget of the United States Government, 1988* contains the Budget Message of the President and presents an overview of the President's budget proposals. It includes summary information on goals of the 1988 Budget, economic assumptions, receipts and outlays, defense and international programs, social security benefits, other programmatic changes, financing changes, reductions and terminations, a listing of the budget by agency and account, and various summary data tables.

*Budget of the United States Government, 1988—Supplement* repeats the Budget Message of the President and the summary information. In addition it includes sections on the Federal program by function, perspectives on the budget, the budget system and concepts, reform of the Federal credit system, and summary tables (both the tables included in the *Budget* and additional tables).

*United States Budget in Brief, 1988* is designed for use by the general public. It provides a more concise, less technical overview of the 1988 budget than the above volumes, including summary and historical tables on the Federal budget and debt, together with graphic displays.

*Budget of the United States Government, 1988—Appendix* contains detailed information on the various appropriations and funds that constitute the budget. The *Appendix* contains more detailed information than any of the other budget documents. It includes for each agency: the proposed text of appropriation language, budget schedules for each account, new legislative proposals, explanations of the work to be performed and the funds needed, and proposed general provisions applicable to the appropriations of entire agencies or groups of agencies. Supplementals and rescission proposals for the current year are presented separately. Information is also provided on certain activities whose outlays are not part of the budget totals.

*Special Analyses, Budget of the United States Government, 1988* contains analyses that are designed to high-

light specified program areas or provide other significant presentations of budget data. This document includes information about alternative views of the budget; i.e., current services and national income accounts; economic and financial analyses of the budget covering Government finances and operations as a whole; and Government-wide program and financial information for Federal research and development programs. Data on Federal civilian employment are also included in this volume.

*Historical Tables, Budget of the United States Government, 1988* provides data on budget receipts, outlays, surpluses or deficits, and Federal debt covering extended time periods—in many cases from 1940–1992. These are much longer time periods than those covered by similar tables in other budget documents. The data in this volume and all other historical data in the budget documents are consistent with the concepts and presentation used in the 1988 Budget, so the data series are comparable over time.

*Management of the United States Government, 1988* includes the President's Management Message and provides the goals and strategies of the President's Management Improvement Program. It reports on the nine point credit management program, the program to improve financial management in executive branch agencies, the President's Productivity Program, the activities of the President's Council on Integrity and Efficiency, and the President's Council on Management Improvement. This document also describes the status of Grace Commission recommendations, the status of debt collection and prompt payment efforts, and a report on the motor vehicle cost reductions required by the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985.

Instructions for purchasing copies of any of these documents are on the last two pages of this volume.

### GENERAL NOTES

1. All years referred to are fiscal years, unless otherwise noted.
2. Detail in the tables, text and charts of this volume may not add to the totals because of rounding.

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PART I

**DETAILED BUDGET ESTIMATES**

Legislative Branch  
The Judiciary  
Executive Office of the President  
Funds Appropriated to the President  
Department of Agriculture  
Department of Commerce  
Department of Defense—Military  
Department of Defense—Civil  
Department of Education  
Department of Energy  
Department of Health and Human Services, except Social Security  
Department of Health and Human Services, Social Security  
Department of Housing and Urban Development  
Department of the Interior  
Department of Justice  
Department of Labor  
Department of State  
Department of Transportation  
Department of the Treasury  
Environmental Protection Agency  
General Services Administration  
National Aeronautics and Space Administration  
Office of Personnel Management  
Small Business Administration  
Veterans Administration  
Other independent agencies

## EXPLANATION OF ESTIMATES

Part I contains various tables and certain schedules in support of the budget, including explanatory statements of the work to be performed and the money needed, as well as the text of the language proposed for enactment by Congress on each item for which congressional action in an appropriation bill is required. It also contains the text of general provisions of appropriations acts, proposed for enactment by the Congress, that apply to entire agencies or groups of agencies.

### ARRANGEMENT

The chapters of Part I reflect the branches of Government, and the cabinet departments, selected independent agencies, and other activities of the executive branch. Most of the smaller agencies in the executive branch are grouped in one chapter—"Other independent agencies."

Each chapter is organized by major subordinate organizations within the agency (usually bureaus) or by major program area. For each bureau or major program area, *Federal funds*, covering the funds that are not set aside in "trust," precede *trust funds*, covering moneys that are held by the Government in accounts established by law or by trust agreement for specific purposes. Within each fund group, accounts with new budget authority in 1988 generally will precede those without such an entry. By law, the Old-Age and Survivors Insurance and Disability Insurance trust funds are outside the budget totals. In this volume, these accounts are presented in a separate chapter, Health and Human Services, Social Security.

The proposed language for *general provisions* of appropriations acts that are applicable to the agency in that chapter appear in a separate section at the end of the chapter. General provisions that apply to specified groups of agencies are placed in the chapter covering the first agency that appears in the respective appropriations act. The general provisions that are Government-wide in scope (identified "Departments, Agencies, and Corporations"), normally contained in the Treasury, Postal Service, and General Government Appropriations Act, are placed at the end of the Executive Office of the President chapter.

An explanation of the types of funds included in the budget may be found in Part 6b of *The Budget of the United States Government, 1988—Supplement*.

### FORM OF DETAILED MATERIAL

#### APPROPRIATIONS LANGUAGE

The language proposed for inclusion in the 1988 appropriations acts is printed following the account title. Language for 1987 appropriations, printed in roman type, is used as a base. All language for accounts receiving appropriations in 1987 is based on language, included in or enacted by reference in the continuing resolution for 1987 (Public Laws 99-500 and 99-591). Brackets enclose material that is proposed for deletion; italic

type indicates proposed new language. At the end of the final language paragraph, and printed in italics within parentheses, are citations to any relevant authorizing legislation and to the appropriations act from which the basic text of the 1987 language is taken. An illustration of proposed appropriations language for 1988 follows:

#### OPERATING EXPENSES

For necessary expenses of the Office of Climate Information, **[\$29,440,000]** *\$28,920,000* of which **[\$150,000]** *\$400,000* shall remain available until expended. (34 U.S.C. 218 et seq.; Department of Government Appropriation Act, 1987.)

#### BASIS FOR SCHEDULES

The 1986 column of this budget generally presents the actual transactions and balances for that year, as recorded in agency accounts.

For 1987, the regular schedules include enacted appropriations. In addition, indefinite appropriations are included on the basis of amounts likely to be required. Requests for supplemental appropriations, if any, to meet increased 1987 costs are included in Part II. Also included in Part II, in addition to proposed appropriation language and schedules for supplemental requests, are separate schedules for proposed rescissions, the language for which will be transmitted to the Congress in special messages.

The 1988 column of the regular schedules includes proposed appropriations for all programs under existing legislation, including those that require extension or renewal of expiring laws. The fourth column of schedules for accounts in the National Defense function (coded 050) and accounts with multiple functions (coded 999) with a National Defense component includes proposed appropriations for 1989. Appropriations for these accounts by law are requested on a biennial basis. Appropriations for 1989 and beyond may be requested for other accounts (see the "Budget by Agency and Account" in the Budget); however, a fourth column is not included in the Appendix for them in this budget.

Amounts for proposed new legislation are shown generally in separate schedules, following the regular schedules or in budget sequence in the respective bureau. These schedules are headed "Proposed for later transmittal under proposed legislation." Appropriation language is included with the regular schedules, but not with the separate schedules for proposed legislation. Necessary appropriations language will be transmitted later upon enactment of the proposed legislation. In some cases, when the amount requested in the budget is less than the amount required for the program level mandated in existing authorizing legislation (as in the case of certain entitlement programs), the reduced amount is reflected in the proposed appropriation language and the regular schedules. The proposed change in the authorizing legislation may be included in the appropriation language transmitted with the budget or in proposed legislation, to be transmitted separately. In

these cases, the words, "Legislative Action Required" appear at the end of the language.

**PROGRAM AND FINANCING SCHEDULE**

This schedule consists of three parts.

In the "Program by activities" section, obligations generally are shown for specific activities or projects. The activity structure is developed individually for each appropriation or fund account to provide a meaningful presentation of information for the program being financed. That structure is tailored to the individual account and is not uniform across the Government. When the amounts of obligations that are financed from collections credited to an account (reimbursements) are significant, "Reimbursable program" obligations are shown separately from "Direct program" obligations. When the amounts are significant, "Capital investments" are shown separately from "Operating expenses." The last entry "Total obligations," indicates the minimum amount of budgetary resources that must be available to the appropriation or fund account in that year.

The "Financing" section shows the budgetary resources available or estimated to be available to finance the total obligations. First are the amounts of offsetting collections credited to the account. Next are unobligated balances of budgetary resources (that have not expired) brought forward from the end of the prior year. Finally, those amounts that were available for obligation during the year and were not used, but continue to be available, are shown as an unobligated balance available, end of year. That balance is carried forward and usually obligated in a subsequent year. Other adjusting entries may be included. The residual is the new budget authority required to finance the program. Where more than one kind of budget authority is provided, that information is shown. In some cases, the availability of budgetary resources may be restrained by legally binding limitations on obligations for direct loans or for other purposes. Such limitations are usually included in appropriations language.

The "Relation of obligations to outlays" section shows the difference between obligations, which may not be liquidated in the same year in which they are incurred, and outlays. The entry "obligations incurred, net," shows the amount of new obligations incurred in the year, less offsetting collections credited to the account. The amount of obligations that were incurred in previous years but not liquidated, are entered as an obligated balance, start of year. Similarly, an end of year obligated balance is entered. Certain adjusting entries may be included. The residual is the net amount of outlays resulting from the liquidation of obligations incurred in that year and previous years.

The account identification code, found at the head of the program and financing schedule, facilitates computer processing of budgetary information. The last three digits of this code represent the functional category to which the account is classified. Functional classification permits presentation of budget authority and outlays in terms of their purpose, rather than the organization administering the program or the account under which these funds are made available. For example, the 452 at

the top of the following schedule indicates that the purpose of the program financed by this appropriation is *Area and regional development*—a subfunction within major function 450, *Community and regional development*. When the outlays from an account are split between two or more subfunctions within a single major function, the code of the major function is used. In those few cases where the outlays from an account are split between two or more functions, a code of 999 is used. A detailed discussion of how Federal programs are addressed to each identified national need is included in Part 5 of the 1988 Budget Supplement. The individual functional categories are identified with each appropriation or fund account in the "Budget by Agency and Account" in Part 4 of the Budget.

**Program and Financing (in thousands of dollars)**

Identification code 17-0643-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Information services.....	22,866	22,700	21,500
00.02 Meterological research.....	4,780	4,900	4,900
00.03 Longitudinal weather studies.....	2,500	2,490	2,120
00.04 Construction.....		150	400
00.91 Total direct program.....	30,146	30,240	28,920
01.01 Reimbursable program.....	250	350	380
10.00 Total obligations.....	30,396	30,590	29,300
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-250	-350	-380
21.40 Unobligated balance available, start of year.....			-50
24.40 Unobligated balance available, end of year.....		50	
25.00 Unobligated balance lapsing.....	45		
40.00 Budget authority (appropriation).....	30,191	30,290	28,870
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	30,146	30,240	28,920
72.40 Obligated balance, start of year.....	1,364	1,120	1,246
74.40 Obligated balance, end of year.....	-1,120	-1,246	-1,275
90.00 Outlays.....	30,390	30,114	28,891

A schedule entitled "Summary of Budget Authority and Outlays" is shown immediately following the program and financing schedule and any associated notes for each account that includes separate program and financing schedules for program supplemental requests, requests for later transmittal under proposed or existing legislation, or rescission proposals.

**NARRATIVE STATEMENT OF PROGRAM AND PERFORMANCE**

Narrative statements present briefly the objectives of the program and the work to be financed primarily for 1988. Measures of expected performance may be included, and the relationship to the financial estimates is described.

**SCHEDULE OF OBJECT CLASSIFICATION AND PERSONNEL SUMMARY**

There is shown for each account a schedule of obligations, according to the following uniform list of object classifications:

- |                                   |                                      |
|-----------------------------------|--------------------------------------|
| 10 PERSONAL SERVICES AND BENEFITS | 13 Benefits for former personnel     |
| 11 Personnel compensation         | 20 CONTRACTUAL SERVICES AND SUPPLIES |
| 12 Personnel benefits             |                                      |

21 Travel and transportation of persons	ASSETS
22 Transportation of things	31 Equipment
23.1 Rental payment to GSA	32 Lands and structures
23.2 Rental payments to others	33 Investments and loans
23.3 Communications, utilities, and miscellaneous charges	40 GRANTS AND FIXED CHARGES
24 Printing and reproduction	41 Grants, subsidies, and contributions
25 Other services	42 Insurance claims and indemnities
26 Supplies and materials	43 Interest and dividends
30 ACQUISITION OF CAPITAL	44 Refunds

These object classes reflect the nature of the things or services purchased, regardless of the purpose of the program for which they are used.

Except for revolving funds, reimbursable obligations are aggregated in a single line and not identified by object class. Data, classified by object, are illustrated in the following schedule:

Object Classification (in thousands of dollars)			
Identification code 17-0643-0-1-452	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	19,653	19,540	19,200
11.3 Other than full-time permanent .....	792	800	570
11.5 Other personnel compensation .....	231	169	190
11.9 Total personnel compensation .....	20,676	20,509	19,960
12.1 Personnel benefits: Civilian .....	1,940	1,899	1,887
21.0 Travel and transportation of persons .....	91	85	80
22.0 Transportation of things .....	17	18	17
23.1 Standard level user charges .....	1,680	1,752	1,790
23.3 Communications, utilities, and miscellaneous charges ..	1,759	1,580	1,675
24.0 Printing and reproduction .....	1,390	1,429	1,470
25.0 Other services .....	1,774	1,838	559
26.0 Supplies and materials .....	429	480	497
31.0 Equipment .....	390	500	585
32.0 Lands and structures .....		150	400
99.0 Subtotal, direct obligations .....	30,146	30,240	28,920
99.0 Reimbursable obligations .....	250	350	380
99.9 Total obligations .....	30,396	30,590	29,300

Several of the object classes are divided into subclasses—personnel compensation, for example, is shown separately for full-time permanent employees, for other than full-time employees, and for certain other payments. Standard level user charges are rental payments assessed by the General Services Administration for space (leased and Government-owned) and building services.

When obligations for personnel compensation are shown in the object classification schedule, a personnel summary generally will follow the object classification schedule, as illustrated below:

Personnel Summary			
Direct:			
Total number of full-time permanent positions .....	813	785	741
Total compensable workyears:			
Full-time equivalent employment .....	774	748	706
Full-time equivalent of overtime and holiday hours .....	23	17	19
Reimbursable:			
Total number of full-time permanent positions .....	9	13	14
Total compensable workyears: Full-time equivalent employment ..	8	12	13

Control of Federal civilian employment generally is on a full-time equivalent (FTE) or workyear basis for the executive branch.

BUSINESS-TYPE BUDGET STATEMENTS

Business-type budget statements are presented for activities specifically required by the Government Corporation Control Act or similar legislation and generally for other revolving and trust revolving funds conducting business with the public. They are not usually presented for funds conducting business within the Government.

Statement of Revenue and Expense

For many revolving funds there is a statement of revenue and expense that shows the resulting net income or loss for the year. This statement usually includes accrued revenue (e.g., revenue earned) and accrued expenditures (e.g., including cost incurred but not yet paid), whether funded or unfunded.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income:			
Revenue .....	23,625	27,950	34,980
Expense .....	-2,830	-3,700	-4,000
Net operating income, total .....	20,795	24,250	30,980
Nonoperating income: Interest from U.S. securities .....	8,092	9,874	12,791
Net income for the year .....	28,887	34,124	43,771

Statement of Financial Condition

The statement of financial condition shows assets, liabilities, and Government equity for the fund at the close of each fiscal year. In addition to this information, which is similar to commercial balance sheet data, budget needs also require additional information, shown in the equity section. A disclosure is made of obligations incurred that have not yet accrued into liabilities (undelivered orders) and of budgetary resources for which no funding has been received (unfinanced budgetary resources). Unfinanced budgetary resources include orders from Federal customers that have not been filled (unfilled orders), and unfinanced budget authority in the form of authority to borrow for which borrowing has not taken place, and contract authority for which liquidating cash has not been received. Orders received from the public must be accompanied by advance payment.

The last section of the balance sheet is an "Analysis of Changes in Government Equity." This section sets forth for paid-in capital and retained income, as appropriate, the beginning balance, transactions (changes) during the year, and the balance at the end of the year.

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury .....	1,214	350	550	450
U.S. securities (par) .....	98,174	129,969	170,769	218,169
Accounts receivable (net) .....	5,546	5,737	7,365	9,106
Loans receivable (net) .....	6,901	4,059	6,415	8,715
Total assets .....	111,835	140,115	185,909	236,440
<b>Liabilities:</b>				
Accounts payable and accrued liabilities .....	1,941	1,162	862	862
Advances received .....	21,656	21,828	32,988	40,558
Total liabilities .....	23,597	22,990	33,850	41,420

<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance.....	81,051	112,491	144,486	186,702
Undelivered orders.....	280	569	348	603
Unfinanced budget authority: Unfilled customer orders.....				
	-1,340	-896	-1,205	-1,536
Invested capital.....	8,247	4,961	7,620	9,251
<b>Total Government equity.....</b>	<b>88,238</b>	<b>117,125</b>	<b>151,249</b>	<b>195,020</b>
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....		88,238	117,125	151,249
Transactions:				
Net operating income.....		20,795	24,250	30,980
Net nonoperating income.....		8,092	9,874	12,791
Closing balance.....		117,125	151,249	195,020
<b>Total Government equity (end of year).....</b>	<b>117,125</b>	<b>151,249</b>	<b>195,020</b>	<b>195,020</b>

**FEDERAL CREDIT SCHEDULES**

As part of an effort to establish systematic control of the levels of Federal credit during any fiscal year, the budget appendix includes annual limitations on the amount of obligations for direct loans and commitments for guaranteed loans in appropriations language for appropriations or funds with credit activity. For those accounts under which Federal credit is extended, schedules for the status of direct loans and the status of guaranteed loans summarize activity for the years shown.

**Status of Direct Loans**

A direct loan obligation is a legal or binding agreement that results in: (1) a disbursement of funds to a non-Federal entity by a Federal agency (including the Federal Financing Bank on behalf of a Federal agency) that is contracted to be repaid, with or without interest; (2) a purchase of non-Federal loans by a Federal agency through secondary market operations; (3) an acquisition of guaranteed non-Federal loans by a Federal agency in satisfaction of default or other guarantee claims; or (4) a sale of Federal agency assets to a non-Federal entity on credit terms of more than 90 days duration.

A direct loan obligation is counted against the annual limitation when the principal amount is obligated. Limitations apply to the gross obligations for direct loans, which means the amount obligated during a fiscal year, without reductions for such items as repayments, prepayments, sale of loan assets, defaults, or forgiveness.

For each appropriation or fund with direct loan activity, a schedule is displayed immediately following the program and financing schedule as follows:

**Status of Direct Loans (in thousands of dollars)**

Identification code 17-4023-0-3-453		1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....	19,700	14,000	14,000
1112	Unused expiring balance of limitation.....	-1,000		
1132	Obligations exempt from limitation: Defaulted guaranteed loan claims.....	5,000	3,000	2,000
1150	<b>Total direct loan obligations.....</b>	<b>23,700</b>	<b>17,000</b>	<b>16,000</b>

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	58,430	66,239	65,789
Disbursements:				
1231	Direct loan disbursements.....	18,700	14,000	14,000
1232	Disbursements for guarantee claims.....	5,000	3,000	2,000
Repayments:				
1251	Repayments and prepayments.....	-15,475	-16,500	-15,000
1252	Repayments of defaulted guaranteed loans.....	-150	-150	-150
Adjustments:				
1262	Write-offs for default.....	-1,000	-800	-600
1264	Other adjustments, net <sup>1</sup> .....	734		
1290	Outstanding, end of year.....	66,239	65,789	66,039

<sup>1</sup> Represents an adjustment to the prior year balance of direct loans outstanding.

**Status of Guaranteed Loans**

A guaranteed loan commitment is a legal or binding agreement that results in: (1) a non-Federal debt instrument on which the agency pledges to pay part or all of the amount due to a lender or holder in the event of default by the borrower; and (2) a direct Federal loan that an agency has sold to the public under a guarantee, agreement to repurchase, or other form of recourse. Beginning in 1987, direct loan assets that are sold with recourse are treated as agency borrowing. Agency guarantees that result in loans that are disbursed by the FFB are counted as *direct loans* of the agency and, therefore, will not be counted as guaranteed loans. However, the amount of direct loans made in this manner is subject to limitations on loan guarantee commitments of the originating agency. Loan guarantees include agreements in the form of loan insurance, defined as a type of guarantee in which an agency pledges the use of accumulated insurance premiums to secure lenders against default on the part of borrowers.

A guaranteed loan is counted against the annual limitation when a firm commitment is made, i.e., when the Government enters into a guarantee agreement to become effective at such time as the lender meets stipulated pre-conditions. A commitment is reported for every guaranteed loan, even though the commitment and the actual loan guarantee may occur simultaneously. Amounts for limitations and in the schedules are the full principal amounts of loans guaranteed whether guaranteed in full or in part. The amount of the Government's contingent liability is shown as a memorandum entry in the schedule. Limitations apply to the gross commitments for guaranteed loans, which means the amount committed during a fiscal year, without reductions for such items as repayments, prepayments, sale of guaranteed loans, or defaults.

For each appropriation or fund account with guaranteed loan activity, a schedule is displayed following the program and financing schedule (or status of direct loans schedule, if there is one) as follows:

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 17-4023-0-3-453		1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders...	300,000	200,000	200,000
2112	Unused expiring balance on limitation.....	-120,000		
2150	<b>Total, guaranteed loan commitments.....</b>	<b>180,000</b>	<b>200,000</b>	<b>200,000</b>

## Status of Guaranteed Loans (in thousands of dollars)—Continued

Identification code	17-4023-0-3-453	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	965,752	920,736	933,336
2231	Disbursements of new guaranteed loans .....	158,600	170,000	170,000
2251	Repayments and prepayments .....	-208,616	-200,000	-200,000
Adjustments:				
2261	Terminations for default that result in direct loans .....	5,000	-3,000	-2,000
2264	Other adjustments, net .....		45,600	
2290	Outstanding, end of year .....	920,736	933,336	901,336
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding end of year .....	920,736	933,336	901,336

## BUDGETS NOT SUBJECT TO REVIEW

In accordance with law or established practice, the presentations for the Legislative Branch, the Judiciary, the Federal Deposit Insurance Corporation, the Milk Market Orders Assessment Fund of the Department of Agriculture, the Farm Credit Administration, and the International Trade Commission have been included, without review, in the amounts submitted by the agencies.

The budgets of the privately owned Government-sponsored enterprises and the Board of Governors of the Federal Reserve System, presented in Part IV, are not subject to review; they are included for information purposes only.

## LEGISLATIVE BRANCH

### SENATE

#### 【PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS】

【For payment to Priscilla S. East, widow of John P. East, late a Senator from North Carolina, \$75,100.】

#### MILEAGE OF THE VICE PRESIDENT AND SENATORS AND EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, MAJORITY AND MINORITY WHIPS, AND CHAIRMEN OF THE MAJORITY AND MINORITY CONFERENCE COMMITTEES

##### MILEAGE OF THE VICE PRESIDENT AND SENATORS

For mileage of the Vice President and Senators of the United States, \$60,000.

##### EXPENSE ALLOWANCES OF THE VICE PRESIDENT, THE PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS, MAJORITY AND MINORITY WHIPS, AND CHAIRMEN OF THE MAJORITY AND MINORITY CONFERENCE COMMITTEES

For expense allowances of the Vice President, \$10,000; the President Pro Tempore of the Senate, \$10,000; Majority Leader of the Senate, \$10,000; Minority Leader of the Senate, \$10,000; Majority Whip of the Senate, \$5,000; Minority Whip of the Senate, \$5,000; and Chairmen of the Majority and Minority Conference Committees, \$3,000 for each Chairman; in all, \$56,000.

##### REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, \$10,000 for each such Leader, in all \$20,000.

##### SALARIES, OFFICERS AND EMPLOYEES\*

\*See Part II for additional information.

For compensation of officers, employees, clerks to Senators, and others as authorized by law, including agency contributions, 【\$177,535,714】 \$202,854,000 which shall be paid from this appropriation without regard to the below limitations, as follows:

##### OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, 【\$1,112,000】 \$1,145,000.

##### OFFICE OF THE PRESIDENT PRO TEMPORE

For Office of the President Pro Tempore, 【\$149,000】 \$153,000.

##### OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, 【\$1,190,000】 \$1,226,000.

##### OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, 【\$418,000】 \$431,000.

##### CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, 【\$540,500】 \$556,500 for each such committee; in all, 【\$1,081,000】 \$1,113,000.

##### OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, 【\$262,000】 \$270,000.

##### OFFICE OF THE CHAPLAIN

For Office of the Chaplain, 【\$90,000】 \$92,000.

##### OFFICE OF THE SECRETARY

For Office of the Secretary, 【\$6,986,714】 \$7,627,000.

##### ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

For administrative, clerical, and legislative assistance to Senators, 【\$104,030,000】 \$107,317,000.

##### OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, 【\$41,172,000】 \$43,492,000.

##### OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, 【\$879,000】 \$905,000.

##### AGENCY CONTRIBUTIONS

For agency contributions for employee benefits, as authorized by law, 【\$20,166,000】 \$39,083,000.

##### OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, 【\$1,460,900】 \$1,764,000.

##### OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, 【\$575,000】 \$633,000.

##### EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, \$3,000; Sergeant at Arms and Doorkeeper of the Senate, \$3,000; Secretary for the Majority of the Senate, \$3,000; Secretary for the Minority of the Senate, \$3,000; in all, \$12,000.

##### CONTINGENT EXPENSES OF THE SENATE

##### SENATE POLICY COMMITTEES

For salaries and expenses of the Majority Policy Committee and the Minority Policy Committee, 【\$974,000】 \$1,101,500 for each such committee; in all, 【\$1,948,000】 \$2,203,000.

##### INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted pursuant to section 134(a) of Public Law 601, Seventy-ninth Congress, as amended, section 112 of Public Law 96-304 and Senate Resolution 281, agreed to March 11, 1980, 【\$52,177,000】 \$57,161,000.

##### 【EXPENSES OF UNITED STATES INTERNATIONAL NARCOTICS CONTROL COMMISSION】

【For expenses of the United States Senate Caucus on International Narcotics Control, as authorized by section 814 of the Foreign Relations Authorization Act passed by the Senate on July 31, 1985, \$325,000.】

##### SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, \$666,300.

##### SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, 【\$62,420,000: Provided, That of the amounts appropriated under this head in the Supplemental Appropriations Act, 1985

## SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE—Continued

(Public Law 99-88), \$2,200,000 shall remain available until September 30, 1987] **\$60,439,000.**

## MISCELLANEOUS ITEMS\*

\*See Part II for additional information.

For miscellaneous items, **[\$10,314,000] \$10,183,000.**

## STATIONERY (REVOLVING FUND)

For stationery for the President of the Senate, \$4,500, for officers of the Senate and the Conference of the Majority and Conference of the Minority of the Senate, \$8,500; in all, \$13,000.

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

## HOUSE OF REPRESENTATIVES

## [PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS]

[For payment to Grace Addabbo, widow of Joseph P. Addabbo, late a Representative from the State of New York, \$75,100.

For payment to Mary Lou O'Brien, widow of George M. O'Brien, late a Representative from the State of Illinois, \$75,100.]

## MILEAGE OF MEMBERS

For mileage of Members, as authorized by law, \$210,000.

## HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, **[\$3,357,000] \$3,456,000**, including: Office of the Speaker, **[\$775,000] \$798,000**, including \$18,000 for official expenses of the Speaker; Office of the Majority Floor Leader, **[\$688,000] \$708,000**, including \$10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, **[\$767,000] \$789,000**, including \$10,000 for official expenses of the Minority Leader; Office of the Majority Whip, **[\$603,000] \$621,000**, including \$1,000 for official expenses of the Majority Whip and not to exceed **[\$145,540] \$149,950**, for the Chief Deputy Majority Whip; Office of the Minority Whip, **[\$524,000] \$540,000**, including \$1,000 for official expenses of the Minority Whip and not to exceed **[\$76,840] \$79,150** for the Chief Deputy Minority Whip.

## SALARIES, OFFICERS AND EMPLOYEES\*

\*See Part II for additional information.

For compensation and expenses of officers and employees, as authorized by law, **[\$51,136,000] \$56,991,000**, including: Office of the Clerk, **[\$13,825,000] \$15,217,000**; Office of the Sergeant at Arms, including overtime, as authorized by law, **[\$20,595,000] \$22,692,000**, [of which \$1,896,000 shall be available only for adjustments in pay levels for the Capitol Police, as approved by the Committee on House Administration]; Office of the Doorkeeper, including overtime, as authorized by law, **[\$6,992,000] \$8,115,000**; Office of the Postmaster, **[\$2,278,000] \$2,617,000**, including **[\$46,722] \$48,124** for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed **[\$16,278] \$16,766** per annum each; Office of the Chaplain, **[\$73,000] \$75,000**; Office of the Parliamentarian, including the Parliamentarian and \$2,000 for preparing the Digest of Rules, **[\$634,000] \$716,000**; for salaries and expenses of the Office for the Bicentennial of the House of Representatives, **[\$226,000] \$243,000**; for salaries and expenses of the Office of the Law Revision Counsel of the House, **[\$844,000] \$920,000**; for salaries and expenses of the Office of the Legislative Counsel of the House, **[\$2,700,000] \$3,225,000**; six minority employees, **[\$434,000] \$447,000**; the House Democratic Steering Committee and Caucus, **[\$700,000] \$721,000**; the House Republican Conference, **[\$700,000] \$721,000**; and Other Authorized Employees, **[\$1,135,000] \$1,282,000**.

Such amounts as are deemed necessary for the payment of salaries of officers and employees under this head may be transferred between

the various offices and activities within this appropriation, "Salaries, officers and employees", upon the approval of the Committee on Appropriations of the House of Representatives.

## COMMITTEE EMPLOYEES

For professional and clerical employees of standing committees, including the Committee on Appropriations and the Committee on the Budget, **[\$48,000,000] \$59,062,000.**

## COMMITTEE ON APPROPRIATIONS (STUDIES AND INVESTIGATIONS)

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, \$4,300,000.

## COMMITTEE ON THE BUDGET (STUDIES)

For salaries, expenses, and studies by the Committee on the Budget, and temporary personal services for such committee to be expended in accordance with sections 101(c), 606, 703, and 901(e), of the Congressional Budget Act of 1974, and to be available for reimbursement to agencies for services performed, **[\$329,000] \$346,000.**

## MEMBERS' CLERK HIRE

For staff employed by each Member in the discharge of his official and representative duties, **[\$170,186,000] \$178,899,000.**

## CONTINGENT EXPENSES OF THE HOUSE

## STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by the House, **[\$48,311,000] \$52,418,000.**

## ALLOWANCES AND EXPENSES\*

\*See Part II for additional information.

For allowances and expenses as authorized by House resolution or law, **[\$137,928,000] \$214,647,000**, including: Official Expenses of Members, **[\$79,300,000] \$89,123,000**; supplies, materials, administrative costs and Federal tort claims, **[\$14,536,000] \$28,119,000**; furniture and furnishings, **[\$1,475,000] \$1,005,000**; stenographic reporting of committee hearings, \$550,000; reemployed annuitants reimbursements, **[\$750,000] \$1,118,000**; Government contributions to employees' life insurance fund, retirement funds, Social Security fund, Medicare fund, health benefits fund, and worker's and unemployment compensation, **[\$40,695,000] \$94,110,000**; and miscellaneous items including, but not limited to, purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions and gratuities to heirs of deceased employees of the House, \$622,000.

Such amounts as are deemed necessary for the payment of allowances and expenses under this head may be transferred between the various categories within this appropriation, "Allowances and expenses", upon the approval of the Committee on Appropriations of the House of Representatives.

## ADMINISTRATIVE PROVISIONS

SEC. 101. Of the amounts appropriated in fiscal year **[1987] 1988** for the House of Representatives under the headings "Committee employees", "Standing committees, special and select", "Salaries, officers and employees", "Allowances and expenses", and "Members' clerk hire", such amounts as are deemed necessary for the payment of salaries and expenses may be transferred among the aforementioned accounts upon approval of the Committee on Appropriations of the House of Representatives.

【Sec. 102. The provisions of H. Res. 320, approved November 14, 1985, establishing one additional position on the Capitol Police Force shall be permanent law with respect thereto.】

【Sec. 103. The provisions of H. Res. 21, approved December 11, 1985, establishing a Congressional child care center shall be permanent law with respect thereto.】

【Sec. 104. (a) The Clerk of the House of Representatives may dispose of used equipment of the House of Representatives, by trade-in or sale, directly or through the General Services Administration. Any direct disposal under the preceding sentence shall be in accordance with normal business practice and shall be at fair market value. Receipts from disposals under the first sentence of this subsection (together with receipts from sale of transcripts, waste paper and other items provided by law, and receipts for missing or damaged equipment) shall be deposited in the Treasury for credit to the appropriate account under the appropriation for "ALLOWANCES AND EXPENSES" under the heading "CONTINGENT EXPENSES OF THE HOUSE", and shall be available for expenditure in accordance with applicable law. As used in this subsection, the term "used equipment" means such used or surplus equipment (including furniture and motor vehicles) as the Committee on House Administration of the House of Representatives may prescribe by regulation.

(b) The proviso in the matter under the center heading "HOUSE OF REPRESENTATIVES" and the center subheading "OFFICIAL REPORTERS TO COMMITTEES" in the first section of the Act entitled "An Act making appropriations for the Legislative Branch for the fiscal year ending June 30, 1948, and for other purposes", approved July 17, 1947 (2 U.S.C. 84b), is amended by striking out "as 'Miscellaneous receipts'".

(c) This section and the amendment made by this section shall take effect on October 1, 1986.】

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

## JOINT ITEMS

For joint committees, as follows:

### CONTINGENT EXPENSES OF THE SENATE

#### JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, 【\$2,736,000】 \$3,284,000.

#### JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, 【\$919,000】 \$1,034,000.

### CONTINGENT EXPENSES OF THE HOUSE

#### JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, 【\$4,159,000】 \$4,462,000 to be disbursed by the Clerk of the House. For other joint items, as follows:

#### OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including (1) an allowance of \$1,000 per month to the Attending Physician; (2) an allowance of \$600 per month to one Senior Medical Officer while on duty in the Attending Physician's office; (3) an allowance of \$200 per month each to two medical officers while on duty in the Attending Physician's office; (4) an allowance of \$200 per month each to not to exceed eleven assistants on the basis heretofore provided for such assistance; and (5) 【\$869,500】 \$902,400 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, such amount shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, 【\$1,298,000】 \$1,489,000, to be disbursed by the Clerk of the House.

## CAPITOL POLICE

### GENERAL EXPENSES\*

\*See Part II for additional information.

For purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including advance payment for travel for training or other purposes, and expenses associated with the relocation of instructor personnel to and from the Federal Law Enforcement Training Center as approved by the Chairman of the Capitol Police Board, and including 【\$80】 \$85 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House as may be designated by the Chairman of the Board, 【\$1,701,000】 \$2,199,000, to be disbursed by the Clerk of the House: *Provided*, That the funds used to maintain the petty cash fund referred to as "Petty Cash II" which is to provide for the prevention and detection of crime shall not exceed \$4,000: *Provided further*, That the funds used to maintain the petty cash fund referred to as "Petty Cash III" which is to provide for the advance of travel expenses attendant to protective assignments shall not exceed \$4,000: *Provided further*, That, notwithstanding any other provision of law, the cost involved in providing basic training for members of the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 【1987】 1988 shall be paid by the Secretary of the Treasury from funds available to the Treasury Department.

### OFFICIAL MAIL COSTS\*

\*See Part II for additional information.

For expenses necessary for official mail costs, 【\$91,423,000】 \$133,739,000, to be disbursed by the Clerk of the House.

### CAPITOL GUIDE SERVICE\*

\*See Part II for additional information.

For salaries and expenses of the Capitol Guide Service, 【\$880,000】 \$1,117,000, to be disbursed by the Secretary of the Senate: *Provided*, That none of these funds shall be used to employ more than twenty-eight individuals: *Provided further*, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than one hundred twenty days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

## STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the 【second】 first session of the 【Ninety-ninth】 One-Hundredth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills as required by law, \$20,000, to be paid to the persons designated by the chairman of such committees to supervise the work.

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

## CONGRESSIONAL BUDGET OFFICE

### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), 【\$17,251,000】 \$18,988,000: *Provided*, That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further*, That none of the funds in this Act shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 226 staff employees: *Provided further*, That any

General and special funds—Continued

SALARIES AND EXPENSES—Continued

sale or lease of property, supplies, or services to the Congressional Budget Office shall be deemed to be a sale or lease of such property, supplies, or services to the Congress subject to section 903 of Public Law 98-63. (2 U.S.C. 601 et seq.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 08-0100-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	15,515	17,930	18,988
<b>Financing:</b>			
25.00 Unobligated balance lapsing	645		
39.00 Budget authority	16,160	17,930	18,988
<b>Budget authority:</b>			
40.00 Appropriation	16,160	17,251	18,988
44.20 Supplemental for civilian pay raises		227	
44.40 Supplemental for retirement contributions (P.L. 99-335)		452	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	15,515	17,930	18,988
72.40 Obligated balance, start of year	2,220	1,907	1,984
74.40 Obligated balance, end of year	-1,907	-1,984	-2,029
77.00 Adjustments in expired accounts	-150		
89.00 Outlays	15,678	17,853	18,943
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	15,678	17,242	18,875
91.20 Outlays from civilian pay raise supplemental		204	23
91.40 Outlays from retirement contribution supplemental		407	45

The Congressional Budget Office was created by Title II of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 601 et seq.) to provide assistance to the Congress in fulfilling its responsibilities to assure effective congressional control over the budgetary process; to determine each year the appropriate level of Federal revenues and expenditures; and to establish national budget priorities.

Object Classification (in thousands of dollars)

Identification code 08-0100-0-1-801	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	8,905	9,824	10,094
11.3 Other than full-time permanent	137	152	193
11.9 Total personnel compensation	9,042	9,976	10,287
12.1 Personnel benefits: Civilian	1,016	1,579	2,203
13.0 Benefits for former personnel	5	6	7
21.0 Travel and transportation of persons	52	75	80
23.3 Communications, utilities, and miscellaneous charges	363	385	277
24.0 Printing and reproduction	341	375	413
25.0 Other services	4,049	4,729	4,435
26.0 Supplies and materials	226	315	376
31.0 Equipment	421	490	910
99.9 Total obligations	15,515	17,930	18,988

Personnel Summary

Total number of full-time permanent positions	214	226	226
Total compensable workyears: Full-time equivalent employment	222	238	238

ARCHITECT OF THE CAPITOL

Federal Funds

General and special funds:

OFFICE OF THE ARCHITECT OF THE CAPITOL

SALARIES

For the Architect of the Capitol; the Assistant Architect of the Capitol; the Executive Assistant; and other personal services; at rates of pay provided by law, **[\$5,262,000] \$6,123,000.** (40 U.S.C. 161, 162, 162a, 164a, 166a-1, 166b, 166b-3; 84 Stat. 817; Public Law 91-656; Public Law 94-82.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

TRAVEL

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of \$20,000.

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 01-0100-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	4,966	5,557	6,123
<b>Financing:</b>			
25.00 Unobligated balance lapsing	218		
39.00 Budget authority	5,184	5,557	6,123
<b>Budget authority:</b>			
40.00 Appropriation	5,184	5,262	6,123
44.10 Supplemental for wage-board pay raises		24	
44.20 Supplemental for civilian pay raises		105	
44.40 Supplemental for retirement contributions (P.L. 99-335)		166	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	4,966	5,557	6,123
72.40 Obligated balance, start of year	207	213	227
74.40 Obligated balance, end of year	-213	-227	
77.00 Adjustments in expired accounts	2		
89.00 Outlays	4,962	5,543	6,350
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	4,962	5,265	6,333
91.10 Outlays from wage-board pay raise supplemental		23	1
91.20 Outlays from civilian pay raise supplemental		99	6
91.40 Outlays from retirement contribution supplemental		156	10

Object Classification (in thousands of dollars)

<b>Personnel compensation:</b>			
11.1 Full-time permanent	4,178	4,451	4,619
11.5 Other personnel compensation	295	399	399
11.9 Total personnel compensation	4,473	4,850	5,018
12.1 Personnel benefits: Civilian	493	707	1,105
99.9 Total obligations	4,966	5,557	6,123

Personnel Summary

Total number of full-time permanent positions	136	136	136
Total compensable workyears:			
Full-time equivalent employment	127	133	135
Full-time equivalent of overtime and holiday hours	6	8	8

CONTINGENT EXPENSES

To enable the Architect of the Capitol to make surveys and studies, and to meet unforeseen expenses in connection with activities under

his care, **[\$50,000.] \$100,000, which shall remain available until expended.**

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 01-0102-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	251	185	100
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-311	-135	
24.40 Unobligated balance available, end of year	135		
25.00 Unobligated balance lapsing	21		
40.00 <b>Budget authority (appropriation)</b>	<b>96</b>	<b>50</b>	<b>100</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	251	184	100
72.40 Obligated balance, start of year	23	97	
74.40 Obligated balance, end of year	-97		
90.00 Outlays	177	281	100

**Object Classification** (in thousands of dollars)

23.2 Rental payments to others	161		
25.0 Other services	90	185	100
99.9 Total obligations	251	185	100

**CAPITOL BUILDINGS AND GROUNDS**

**CAPITOL BUILDINGS**

For all necessary expenses for the maintenance, care and operation of the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment; not to exceed \$1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; purchase or exchange, maintenance and operation of a passenger motor vehicle; **[to hereafter incur expenses authorized by the Act of December 13, 1973 (87 Stat. 704)] security installations authorized by House Concurrent Resolution 550, Ninety-second Congress, agreed to September 19, 1972, the cost limitation of which is hereby further increased by \$840,000; for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, **[\$12,068,000.] \$19,849,000, of which \$5,850,000 shall remain available until expended: Provided, That of this amount \$3,500,000 shall be available without regard to section 3709 of the Revised Statutes, as amended. (40 U.S.C. 162, 163, 166, 166b-3; Public Law 91-656; Public Law 94-82; 5 U.S.C. 5341-44, 5349; 87 Stat. 825-29; 89 Stat. 835.)****

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 01-0105-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	11,456	24,248	20,308
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-6,067	-12,810	-959
24.40 Unobligated balance available, end of year	12,810	959	500
25.00 Unobligated balance lapsing	317		
39.00 <b>Budget authority</b>	<b>18,516</b>	<b>12,397</b>	<b>19,849</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>	<b>18,516</b>	<b>12,068</b>	<b>19,849</b>
44.10 Supplemental for wage-board pay raises		105	
44.20 Supplemental for civilian pay raises		37	
44.40 Supplemental for retirement contributions (P.L. 99-335)		187	

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	11,456	24,248	20,308
72.40 Obligated balance, start of year	1,719	2,025	1,299
74.40 Obligated balance, end of year	-2,025	-1,299	
77.00 Adjustments in expired accounts	-57		
89.00 Outlays	11,093	24,974	21,607

<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	11,093	24,664	21,588
91.10 Outlays from wage-board pay raise supplemental		99	6
91.20 Outlays from civilian pay raise supplemental		35	2
91.40 Outlays from retirement contribution supplemental		176	11

**Object Classification** (in thousands of dollars)

<b>Personnel compensation:</b>			
11.1 Full-time permanent	4,538	4,791	4,982
11.3 Other than full-time permanent	28	40	40
11.5 Other personnel compensation	988	986	1,069
11.9 Total personnel compensation	5,554	5,817	6,091
12.1 Personnel benefits: Civilian	1,817	2,199	2,937
13.0 Benefits for former personnel	25	300	300
21.0 Travel and transportation of persons	12	1	1
23.2 Rental payments to others		145	245
23.3 Communications, utilities, and miscellaneous charges	18	17	18
25.0 Other services	3,639	15,405	10,155
26.0 Supplies and materials	317	315	331
31.0 Equipment	72	49	230
42.0 Insurance claims and indemnities	2		
99.9 Total obligations	11,456	24,248	20,308

**Personnel Summary**

Total number of full-time permanent positions	202	202	202
Total compensable workyears:			
Full-time equivalent employment	190	196	201
Full-time equivalent of overtime and holiday hours	23	23	24

**CAPITOL GROUNDS**

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House Office Buildings, and the Capitol Power Plant, **[\$3,182,000] \$3,790,000. (5 U.S.C. 5341-44, 5349; 40 U.S.C. 162, 193a; 81 Stat. 275-278; Public Law 91-656; 87 Stat. 825-829; 90 Stat. 1453.)**

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 01-0108-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	2,916	4,561	3,790
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-679	-1,257	
24.40 Unobligated balance available, end of year	1,257		
25.00 Unobligated balance lapsing	115		
39.00 <b>Budget authority</b>	<b>3,609</b>	<b>3,304</b>	<b>3,790</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>	<b>3,609</b>	<b>3,182</b>	<b>3,790</b>
44.10 Supplemental for wage-board pay raises		51	
44.20 Supplemental for civilian pay raises		3	
44.40 Supplemental for retirement contributions (P.L. 99-335)		68	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,916	4,561	3,790
72.40 Obligated balance, start of year	343	380	212
74.40 Obligated balance, end of year	-380	-212	
77.00 Adjustments in expired accounts	-5		
89.00 Outlays	2,874	4,729	4,002

General and special funds—Continued

CAPITOL BUILDINGS AND GROUNDS—Continued

CAPITOL GROUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	01-0108-0-1-801	1986 actual	1987 est.	1988 est.
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals	2,874	4,614	3,995
91.10	Outlays from wage-board pay raise supplemental		48	3
91.20	Outlays from civilian pay raise supplemental		3	
91.40	Outlays from retirement contribution supplemental		64	4

Object Classification (in thousands of dollars)

<b>Personnel compensation:</b>				
11.1	Full-time permanent	1,829	1,976	2,034
11.3	Other than full-time permanent	18	17	17
11.5	Other personnel compensation	285	290	317
11.9	Total personnel compensation	2,132	2,283	2,368
12.1	Personnel benefits: Civilian	266	365	541
21.0	Travel and transportation of persons	1		
25.0	Other services	363	1,755	686
26.0	Supplies and materials	99	108	108
31.0	Equipment	46	50	87
42.0	Insurance claims and indemnities	9		
99.9	Total obligations	2,916	4,561	3,790

Personnel Summary

Total number of full-time permanent positions	84	84	84
Total compensable workyears:			
Full-time equivalent employment	80	85	85
Full-time equivalent of overtime and holiday hours	8	8	8

WEST CENTRAL FRONT OF THE CAPITOL

Program and Financing (in thousands of dollars)

Identification code	01-0109-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	1,157	9,256	10,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-30,413	-29,256	-20,000
24.40	Unobligated balance available, end of year	29,256	20,000	10,000
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	1,157	9,256	10,000
72.40	Obligated balance, start of year	11,509	5,456	
74.40	Obligated balance, end of year	-5,456		
90.00	Outlays	7,210	14,712	10,000

CONGRESSIONAL CEMETERY

Program and Financing (in thousands of dollars)

Identification code	01-0110-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	75	124	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-199	-124	
24.40	Unobligated balance available, end of year	124		
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	75	124	
90.00	Outlays	75	124	

ACQUISITION OF PROPERTY AS AN ADDITION TO THE CAPITOL GROUNDS

Program and Financing (in thousands of dollars)

Identification code	01-0104-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 32.0)	7	33	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-40	-33	
24.40	Unobligated balance available, end of year	33		
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	7	33	
72.40	Obligated balance, start of year	26		
90.00	Outlays	33	33	

SENATE OFFICE BUILDINGS

For all necessary expenses for maintenance, care and operation of the Senate Office Buildings; and furniture and furnishings, to be expended under the control and supervision of the Architect of the Capitol, **[\$25,197,000] \$37,761,000**, of which **[\$5,781,000] \$16,665,000** shall remain available until expended. (5 U.S.C. 5341-44, 5349; 40 U.S.C. 174b-1, 174c; 40 U.S.C. 166b-2, 166b-3; 40 U.S.C. 174j-8, 185a; 85 Stat. 138; 86 Stat. 443; Public Law 91-656; Public Law 94-82; 88 Stat. 206; 89 Stat. 289; 89 Stat. 832-833; 91 Stat. 674.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	01-0123-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	23,165	29,519	37,861
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-9,267	-3,812	-235
24.40	Unobligated balance available, end of year	3,812	235	135
25.00	Unobligated balance lapsing	1,166		
39.00	<b>Budget authority</b>	<b>18,876</b>	<b>25,942</b>	<b>37,761</b>
<b>Budget authority:</b>				
40.00	Appropriation	18,876	25,197	37,761
44.10	Supplemental for wage-board pay raises		259	
44.20	Supplemental for civilian pay raises		30	
44.40	Supplemental for retirement contributions (P.L. 99-335)		456	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	23,165	29,519	37,861
72.40	Obligated balance, start of year	3,587	6,205	958
74.40	Obligated balance, end of year	-6,205	-958	
77.00	Adjustments in expired accounts	-75		
89.00	Outlays	20,472	34,766	38,819
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals	20,472	34,066	38,774
91.10	Outlays from wage-board pay raise supplemental		243	16
91.20	Outlays from civilian pay raise supplemental		28	2
91.40	Outlays from retirement contribution supplemental		429	27

Object Classification (in thousands of dollars)

<b>Personnel compensation:</b>				
11.1	Full-time permanent	11,400	12,340	12,541
11.3	Other than full-time permanent	23	65	65
11.5	Other personnel compensation	1,797	1,824	1,932
11.9	Total personnel compensation	13,220	14,229	14,538
12.1	Personnel benefits: Civilian	1,628	2,281	3,380
23.3	Communications, utilities, and miscellaneous charges	2		
25.0	Other services	6,523	7,610	16,627

26.0	Supplies and materials .....	951	965	999
31.0	Equipment .....	840	4,434	2,317
42.0	Insurance claims and indemnities.....	1		
99.9	Total obligations.....	23,165	29,519	37,861

**Personnel Summary**

Total number of full-time permanent positions.....	578	585	585
Total compensable workyears:			
Full-time equivalent employment .....	540	585	584
Full-time equivalent of overtime and holiday hours .....	43	45	45

**CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING**

**Program and Financing (in thousands of dollars)**

Identification code 01-0122-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	343	946	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,289	-946	
24.40 Unobligated balance available, end of year.....	946		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	343	946	
72.40 Obligated balance, start of year .....	227	321	
74.40 Obligated balance, end of year.....	-321		
90.00 Outlays.....	249	1,267	

**HOUSE OFFICE BUILDINGS**

For all necessary expenses for the maintenance, care and operation of the House Office Buildings, including the position of Superintendent of Garages as authorized by law, [ \$25,227,000 ] \$32,884,000, of which [ \$4,991,000 ] \$8,905,000 shall remain available until expended. (5 U.S.C. 5341-44, 5349; 40 U.S.C. 175, 193a; 45 Stat. 1071; 69 Stat. 41-42; 86 Stat. 222; 40 U.S.C. 166b-3; Public Law 91-656; Public Law 94-82; 87 Stat. 1079; 89 Stat. 12.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 01-0127-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	20,808	29,465	32,884
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-3,340	-3,273	
24.40 Unobligated balance available, end of year.....	3,273		
25.00 Unobligated balance lapsing .....	397		
39.00 <b>Budget authority</b> .....	21,138	26,192	32,884
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	21,138	25,227	32,884
44.10 Supplemental for wage-board pay raises .....		315	
44.20 Supplemental for civilian pay raises .....		39	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		611	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	20,808	29,465	32,884
72.40 Obligated balance, start of year .....	1,700	2,360	1,193
74.40 Obligated balance, end of year .....	-2,360	-1,193	
77.00 Adjustments in expired accounts.....	-115		
89.00 Outlays.....	20,033	30,632	34,077
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	20,033	29,725	34,019
91.10 Outlays from wage-board pay raise supplemental .....		296	19

91.20 Outlays from civilian pay raise supplemental.....	37	2
91.40 Outlays from retirement contribution supplemental .....	574	37

**Object Classification (in thousands of dollars)**

Identification code 01-0127-0-1-801	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	13,618	14,404	15,000
11.3 Other than full-time permanent .....	4	15	15
11.5 Other personnel compensation .....	2,112	2,163	2,394
11.9 Total personnel compensation.....	15,734	16,582	17,409
12.1 Personnel benefits: Civilian.....	1,943	2,906	4,301
13.0 Benefits for former personnel.....	58		
25.0 Other services .....	2,325	9,258	10,423
26.0 Supplies and materials .....	600	588	617
31.0 Equipment .....	146	131	134
42.0 Insurance claims and indemnities.....	2		
99.9 Total obligations.....	20,808	29,465	32,884

**Personnel Summary**

Total number of full-time permanent positions.....	769	769	769
Total compensable workyears:			
Full-time equivalent employment .....	695	711	728
Full-time equivalent of overtime and holiday hours .....	46	46	49

**ACQUISITION OF PROPERTY, CONSTRUCTION, AND EQUIPMENT, ADDITIONAL HOUSE OFFICE BUILDING**

**Program and Financing (in thousands of dollars)**

Identification code 01-0128-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	-7	15	
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Appropriation .....	-8	-15	
21.49 Contract authority.....	-7,446	-7,446	-7,446
Unobligated balance available, end of year:			
24.40 Appropriation .....	15		
24.49 Contract authority.....	7,446	7,446	7,446
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-7	15	
72.40 Obligated balance, start of year .....	71	64	
74.40 Obligated balance, end of year .....	-64		
90.00 Outlays.....		79	

**Status of Unfunded Contract Authority (in thousands of dollars)**

Unfunded balance, start of year.....	7,446	7,446	7,446
Unfunded balance, end of year .....	-7,446	-7,446	-7,446

**INSTALLATION OF SOLAR COLLECTORS IN HOUSE OFFICE BUILDINGS**

**Program and Financing (in thousands of dollars)**

Identification code 01-0129-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	18	30	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-48	-30	
24.40 Unobligated balance available, end of year.....	30		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	18	30	
72.40 Obligated balance, start of year .....	2	17	

General and special funds—Continued

CAPITOL BUILDINGS AND GROUNDS—Continued

INSTALLATION OF SOLAR COLLECTORS IN HOUSE OFFICE BUILDINGS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
01-0129-0-1-801			
74.40	Obligated balance, end of year.....	-17	
90.00	Outlays.....	3	47

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; for lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Congressional Library Buildings, and the grounds about the same, Botanic Garden, Senate garage, and for air conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City Post Office and heating and chilled water for air conditioning for the Supreme Court Building, Union Station complex and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation; **[\$24,567,000] \$26,137,000: Provided,** That not to exceed \$1,950,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year **[1987] 1988.** (5 U.S.C. 5341-44, 5349; 40 U.S.C. 185; 33 Stat. 479; 34 Stat. 36; 42 Stat. 767; 44 Stat. 1262; 45 Stat. 1071; 45 Stat. 1694; 46 Stat. 51, 583; 50 Stat. 10; 52 Stat. 392; 62 Stat. 1029; 63 Stat. 933; 68 Stat. 803; 69 Stat. 41; 95 Stat. 1672; Public Law 91-656; Public Law 95-182.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
01-0133-0-1-801			
<b>Program by activities:</b>			
00.01	Direct program.....	22,062	25,208
01.01	Reimbursable program.....	2,051	1,950
10.00	Total obligations.....	24,113	27,158
<b>Financing:</b>			
Offsetting collections from:			
11.00	Federal funds.....	-1,921	-1,827
14.00	Non-Federal sources.....	-130	-123
21.40	Unobligated balance available, start of year.....	-185	-452
24.40	Unobligated balance available, end of year.....	452	
25.00	Unobligated balance lapsing.....	1,739	
39.00	Budget authority.....	24,068	24,756
<b>Budget authority:</b>			
40.00	Appropriation.....	24,068	24,567
44.10	Supplemental for wage-board pay raises.....		77
44.20	Supplemental for civilian pay raises.....		3
44.40	Supplemental for retirement contributions (P.L. 99-335).....		109
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	22,062	25,208
72.40	Obligated balance, start of year.....	3,597	6,155
74.40	Obligated balance, end of year.....	-6,155	-3,206
77.00	Adjustments in expired accounts.....	-91	
89.00	Outlays.....	19,413	28,157
<b>Outlays:</b>			
90.00	Outlays, excluding pay and retirement supplementals.....	19,413	27,980
91.10	Outlays from wage-board pay raise supplemental.....		72
91.20	Outlays from civilian pay raise supplemental.....		3
91.40	Outlays from retirement contribution supplemental.....		102

Object Classification (in thousands of dollars)

<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1	Full-time permanent.....	2,204	2,406
11.3	Other than full-time permanent.....	14	6
11.5	Other personnel compensation.....	206	212
11.9	Total personnel compensation.....	2,424	2,624
12.1	Personnel benefits: Civilian.....	293	457
21.0	Travel and transportation of persons.....	2	
23.3	Communications, utilities, and miscellaneous charges.....	16,073	17,840
25.0	Other services.....	268	1,084
26.0	Supplies and materials.....	3,002	3,203
99.0	Subtotal, direct obligations.....	22,062	25,208
99.0	Reimbursable obligations.....	2,051	1,950
99.9	Total obligations.....	24,113	27,158

Personnel Summary

<b>Direct:</b>			
	Total number of full-time permanent positions.....	104	104
	Total compensable workyears:		
	Full-time equivalent employment.....	83	85
	Full-time equivalent of overtime and holiday hours.....	3	3
<b>Reimbursable:</b>			
	Total compensable workyears: Full-time equivalent employment.....	15	15

EXPANSION OF FACILITIES, CAPITOL POWER PLANT

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
01-0135-0-1-801			
<b>Program by activities:</b>			
10.00	Total obligations (object class 25.0).....	35	54
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....	-89	-54
24.40	Unobligated balance available, end of year.....	54	
39.00	Budget authority.....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	35	54
72.40	Obligated balance, start of year.....	7	
90.00	Outlays.....	42	54

MODIFICATIONS AND ENLARGEMENT, CAPITOL POWER PLANT

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
01-0136-0-1-801			
<b>Program by activities:</b>			
10.00	Total obligations (object class 25.0).....	363	190
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....	-553	-190
24.40	Unobligated balance available, end of year.....	190	
39.00	Budget authority.....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	363	190
72.40	Obligated balance, start of year.....	277	569
74.40	Obligated balance, end of year.....	-569	
90.00	Outlays.....	71	759

ALTERATIONS AND IMPROVEMENTS, BUILDINGS AND GROUNDS, TO  
PROVIDE FACILITIES FOR THE PHYSICALLY HANDICAPPED

Program and Financing (in thousands of dollars)

Identification code 01-0106-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	28	393	300
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,184	-1,156	-763
24.40 Unobligated balance available, end of year	1,156	763	463
<b>39.00 Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	28	393	300
72.40 Obligated balance, start of year	73	68	
74.40 Obligated balance, end of year	-68		
90.00 Outlays	33	461	300

LIBRARY BUILDINGS AND GROUNDS  
STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, **[\$6,080,000]** \$7,618,000, of which **[\$265,000]** \$1,015,000 shall remain available until expended. (2 U.S.C. 141; 46 Stat. 583; Public Law 91-656; 5 U.S.C. 5341-44, 5349; 79 Stat. 987.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5208, Legislative Branch Appropriations Act, 1987.)

Program and Financing (in thousands of dollars)

Identification code 01-0155-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	32,168	16,814	30,084
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-79,264	-52,532	-42,018
24.40 Unobligated balance available, end of year	52,532	42,018	19,552
25.00 Unobligated balance lapsing	100		
<b>39.00 Budget authority</b>			
<b>Budget authority:</b>			
40.00 Appropriation	5,536	6,080	7,618
44.10 Supplemental for wage-board pay raises		86	
44.20 Supplemental for civilian pay raises		4	
44.40 Supplemental for retirement contributions (P.L. 99-335)		130	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	32,168	16,814	30,084
72.40 Obligated balance, start of year	1,717	25,916	455
74.40 Obligated balance, end of year	-25,916	-455	
77.00 Adjustments in expired accounts	-13		
89.00 Outlays	7,956	42,275	30,539
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals	7,956	42,068	30,526
91.10 Outlays from wage-board pay raise supplemental		81	5
91.20 Outlays from civilian pay raise supplemental		4	
91.40 Outlays from retirement contribution supplemental		122	8

Object Classification (in thousands of dollars)

<b>Personnel compensation:</b>			
11.1 Full-time permanent	3,375	3,593	3,686
11.5 Other personnel compensation	699	788	789
11.9 Total personnel compensation	4,074	4,381	4,475
12.1 Personnel benefits: Civilian	461	644	970
24.0 Printing and reproduction	1		
25.0 Other services	27,144	11,331	24,158
26.0 Supplies and materials	393	357	375
31.0 Equipment	77	81	86

32.0 Lands and structures	18	20	20
99.9 Total obligations	32,168	16,814	30,084

Personnel Summary

Total number of full-time permanent positions	133	133	133
Total compensable workyears:			
Full-time equivalent employment	124	131	132
Full-time equivalent of overtime and holiday hours	15	17	16

LIBRARY OF CONGRESS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including development and maintenance of the Union Catalogs; custody, care and maintenance of the Library Buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center [and the American Television and Radio Archives] in the Library; preparation and distribution of catalog cards and other publications of the Library; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, **[\$137,039,000]** \$158,159,000, of which not more than **[\$4,700,000]** \$5,000,000 shall be derived from collections credited to this appropriation during fiscal year [1987] 1988 under the Act of June 28, 1902, as amended (2 U.S.C. 150): *Provided*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the **[\$4,700,000]** \$5,000,000: *Provided further*, That, of the total amount appropriated, **[\$4,516,000]** \$5,372,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other materials including subscriptions for bibliographic services for the Library, including \$40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections. (2 U.S.C. 131-177; 5 U.S.C. 5102, 5108, 5305, 5318, 7901-7903; 17 U.S.C. 201-205; 20 U.S.C. 91, 2101-2107; 28 U.S.C. 2672; 44 U.S.C. 1718, 1719.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 03-0101-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Purchase of books and library materials	4,580	4,565	5,372
00.02 Preparation of books and library materials for use	42,423	46,910	51,138
<b>Cataloging distribution service:</b>			
00.03 Catalog services for the Library of Congress	2,997	3,749	3,889
00.04 Sale of catalog services to other institutions	4,958	4,689	4,949
00.05 Research and reader services	29,051	28,089	30,664
00.06 Preservation of library materials	3,331	6,163	7,013
00.07 Automated systems support	17,189	16,840	21,662
00.08 Optical disk program	505	600	2,155
00.09 Central support services	26,322	28,944	30,404
00.10 American Folklife Center	822	867	913
00.11 Deacidification facility	4	2,400	6,000
00.91 Total direct program	132,182	143,816	164,159
01.01 Reimbursable program	34,813	38,000	41,000
10.00 Total obligations	166,995	181,816	205,159
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds	-34,985	-38,172	-41,172
14.00 Non-Federal sources	-3,950	-4,528	-4,828
17.00 Recovery of prior year obligations	-2,129		
21.40 Unobligated balance available, start of year	-8,955	-11,090	-8,641
24.40 Unobligated balance available, end of year	11,090	8,641	2,641

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	03-0101-0-1-503	1986 actual	1987 est.	1988 est.
25.00	Unobligated balance lapsing.....	797		
39.00	<b>Budget authority</b> .....	<b>128,863</b>	<b>136,667</b>	<b>153,159</b>
	Budget authority:			
40.00	Appropriation.....	128,863	132,339	153,159
44.10	Supplemental for wage-board pay raises.....		109	
44.20	Supplemental for civilian pay raises.....		2,313	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		1,906	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	128,060	139,116	159,159
72.40	Obligated balance, start of year.....	27,491	25,742	32,727
74.40	Obligated balance, end of year.....	-25,742	-32,727	-36,929
77.00	Adjustments in expired accounts.....	-933		
78.00	Adjustments in unexpired accounts.....	-2,129		
89.00	<b>Outlays</b> .....	<b>126,747</b>	<b>132,131</b>	<b>154,957</b>
	Outlays:			
90.00	Outlays, excluding pay and retirement supplementals.....	126,747	128,019	154,741
91.10	Outlays from wage-board pay raise supplemental.....		104	5
91.20	Outlays from civilian pay raise supplemental.....		2,197	116
91.40	Outlays from retirement contribution supplemental.....		1,811	95

Personal services and necessary expenses to provide support for the basic operations of the Library are financed from this appropriation.

*Purchase of books and library materials.*—The Library's collections are acquired through purchase, gift, exchange, copyright deposit, and official deposit. This includes materials in all subjects, except clinical medicine and technical agriculture, for the general collections of the Library and domestic and foreign legal materials for the law library.

*Preparation of books and library materials for use.*—Library materials are cataloged for use and are classified for systematic arrangement on the shelves of the collection. Cataloging data is converted to machine-readable form for use by the Library of Congress, other libraries, and cataloging service agencies. The Network Development and MARC Standards Office plans and coordinates the exchange of bibliographic information among major library cooperatives and research facilities.

*Cataloging distribution service.*—The cataloging distribution service makes available copies of the Library's printed catalog cards, cataloging data in machine-readable form, book catalogs, technical publications, and select bibliographies from the automated data bases.

*Research and reader services.*—Books and other library materials are provided to readers inside and outside the Library, reference, referral and bibliographic assistance is rendered, and custody of the collections is maintained.

*Preservation of library materials.*—Library materials are preserved in their original format by being bound or rebound, or by a variety of conservation techniques. Materials are also preserved by converting them to a more durable form through such means as microfilming, by conversion of nitrate film to safety base film, and by the conversion of deteriorating sound recordings to polyester tape. Scientific research on the preservation of library materials is undertaken.

*Automated systems support.*—Central computer support to all operations of the Library is provided by the Automated Systems Office. This support consists of systems analysis, programming, and operation of central computers, minicomputers and data communication services.

*Optical disk program.*—In 1982 the Library began research in the use of optical disks for image preservation and retrieval with a view to using this advanced technology for the preservation and management of its collections. The program has two aspects: print or textual materials stored on digital optical disks and pictorial materials stored on analog optical disks (videodisks). The Library is actively studying the results gained from the pilot program. It hopes to phase in the new technology in all appropriate activities throughout the organization.

*Central support services.*—This activity supports the executive staff of the Office of the Librarian; exhibit, information, and publication activities; personnel, budget and finance, procurement, buildings management, and other centralized services. It also includes rental of space off Capitol Hill.

*American Folklife Center.*—Public Law 94-201 established the American Folklife Center in the Library of Congress "to preserve and present American folklife" through field documentation, consultancies, research, publishing, exhibition and dissemination of information.

*Deacidification facility.*—Public Law 98-427 authorized the Library of Congress to construct a deacidification facility for the operation of the diethyl zinc preservation process. The funding for this project was provided under Public Law 98-396. The funds are to remain available until expended.

Object Classification (in thousands of dollars)

Identification code	03-0101-0-1-503	1986 actual	1987 est.	1988 est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent.....	83,978	92,311	95,851
11.3	Other than full-time permanent.....	2,529	2,210	2,699
11.5	Other personnel compensation.....	1,587	851	874
11.8	Special personal services payments.....	16	9	9
11.9	Total personnel compensation.....	88,110	95,381	99,433
12.1	Personnel benefits: Civilian.....	10,152	13,446	19,889
13.0	Benefits for former personnel.....	298	135	136
21.0	Travel and transportation of persons.....	357	435	508
22.0	Transportation of things.....	265	219	250
23.1	Standard level user charges.....	2,841	2,820	2,245
23.3	Communications, utilities, and miscellaneous charges.....	8,230	9,479	11,198
24.0	Printing and reproduction.....	4,322	4,138	4,561
25.0	Other services.....	7,528	9,063	13,570
26.0	Supplies and materials.....	2,156	2,069	2,383
31.0	Equipment.....	7,922	6,629	9,984
42.0	Insurance claims and indemnities.....	1	2	2
99.0	Subtotal, direct obligations.....	132,182	143,816	164,159
99.0	Reimbursable obligations.....	34,813	38,000	41,000
99.9	Total obligations.....	166,995	181,816	205,159

Personnel Summary

Total number of full-time permanent positions.....	3,268	3,283	3,372
Total compensable workyears:			
Full-time equivalent employment.....	3,017	3,162	3,260
Full-time equivalent of overtime and holiday hours.....	35	14	14

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, **[\$17,302,000] \$19,788,000**, of which not more than **[\$6,500,000] \$7,000,000** shall be derived from collections credited to this appropriation during fiscal year **[1987] 1988** under 17 U.S.C. 708(c), and not more than **[\$927,000] \$994,000** shall be derived from collections during fiscal year **[1987] 1988** under 17 U.S.C. 111(d)(3) and 116(c)(1): *Provided*, That the total amount available for obligation shall be reduced by the amount by which collections are less than the **[\$7,427,000] \$7,994,000**. (17 U.S.C. 101-710; 5 U.S.C. 5108, 5305; 2 U.S.C. 169.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 03-0102-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Receiving and accounting for applications, fees, and correspondence.....	3,124	3,291	3,639
00.02 Examining copyright applications.....	5,468	5,760	6,370
00.03 Indexing and cataloging materials received.....	3,444	3,628	4,012
00.04 Reference service.....	2,110	2,223	2,457
00.05 Publishing the catalog of copyright entries and bulletins of decisions.....	11	5	5
00.06 General supervision and legal services.....	1,984	2,090	2,311
00.07 Licensing division.....	733	956	994
10.00 Total obligations.....	16,874	17,953	19,788
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-758	-964	-1,002
14.00 Non-Federal sources.....	-5,734	-6,492	-6,992
25.00 Unobligated balance lapsing.....	31		
39.00 Budget authority.....	10,413	10,497	11,794
<b>Budget authority:</b>			
40.00 Appropriation.....	10,413	9,875	11,794
44.20 Supplemental for civilian pay raises.....		347	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		275	
<b>Relations of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	10,382	10,497	11,794
72.40 Obligated balance, start of year.....	1,232	1,172	1,257
74.40 Obligated balance, end of year.....	-1,172	-1,257	-1,385
77.00 Adjustments in expired accounts.....	47		
89.00 Outlays.....	10,488	10,413	11,666
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	10,488	9,821	11,635
91.20 Outlays from civilian pay raise supplemental.....		330	17
91.40 Outlays from retirement contribution supplemental.....		261	14

The Copyright Office is responsible for registering and recording copyright claims, assignments, and renewals, for supplying copyright information to the public, for collecting and accounting for copyright fees, and for publishing complete and indexed catalogs for each class of copyright entries. The Office is conducted for the most part on a self-sustaining basis. The amount requested is substantially counterbalanced by fees received for services rendered and the value of books and other library materials deposited in accordance with the Copyright Act and transferred to the Library of Congress. The income and obligations for 1986, and estimates for 1987 and 1988 are as follows:

	1986 actual	1987 est.	1988 est.
<b>Income:</b>			
Gross receipts.....	7,505,851	7,456,000	7,994,000
Estimated value of materials deposited and transferred to the Library of Congress.....	6,959,568	7,200,000	7,400,000

Total income.....	14,465,419	14,656,000	15,394,000
Obligations.....	16,874,000	17,953,000	19,788,000

The effort described under each of the activities are predicated on an estimated 590,000 copyright registrations during 1988, an estimated 575,000 during 1987, and registrations of 561,208 during 1986.

*Receiving and accounting for applications, fees, and correspondence.*—Materials received by the Copyright Office are assembled and routed; accounts are maintained for all moneys received; records relating to the registration of copyrights are filed; and materials are deposited in accordance with the Copyright Act.

*Examining copyright applications.*—All applications and deposits are examined before issuance of registration certificates or recordings of documents to determine whether the provisions of the Copyright Act have been satisfied.

*Indexing and cataloging materials received.*—The Register of Copyrights is required to publish complete and indexed catalogs of all items registered. The catalog entries prepared by the Copyright Office are made available to the public and the Library. It is estimated that for 1988 the number of items to be cataloged will be 590,000.

*Reference service.*—The Copyright Office makes information available to the public concerning the provisions of the Copyright Act, including procedures, policies, and rulings. Information concerning registrations is furnished on a fee basis.

*Publishing the catalog of copyright entries and bulletins of decisions.*—Catalogs for each class of copyright entries and bulletins of copyright decisions are published and made available to the public.

*General supervision and legal services.*—The work of the Copyright Office includes legal supervision and research into the present copyright law and international copyright relations. It also involves a study of improvement of the domestic law and our international copyright relations.

*Licensing Division.*—The Licensing Division performs the responsibilities connected with the licensing activities of cable television stations and the licensing of jukeboxes.

Object Classification (in thousands of dollars)

Identification code 03-0102-0-1-376	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	13,567	14,098	14,863
11.5 Other personnel compensation.....	71	60	60
11.8 Special personal services payments.....		2	2
11.9 Total personnel compensation.....	13,638	14,160	14,925
12.1 Personnel benefits: Civilian.....	1,585	1,985	3,032
13.0 Benefits for former personnel.....	16	20	20
21.0 Travel and transportation of persons.....	32	49	55
22.0 Transportation of things.....	3		
23.3 Communications, utilities, and miscellaneous charges.....	1,159	1,186	1,206
24.0 Printing and reproduction.....	191	249	259
25.0 Other services.....	43	37	48
26.0 Supplies and materials.....	125	98	102
31.0 Equipment.....	82	169	141
99.9 Total obligations.....	16,874	17,953	19,788

General and special funds—Continued

COPYRIGHT OFFICE—Continued

SALARIES AND EXPENSES—Continued

Personnel Summary

Total number of full-time permanent positions.....	561	561	564
Total compensable workyears:			
Full-time equivalent employment .....	530	523	546
Full-time equivalent of overtime and holiday hours .....	2	2	2

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, **[\$39,602,000]** *\$47,251,000*. *Provided*, That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration: *Provided further*, That, notwithstanding any other provisions of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code. (2 U.S.C. 166, 168-168d, 169; 5 U.S.C. 5108, 5305, 5318.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 03-0127-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Policy analysis and research.....	23,108	25,511	29,343
00.02 Documentation and status of legislation.....	2,199	2,424	2,788
00.03 Information and reference service.....	10,175	11,297	12,994
00.04 Executive direction and support.....	1,789	1,849	2,126
00.91 Total direct program .....	37,271	41,081	47,251
01.01 Reimbursable program.....	17	20	20
10.00 Total obligations.....	37,288	41,101	47,271
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-17	-20	-20
25.00 Unobligated balance lapsing.....	17		
39.00 Budget authority.....	37,288	41,081	47,251
<b>Budget authority:</b>			
40.00 Appropriation.....	37,288	39,602	47,251
44.20 Supplemental for civilian pay raises.....		862	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		617	
<b>Relations of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	37,271	41,081	47,251
72.40 Obligated balance, start of year.....	4,334	3,510	4,110
74.40 Obligated balance, end of year.....	-3,510	-4,110	-4,727
77.00 Adjustments in expired accounts.....	-140		
89.00 Outlays.....	37,955	40,481	46,634
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	37,955	39,076	46,560
91.20 Outlays from civilian pay raise supplemental.....		819	43
91.40 Outlays from retirement contribution supplemental.....		586	31

**Policy analysis and research.**—The Congressional Research Service provides objective, nonpartisan analytical and consultative services to the Members and committees of Congress, assisting them in the analysis, ap-

praisal, and evaluation of any subject matter of legislative concern, including recommendations submitted to the Congress by the Executive Branch. Research services are also provided to assist Congress with its oversight, representative, and other responsibilities. Support takes the form of background studies, in-depth policy analyses, consultations, briefings, legal research, continuous liaison with committees, assistance with committee hearings, public policy seminars for Members and congressional staff, and related data and materials. In order to respond most effectively to the broad range of congressional inquiries, the Service supplements individually tailored products with Issue Briefs, Reports, Committee Prints, and "Info Packs", which are collections of both CRS products and carefully selected materials from outside sources that provide background material on issues of very high congressional interest. Lists of subjects and policy areas that a committee might profitably pursue are periodically made available to each congressional committee. As provided by statute, the Service prepares decennially the Constitution of the United States—Analysis and Interpretation, and supplements at 2-year intervals, prepares compendiums for the annual national high school and college debate topics, and provides assistance to the Congressional Budget Office, the Office of Technology Assessment, and the General Accounting Office.

**Documentation and status of legislation.**—The Service prepares and publishes for distribution to the Congress the Digest of Public General Bills and Resolutions, including summaries of all public bills and resolutions introduced in Congress, the status of bills receiving action, and various pertinent indexes. Upon request, the Service prepares legislative history memorandums on bills for which hearings have been announced, and compiles and makes available to each committee reports on legislatively authorized programs and activities within that committee's jurisdiction that are scheduled to terminate during the current Congress.

**Information and reference service.**—The Congressional Research Service provides extensive information and reference assistance to Members and committees. Reference files containing clippings, pamphlets, and documents and automated information services are maintained for rapid information retrieval. Lists of selected reports, prepared by CRS staff on legislative issues, are regularly distributed to congressional offices. To provide faster responses and in-person services, the Service also maintains reference centers in congressional office buildings and the Congressional Reading Rooms in the Madison and Jefferson Buildings of the Library of Congress.

**Executive direction and support.**—Providing overall supervision and administrative support to the entire Congressional Research Service is the responsibility of the Office of the Director and the administrative personnel.

Object Classification (in thousands of dollars)

Identification code 03-0127-0-1-801	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	29,354	31,602	34,161

11.3	Other than full-time permanent.....	508	485	683
11.5	Other personnel compensation.....	13	51	101
11.9	Total personnel compensation.....	29,875	32,138	34,945
12.1	Personnel benefits: Civilian.....	3,245	4,371	6,903
13.0	Benefits for former personnel.....	36	40	40
21.0	Travel and transportation of persons.....	42	49	95
22.0	Transportation of things.....	1		
23.3	Communications, utilities, and miscellaneous charges.....	1,007	1,403	1,588
24.0	Printing and reproduction.....	439	826	856
25.0	Other services.....	1,165	1,289	1,510
26.0	Supplies and materials.....	337	293	402
31.0	Equipment.....	1,124	672	912
99.0	Subtotal, direct obligations.....	37,271	41,081	47,251
99.0	Reimbursable obligations.....	17	20	20
99.9	Total obligations.....	37,288	41,101	47,271

**Personnel Summary**

Total number of full-time permanent positions.....	860	860	860
Total compensable workyears:			
Full-time equivalent employment.....	781	802	861
Full-time equivalent of overtime and holiday hours.....		1	3

**BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED  
SALARIES AND EXPENSES**

For salaries and expenses to carry out the provisions of the Act approved March 3, 1931, as amended (2 U.S.C. 135a), **[\$35,996,000]** **\$38,046,000.** (2 U.S.C. 135a, 135a-1, 135b, 169; 5 U.S.C. 5108, 5305.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 03-0141-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct service to users.....	27,177	29,455	30,320
00.02 Support services.....	5,070	6,743	7,726
10.00 Total obligations.....	32,247	36,198	38,046
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	62		
39.00 Budget authority.....	32,309	36,198	38,046
Budget authority:			
40.00 Appropriation.....	32,309	35,996	38,046
44.10 Supplemental for wage-board pay raises.....		2	
44.20 Supplemental for civilian pay raises.....		97	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		103	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	32,247	36,198	38,046
72.40 Obligated balance, start of year.....	41,133	36,568	39,817
74.40 Obligated balance, end of year.....	-36,568	-39,817	-41,851
77.00 Adjustments in expired accounts.....	-1,352		
89.00 Outlays.....	35,460	32,949	36,012
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals.....	35,460	32,757	36,002
91.10 Outlays from wage-board pay raise supplemental.....		2	
91.20 Outlays from civilian pay raise supplemental.....		92	5
91.40 Outlays from retirement contribution supplemental.....		98	5

The National Library Service for the Blind and Physically Handicapped (NLS) is responsible for administering a national program to provide reading material for blind and physically handicapped residents of the United States and its outlying areas and for U.S. citizens residing abroad.

**Direct service to users.**—During the past 5-year period, 1982-86, the blind and physically handicapped readership throughout the country has grown from over

635,000 to over 664,000 and circulation from approximately 17,795,000 units (volumes and containers) to over 20,200,000.

**Support services.**—A variety of professional, technical, and clerical functions are performed by NLS's staff. A combined total of over 25,000 requests for interlibrary loan searches or information concerning library and related services available to the blind and to other physically handicapped persons were received in 1986, and approximately 2,500 copyright permissions were granted.

**Object Classification (in thousands of dollars)**

Identification code 03-0141-0-1-503	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,904	3,342	3,424
11.3 Other than full-time permanent.....	417	484	488
11.5 Other personnel compensation.....	12	34	35
11.9 Total personnel compensation.....	3,333	3,860	3,947
12.1 Personnel benefits: Civilian.....	389	544	760
13.0 Benefits for former personnel.....	15	10	10
21.0 Travel and transportation of persons.....	96	100	112
22.0 Transportation of things.....	29	30	30
23.1 Rental payment to GSA.....		650	1,417
23.3 Communications, utilities, and miscellaneous charges.....	204	227	228
24.0 Printing and reproduction.....	1,080	1,174	1,174
25.0 Other services.....	2,488	2,676	2,775
26.0 Supplies and materials.....	1,246	849	1,149
31.0 Equipment.....	23,367	26,078	26,444
99.9 Total obligations.....	32,247	36,198	38,046

**Personnel Summary**

Total number of full-time permanent positions.....	117	119	119
Total compensable workyears:			
Full-time equivalent employment.....	120	132	133
Full-time equivalent of overtime and holiday hours.....	1	1	1

**[COLLECTION AND DISTRIBUTION OF LIBRARY MATERIALS]  
[(SPECIAL FOREIGN CURRENCY PROGRAM)]**

**[For necessary expenses for carrying out the provisions of section 104(b)(5) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), to remain available until expended, \$390,000, of which \$293,000 shall be available only for payments in any foreign currencies owed to or owned by the United States which the Treasury Department shall determine to be excess to the normal requirements of the United States.]** (2 U.S.C. 143a, 169; 5 U.S.C. 5305.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 03-0144-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Acquisition of books and other library materials:			
00.01 Pakistan.....	953	465	
00.02 Burma.....	3	12	
00.03 Program support (U.S. dollars).....	96	495	
10.00 Total obligations.....	1,052	972	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-838	-582	
24.40 Unobligated balance available, end of year.....	582		
40.00 Budget authority (appropriation).....	796	390	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,052	972	
72.40 Obligated balance, start of year.....	1,721	402	369

General and special funds—Continued

[(SPECIAL FOREIGN CURRENCY PROGRAM)]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
03-0144-0-1-503			
74.40	Obligated balance, end of year.....	-402	-369
90.00	Outlays.....	2,372	1,005
		369	

The Librarian of Congress has been able to use foreign currencies for the collection of foreign library material and the distribution of copies thereof to libraries and research centers in the United States. In 1988, the Department of State anticipates the end of foreign currencies to support this program in Pakistan. It is requested that operations in Pakistan be continued under the Salaries and Expenses, Library of Congress appropriation.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
03-0144-0-1-503			
Personnel compensation:			
11.1	Full-time permanent.....	50	78
11.3	Other than full-time permanent.....	159	10
11.5	Other personnel compensation.....	14	24
11.9	Total personnel compensation.....	223	112
12.1	Personnel benefits: Civilian.....	19	23
13.0	Benefits for former personnel.....	23	87
21.0	Travel and transportation of persons.....	55	44
22.0	Transportation of things.....	52	45
23.3	Communications, utilities, and miscellaneous charges.....	40	15
24.0	Printing and reproduction.....	51	87
25.0	Other services.....	414	98
26.0	Supplies and materials.....	18	66
31.0	Equipment (books and library materials).....	157	395
99.9	Total obligations.....	1,052	972

Personnel Summary

Total number of full-time permanent positions.....	1	1
Total compensable workyears: Full-time equivalent employment.....	1	1

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase and repair of furniture, furnishings, office and library equipment, [\$5,070,000] \$8,121,000, of which [\$3,425,000] \$5,781,000 shall be available until expended only for the purchase and supply of furniture, shelving, furnishings, and related costs necessary for the renovation and restoration of the Thomas Jefferson and John Adams Library Buildings. (2 U.S.C. 141, 169.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
03-0146-0-1-503			
Program by activities:			
Direct program:			
Regular furniture and furnishings:			
00.01	Repair and replacement furniture and furnishings....	843	1,167
00.02	New furniture and furnishings.....		478
00.03	Jefferson and Adams Buildings, furniture and furnishings.....		3,425
			5,781
00.91	Total direct program.....	843	5,070
01.01	Reimbursable program.....	97	75
			8,121
10.00	Total obligations.....	940	5,145
			8,196

Identification code	1986 actual	1987 est.	1988 est.
03-0146-0-1-503			
Financing:			
11.00	Offsetting collections from: Federal funds.....	-97	-75
25.00	Unobligated balance lapsing.....	10	
40.00	Budget authority (appropriation).....	853	5,070
			8,121
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	843	5,070
72.40	Obligated balance, start of year.....	1,057	355
74.40	Obligated balance, end of year.....	-355	-3,802
77.00	Adjustments in expired accounts.....	6	
90.00	Outlays.....	1,551	1,623
			5,832

This activity provides for the purchase and repair of furniture, furnishings, and equipment to support Library operations.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
03-0146-0-1-503			
Direct obligations:			
11.3	Personnel compensation: Other than full-time permanent.....	200	208
12.1	Personnel benefits: Civilian.....	21	21
Equipment:			
31.0	Partitions.....	39	75
31.0	Annual furniture and equipment.....	75	393
31.0	Nonrecurring equipment.....	389	700
31.0	Furniture and equipment for overseas offices.....	18	54
31.0	Typewriters.....	101	144
31.0	Furnishings in Jefferson and Adams Buildings.....		3,425
31.0	Replacement carpet.....		50
			75
99.0	Subtotal, direct obligations.....	843	5,070
99.0	Reimbursable obligations.....	97	75
99.9	Total obligations.....	940	5,145
			8,196

Personnel Summary

Total number of full-time permanent positions.....		
Total compensable workyears: Full-time equivalent employment.....	6	6

PAYMENTS TO COPYRIGHT OWNERS

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
03-5175-0-2-376			
Program by activities:			
00.01	Recovery of Tribunal costs.....	363	507
00.02	Recovery of licensing costs.....	750	956
00.03	Payments to copyright owners.....	111,322	213,037
			123,888
10.00	Total obligations.....	112,435	214,500
			125,600
Financing:			
Unobligated balance, start of year:			
21.40	Treasury balance.....	-202	-667
21.40	U.S. securities (par).....	-202,270	-188,063
Unobligated balance, end of year:			
24.40	Treasury balance.....	667	500
24.40	U.S. securities (par).....	188,063	61,730
60.00	Budget authority (permanent, indefinite, special fund).....	98,693	88,000
			124,000
Relationship of obligations to outlays:			
71.00	Obligations incurred, net.....	112,435	214,500
90.00	Outlays.....	112,435	214,500
			125,600

The receipts from cable television stations and jukebox licenses are disbursed to the copyright owners through this appropriation after the deduction of administrative costs for the Copyright Royalty Tribunal and for the Copyright Office Licensing Division. Dis-

bursements are made in accordance with the schedule established in Public Law 94-553.

**Object Classification** (in thousands of dollars)

Identification code	03-5175-0-2-376	1986 actual	1987 est.	1988 est.
25.0	Other services .....	1,113	1,463	1,712
41.0	Grants, subsidies, and contributions .....	111,322	213,037	123,888
99.9	<b>Total obligations</b> .....	112,435	214,500	125,600

**OLIVER WENDELL HOLMES DEVISE FUND**

**Program and Financing** (in thousands of dollars)

Identification code	03-5075-0-2-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	12	7	6
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: Treasury balance .....	-82	-78	-77
24.40	Unobligated balance available, end of year: Treasury balance .....	78	77	78
60.00	<b>Budget authority (appropriation)</b> (permanent) (indefinite) (special fund) .....	7	6	7
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	12	7	6
90.00	Outlays .....	12	7	6

The Oliver Wendell Holmes devise fund and the permanent committee for the Oliver Wendell Holmes devise to administer it were created by an act of Congress, approved August 5, 1955 (69 Stat. 533).

The current program is devoted primarily to the preparation of a History of the Supreme Court of the United States, of which the first two volumes were published by the Macmillan Co. in 1972. The third, fourth and fifth volumes were published in August 1974, September 1981 and August 1985, respectively. Additional volumes are nearing completion.

**Trust Funds**

**GIFT AND TRUST FUND ACCOUNTS**

**Program and Financing** (in thousands of dollars)

Identification code	03-9971-0-7-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Acquisition of library materials .....	619	1,055	965
00.02	Reader and reference services .....	5,254	7,007	6,178
00.03	Organization and control of the collections .....	440	584	536
00.04	Public programs .....	988	1,211	826
10.00	<b>Total obligations</b> .....	7,301	9,857	8,505
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-11,020	-11,873	-10,214
21.40	U.S. securities (par) .....	-1,340	-1,340	-1,340
Unobligated balance available, end of year:				
24.40	Treasury balance .....	11,873	10,214	9,907
24.40	U.S. securities (par) .....	1,340	1,340	1,340
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite) .....	8,154	8,198	8,198
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	7,301	9,857	8,505
72.40	Obligated balance, start of year .....	958	944	1,241
74.40	Obligated balance, end of year .....	-944	-1,241	-1,124

90.00	Outlays .....	7,315	9,560	8,622
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**Distribution of budget authority by account:**

Payment of interest on bequest of Gertrude M. Hubbard .....	1	2	2
Interest on Treasury investment account .....	147	112	113
Library of Congress trust fund income from investment account .....	368	580	587
Library of Congress gift fund .....	2,482	2,282	2,202
Service fees .....	5,156	5,248	5,294

**Distribution of outlays by account:**

Payment of interest on bequest of Gertrude M. Hubbard .....		5	
Interest on Treasury investment account .....	77	137	148
Library of Congress trust fund income from investment account .....	703	700	611
Library of Congress gift fund .....	2,177	2,615	2,332
Service fees .....	4,358	6,103	5,531

This schedule covers (1) funds received as gifts for immediate expenditure, and receipts from the sale of recordings, publications, photoduplication and other materials financed from capital originally received as gifts, (2) income from investments held by or for the Library of Congress Trust Fund Board, and (3) interest paid by the Treasury on the principal funds deposited therewith as described under "Library of Congress Trust Fund, Principal Accounts."

**Acquisition of library materials.**—This includes the procurement of manuscripts, maps, fine prints, rare books and other library materials for the Library of Congress, and the acquisition and distribution of Government documents for the Library of Congress and cooperating libraries. It also includes the acquisition of foreign research materials for participating libraries through the Library's overseas offices.

**Reader and reference services.**—These services include the preparation of bibliographies, indexes, digests, and checklists; surveys of bibliographic services; and providing photostats, photographs, microfilm, and other forms of photoduplication, to other Government agencies, libraries and other institutions, and to the general public.

**Organization and control of the collections.**—In 1986 this included the ongoing updating of the Dewey Decimal Classification System, and a consultant's assistance in refining and testing network interconnections to facilitate the exchange of bibliographic information.

**Public programs.**—The Library sponsors lectures; poetry readings; musical concerts; the furtherance of musical research, composition, performance and appreciation; and the preparation of sound recordings of music and literature. This program also covers the distribution of recordings of the Library's literary programs and concerts to radio stations for public service broadcasts.

**Object Classification** (in thousands of dollars)

Identification code	03-9971-0-7-503	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	2,869	3,390	3,428
11.3	Other than full-time permanent .....		47	47
11.5	Other personnel compensation .....	119	127	110
11.8	Special personal services payments .....	7	10	10
11.9	<b>Total personnel compensation</b> .....	2,995	3,574	3,595
12.1	Personnel benefits: Civilian .....	369	442	444
13.0	Benefits for former personnel .....	17	18	18
21.0	Travel and transportation of persons .....	75	160	134
22.0	Transportation of things .....	58	66	67
23.3	Communications, utilities, and miscellaneous charges .....	397	424	424

GIFT AND TRUST FUND ACCOUNTS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 03-9971-0-7-503	1986 actual	1987 est.	1988 est.
24.0 Printing and reproduction.....	307	395	318
25.0 Other services.....	1,502	2,651	1,591
26.0 Supplies and materials.....	879	1,051	1,076
31.0 Equipment.....	600	916	765
41.0 Grants, subsidies, and contributions.....	51	116	35
44.0 Refunds.....	51	44	38
99.9 Total obligations.....	7,301	9,857	8,505

Personnel Summary

Total number of full-time permanent positions.....	129	129	129
Total compensable workyears:			
Full-time equivalent employment.....	129	129	129
Full-time equivalent of overtime and holiday hours.....	3	3	3

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount not to exceed **[\$101,390]** \$135,665, of which **[\$23,900]** \$47,000 is for the Congressional Research Service, when specifically authorized by the Librarian, for expenses of attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15; and

(2) grants the manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term "manager or supervisor" means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of 31 U.S.C. 1535 and 1536 shall not be used to employ more than 65 employees.

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

GOVERNMENT PRINTING OFFICE

Federal Funds

General and special funds:

【PRINTING AND BINDING】

【For printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, \$10,700,000: *Provided*, That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture): *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.】

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 04-0202-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 24.0).....	11,058	10,700	.....

<b>Financing:</b>			
40.00 Budget authority (appropriation).....	11,058	10,700	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	11,058	10,700	.....
72.40 Obligated balance, start of year.....	4,752	2,428	2,506
74.40 Obligated balance, end of year.....	-2,428	-2,506	.....
77.00 Adjustments in expired accounts.....	-847	.....	.....
90.00 Outlays.....	12,535	10,622	2,506

This appropriation covers all authorized printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipients. For 1988, funding for this activity has been included in the estimates for the Congressional Printing and Binding Appropriation.

CONGRESSIONAL PRINTING AND BINDING

For authorized printing and binding for the Congress; for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); **and** printing and binding of Government publications authorized by law to be distributed to Members of Congress **and**; *and for printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, [\$62,000,000] \$72,700,000: Provided*, That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture) nor for copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further*, That, to the extent that funds remain from the unexpended balance of fiscal year 1984 and fiscal year 1985 funds obligated for the printing and binding costs of publications produced for the Bicentennial of the Congress, such remaining funds shall be available for the current year printing and binding cost of publications produced for the Bicentennial: *Provided further*, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years. (1 U.S.C. 205, 208, 211, 212; 44 U.S.C. 501, 701, 702, 703, 704, 706, 708, 709, 711-13, 715-17, 719-21, 723, 724, 727, 728, 733-35, 737, 901, 902, 906, 907, 1107, 1301, 1703, 1713, 1714, 1717, 1718, 1908.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 04-0203-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 24.0).....	66,421	62,000	72,700
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	66,421	62,000	72,700
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	66,421	62,000	72,700
72.40 Obligated balance, start of year.....	51,223	31,455	33,046
74.40 Obligated balance, end of year.....	-31,455	-33,046	-36,098
77.00 Adjustments in expired accounts.....	-20,667	.....	.....
90.00 Outlays.....	65,522	60,409	69,648

This appropriation covers all authorized printing and binding for the Congress and the Architect of the Capitol and for printing and binding of Government publications authorized by law to be distributed to Members of Congress. Also, the 1988 estimate includes funding for printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipients.

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

For necessary expenses of the Office of Superintendent of Documents, including compensation of all employees in accordance with the provisions of 44 U.S.C. 305; travel expenses (not to exceed \$117,000); price lists and bibliographies; repairs to buildings, elevators, and machinery; and supplying publications to the Depository Library and International Exchange Programs; **[\$23,634,000]** \$24,500,000, of which **[\$1,378,000]** \$3,500,000 representing excess receipts from the sale of publications shall be derived from the Government Printing Office revolving fund: *Provided*, That \$300,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 1512), with the approval of the Public Printer, only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments. (44 U.S.C. 305 (a) and (b), 1702-04, 1710, 1711, 1719, 1902, 1903, 1909.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	04-0201-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Distribution for other Government agencies and Members of Congress.....	1,152	1,037	1,072
00.02	Depository library distribution.....	21,473	19,412	19,838
00.03	Cataloging and indexing.....	2,368	2,383	2,574
00.04	International exchange.....		681	716
00.05	Contingency fund.....		300	300
00.91	Total direct program.....	24,993	23,813	24,500
01.01	Reimbursable program.....	4,806	4,968	5,231
10.00	Total obligations.....	29,799	28,781	29,731
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-7,806	-6,346	-8,731
39.00	Budget authority.....	21,993	22,435	21,000
<b>Budget authority:</b>				
40.00	Appropriation.....	21,993	22,256	21,000
44.20	Supplemental for civilian pay raises.....		96	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		83	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	21,993	22,435	21,000
72.40	Obligated balance, start of year.....	16,882	15,656	15,390
74.40	Obligated balance, end of year.....	-15,656	-15,390	-12,514
77.00	Adjustments in expired accounts.....	-2,032		
89.00	Outlays.....	21,187	22,701	23,876
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals.....	21,187	22,526	23,872
91.20	Outlays from civilian pay raise supplemental.....		94	2
91.40	Outlays from retirement contribution supplemental.....		81	2

The Office of the Superintendent of Documents operates under a separate appropriation which provides funds for: (1) the mailing for Members of Congress and other Government agencies of certain Government publications, as authorized by law; (2) the distribution of Government publications to designated depository libraries; (3) the compilation of catalogs and indexes of Government publications; and (4) beginning in 1987, the International Exchange Program which previously has been charged to the establishment issuing the publication. These four functions are related to the publication activity of other agencies and to the demands of the public, Members of Congress, and depository libraries. Consequently, the Office of the Superintendent of Documents can exercise little control over the volume of

work which it may be called upon to perform. A description of these four functions follows:

**Distribution for other Government agencies and Members of Congress.**—The Office of Superintendent of Documents maintains mailing lists and mails, at the request of Government agencies and Members of Congress, certain publications specified by public law.

**Depository library distribution.**—As required, Government publications are supplied to libraries which are designated as depositories for Government publications.

**Cataloging and indexing.**—The Office of Superintendent of Documents is charged with preparing catalogs and indexes of all publications issued by the Federal Government. The principal publication is the "Monthly Catalog of U.S. Government Publications."

**International exchange.**—The Office of Superintendent of Documents distributes Government publications to foreign governments which agree, as indicated by the Library of Congress, to send to the United States similar publications of their governments for delivery to the Library of Congress.

Object Classification (in thousands of dollars)

Identification code	04-0201-0-1-806	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	3,724	4,338	4,646
11.3	Other than full-time permanent.....	174	42	50
11.5	Other personnel compensation.....	155	128	54
11.9	Total personnel compensation.....	4,053	4,508	4,750
12.1	Personnel benefits: Civilian.....	472	684	950
21.0	Travel and transportation of persons.....	105	117	117
22.0	Transportation of things.....	222	164	172
23.2	Rental payments to others.....	91	93	93
23.3	Communications, utilities, and miscellaneous charges.....	2,023	1,979	2,034
24.0	Printing and reproduction.....	14,446	12,066	12,143
25.0	Other services.....	3,358	3,572	3,612
26.0	Supplies and materials.....	223	330	329
92.0	Undistributed: Contingency fund.....		300	300
99.0	Subtotal, direct obligations.....	24,993	23,813	24,500
99.0	Reimbursable obligations.....	4,806	4,968	5,231
99.9	Total obligations.....	29,799	28,781	29,731

Personnel Summary

Total number of full-time permanent positions.....	249	257	262
Total compensable workyears:			
Full-time equivalent employment.....	259	259	265
Full-time equivalent of overtime and holiday hours.....	8	7	8

Intragovernmental funds:

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the "Government Printing Office revolving fund": *Provided*, That not to exceed \$5,000 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further*, That during the current fiscal year the revolving fund shall be available for the hire of eight passenger motor vehicles: *Provided further*, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further*, That the revolving fund shall be available for services as authorized by 5

**Intragovernmental funds—Continued**

**GOVERNMENT PRINTING OFFICE REVOLVING FUND—Continued**

U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18: *Provided further*, That hereafter the revolving fund shall be available to acquire needed land, located in Northwest D.C., which is adjacent to the present Government Printing Office, and is bounded by Massachusetts Avenue and the southern property line of the Government Printing Office, between North Capitol Street and First Street. The land to be purchased is identified as Parcels 45-D, 45-E, 45-F, and 47-A in Square 625, and includes the alleys adjacent to these parcels, and G Street, N.W. from North Capitol Street to First Street: *Provided further*, That the revolving fund and the funds provided under the paragraph entitled "Office of Superintendent of Documents, Salaries and Expenses" together may not be available for the full-time equivalent employment of more than 5,287 workyears [.] : *Provided further*, That the revolving fund shall be available for expenses not to exceed \$500,000 for the development of plans and design of a multi-purpose facility. (31 U.S.C. 1343(b), 1343(c), 9104; 44 U.S.C. 301, 309(d).)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
04-4505-0-4-806			
<b>Program by activities:</b>			
00.01 Printing and binding.....	709,224	776,766	745,912
00.02 Sales of publications.....	57,880	61,601	64,075
00.91 Subtotal.....	767,104	838,367	809,987
01.01 Capital investment.....	9,253	32,547	13,654
10.00 Total obligations.....	776,357	870,914	823,641
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-767,272	-762,901	-757,804
14.00 Non-Federal sources.....	-61,001	-62,117	-63,185
21.98 Unobligated balance available, start of year: Fund balance.....	-32,300	-84,216	-38,320
24.98 Unobligated balance available, end of year: Fund balance.....	84,216	38,320	35,668
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-51,916	45,896	2,652
72.10 Receivables in excess of obligations, start of year.....	26,586	17,491	42,443
74.10 Receivables in excess of obligations, end of year.....	-17,491	-42,443	-47,366
90.00 Outlays.....	-42,821	20,944	-2,271

The Government Printing Office executes orders for printing, binding, and blankbook work, placed by Congress and the various agencies of the Federal Government, and furnishes on order, blank paper, inks, and similar supplies. The Government Printing Office also sells publications to the public through its sales of publications program.

All such work is financed through the Government Printing Office revolving fund (44 U.S.C. 309). The fund is reimbursed by the customer agencies, receipts from sales of publications to the general public, and, except for the excess of receipts over costs associated with the sale of publications to the public, net operating income is retained for reuse by the fund.

**REVENUE, EXPENSE, AND RETAINED EARNINGS,**

**PRINTING AND BINDING OPERATIONS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Total revenue.....	768,405	761,018	755,889
Expense:			
Personnel compensation.....	145,516	143,998	149,289

Personnel benefits.....	19,530	23,601	31,558
Travel and transportation of persons.....	409	686	645
Transportation of things.....	1,762	1,821	1,899
Standard level user charges.....	1,833	2,072	2,505
Rental payments to others.....	1,331	1,390	1,412
Communications, utilities, and miscellaneous charges.....	9,980	11,071	11,352
Printing and reproduction.....	527,031	512,650	492,136
Other services.....	3,060	5,799	4,628
Supplies and materials.....	49,030	50,890	51,543
Insurance claims and indemnities.....		3	3
Depreciation.....	5,593	7,037	8,919
Total expense.....	765,075	761,018	755,889
Net operating income.....	3,330		

The sales program covers primarily the sale of those publications which by section 1708 of title 44 are offered for sale to the public by the Superintendent of Documents. Effective with 1978, the funding of the expenses of this program is primarily from the sales receipts.

**REVENUE, EXPENSE, AND RETAINED EARNINGS,**

**SALES OF PUBLICATIONS OPERATIONS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Total revenue.....	62,850	64,000	65,100
Expense:			
Cost of publications sold.....	15,899	16,400	16,600
Postage for sales copies mailed.....	7,608	7,700	7,900
Unsalable publications.....	2,786	2,800	2,900
Subtotal.....	26,293	26,900	27,400
Gross profit.....	36,557	37,100	37,700
General and administrative:			
Personnel compensation.....	14,425	14,860	15,224
Personnel benefits.....	1,699	2,107	2,920
Travel and transportation of persons.....	43	62	74
Transportation of things.....	442	565	586
Standard level user charge.....	613	537	591
Rental payments to others.....	1,544	1,702	1,874
Communications, utilities, and miscellaneous charges.....	783	994	1,156
Printing and reproduction.....	948	1,053	1,229
Other services.....	9,299	10,987	11,895
Supplies and materials.....	1,075	1,714	1,144
Subtotal.....	31,041	34,581	36,693
Total expense.....	57,334	61,481	64,093
Net earnings.....	5,516	2,519	1,007

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Operating income:			
Printing and binding:			
Revenue.....	768,405	761,018	755,889
Expense.....	765,075	761,018	755,889
Net operating income, printing and binding.....	3,330		
Sales of publications:			
Revenue.....	62,850	64,000	65,100
Expense.....	57,334	61,481	64,093
Net operating income, sales of publications.....	5,516	2,519	1,007
Net operating income, total.....	8,846	2,519	1,007

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	58,886	101,707	80,763	83,034
Accounts receivable (net).....	260,600	218,727	213,610	207,292
Inventories (net).....	31,079	32,567	32,244	31,924

Other assets .....	810	234	236	238
Real property and equipment (net) .....	50,949	54,493	79,672	84,047
<b>Total assets .....</b>	<b>402,324</b>	<b>407,728</b>	<b>406,525</b>	<b>406,535</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	109,247	107,722	105,194	104,621
Advances received .....	41,082	42,133	41,153	40,929
<b>Total liabilities .....</b>	<b>150,329</b>	<b>149,855</b>	<b>146,347</b>	<b>145,550</b>
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	32,300	84,216	38,320	35,668
Undelivered orders .....	136,857	86,363	109,706	109,108
Invested capital .....	82,838	87,294	112,152	116,209
<b>Total Government equity .....</b>	<b>251,995</b>	<b>257,873</b>	<b>260,178</b>	<b>260,985</b>
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance .....	109,935	109,968	109,754	109,754
Change in donated capital .....	33	- 214	- 200	- 200
<b>Closing balance .....</b>	<b>109,968</b>	<b>109,754</b>	<b>109,554</b>	<b>109,554</b>
Retained income:				
Opening balance .....	139,059	147,905	150,424	150,424
Transactions:				
Net operating income .....	8,846	2,519	1,007	1,007
<b>Closing balance .....</b>	<b>147,905</b>	<b>150,424</b>	<b>151,431</b>	<b>151,431</b>
<b>Total Government equity, end of year .....</b>	<b>257,873</b>	<b>260,178</b>	<b>260,985</b>	<b>260,985</b>

**Object Classification (in thousands of dollars)**

Identification code 04-4505-0-4-806	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	138,166	143,644	149,303
11.3 Other than full-time permanent .....	741	633	391
11.5 Other personnel compensation .....	21,204	14,581	14,819
11.9 Total personnel compensation .....	160,111	158,858	164,513
12.1 Personnel benefits: Civilian .....	21,229	25,708	34,478
21.0 Travel and transportation of persons .....	452	748	719
22.0 Transportation of things .....	2,204	2,386	2,485
23.1 Rental payments to GSA .....	2,446	2,609	3,096
23.2 Rental payments to others .....	2,875	3,092	3,286
23.3 Communications, utilities, and miscellaneous charges .....	18,371	19,765	20,408
24.0 Printing and reproduction .....	497,072	555,925	511,949
25.0 Other services .....	12,239	16,669	15,363
26.0 Supplies and materials .....	50,105	52,604	52,687
31.0 Equipment .....	9,253	29,047	10,654
32.0 Lands and structures .....		3,500	3,000
42.0 Insurance claims and indemnities .....		3	3
99.9 Total obligations .....	776,357	870,914	823,641

**Personnel Summary**

Total number of full-time permanent positions .....	4,962	5,055	4,904
Total compensable workyears:			
Full-time equivalent employment .....	4,996	5,028	4,972
Full-time equivalent of overtime and holiday hours .....	287	166	163

**GENERAL ACCOUNTING OFFICE**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the General Accounting Office, including not to exceed \$5,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections

901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8), respectively); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(b)); **[\$304,910,000] \$379,497,000. Provided,** That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including but not limited to the salary of the Executive Director and secretarial support: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of Forum costs as determined by the Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences: *Provided further,* That this appropriation shall be available to finance a portion, not to exceed \$50,000, of the costs of the Governmental Accounting Standards Board: *Provided further,* That this appropriation shall be available for the expenses of planning the triennial Congress of the International Organization of Supreme Audit Institutions (INTOSAI) to be hosted by the U.S. General Accounting Office in Washington, D.C., in 1992, to the extent that such expenses cannot be met from the trust authorized below: *Provided further,* That the General Accounting Office is authorized to solicit and accept contributions (including contributions from INTOSAI), to be held in trust, which shall be available without fiscal year limitation for the planning, administration, and such other expenses as the Comptroller General deems necessary to act as the sponsor of the aforementioned triennial Congress of INTOSAI. Monies in the trust shall be available upon the request of the Comptroller General to be expended for the purposes of the trust.

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 05-0107-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Top Management .....	1,869	1,829	1,946
00.02 General Government Division .....	17,396	19,422	21,555
00.03 Human Resources Division .....	13,518	15,407	16,906
00.04 National Security and International Affairs Division .....	23,705	25,209	28,780
00.05 Resources, Community and Economic Development Division .....	20,616	22,791	24,750
00.06 Accounting and Financial Management Division .....	13,094	14,498	19,733
00.07 Information Management and Technology Division .....	7,742	9,556	11,727
00.08 Investigations .....		1,397	2,621
00.09 Office of the Chief Economist .....	665	956	1,022
00.10 Office of the General Counsel .....	10,682	10,983	11,858
00.11 Program Evaluation and Methodology Division .....	4,394	4,898	5,317
00.12 Regional and Overseas Offices .....	94,139	100,347	113,077
00.13 Mission Support .....	75,909	83,391	115,332
00.91 Total direct program .....	283,729	310,684	374,624
01.01 Reimbursable program .....	675	600	600
02.01 Capital investment .....	3,800	1,694	4,873
10.00 Total obligations .....	288,204	312,978	380,097
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	- 675	- 600	- 600

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	05-0107-0-1-801	1986 actual	1987 est.	1988 est.
25.00	Unobligated balance lapsing .....	522		
39.00	<b>Budget authority</b> .....	<b>288,051</b>	<b>312,378</b>	<b>379,497</b>
	<b>Budget authority:</b>			
40.00	<b>Appropriation</b> .....	<b>288,051</b>	<b>304,910</b>	<b>379,497</b>
44.20	<b>Supplemental for civilian pay raises</b> .....		<b>3,905</b>	
44.40	<b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>3,563</b>	
	<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....	287,529	312,378	379,497
72.40	Obligated balance, start of year .....	33,844	29,915	34,747
74.40	Obligated balance, end of year .....	-29,915	-34,747	-42,275
77.00	Adjustments in expired accounts .....	-2,925		
89.00	<b>Outlays</b> .....	<b>288,533</b>	<b>307,546</b>	<b>371,969</b>
	<b>Outlays:</b>			
90.00	Outlays, excluding pay and retirement supplementals .....	288,533	300,444	371,603
91.20	Outlays from civilian pay raise supplemental .....		3,788	117
91.40	Outlays from retirement contribution supplemental .....		3,314	249

GAO's mission is to improve government operations by providing timely and reliable information and advice to the Congress, by determining the legality of public expenditures, and by providing guidance on financial management matters.

**Object Classification (in thousands of dollars)**

Identification code	05-0107-0-1-801	1986 actual	1987 est.	1988 est.
	<b>Direct obligations:</b>			
	<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	191,349	203,227	220,065
11.3	Other than full-time permanent .....	3,146	3,846	4,061
11.5	Other personnel compensation .....	1,396	1,458	1,876
11.9	<b>Total personnel compensation</b> .....	<b>195,891</b>	<b>208,531</b>	<b>226,002</b>
12.1	Personnel benefits: Civilian .....	23,391	28,748	39,491
13.0	Benefits for former personnel .....	189	175	195
21.0	Travel and transportation of persons .....	12,549	14,737	17,663
22.0	Transportation of things .....	515	505	556
23.1	Rental payments to GSA .....	18,049	25,025	31,125
23.2	Rental payments to others .....	92	31	33
23.3	Communications, utilities, and miscellaneous charges .....	7,186	7,767	12,234
24.0	Printing and reproduction .....	2,443	2,285	3,481
25.0	Other services .....	19,203	19,501	34,717
26.0	Supplies and materials .....	2,363	1,994	2,718
31.0	Equipment .....	3,783	2,644	10,690
32.0	Lands and structures .....	1,837	400	550
42.0	Insurance claims and indemnities .....	38	35	42
99.0	<b>Subtotal, direct obligations</b> .....	<b>287,529</b>	<b>312,378</b>	<b>379,497</b>
99.0	<b>Reimbursable obligations</b> .....	<b>675</b>	<b>600</b>	<b>600</b>
99.9	<b>Total obligations</b> .....	<b>288,204</b>	<b>312,978</b>	<b>380,097</b>

**Personnel Summary**

Total number of full-time permanent positions .....	4,990	5,170	5,270
Total compensable workyears:			
Full-time equivalent employment .....	5,019	5,042	5,200
Full-time equivalent of overtime and holiday hours .....	8	8	8

**UNITED STATES TAX COURT**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; **[\$25,538,000] \$28,120,000.**

Provided, That travel expenses of the judges shall be paid upon the written certificate of the judge. (26 U.S.C. Chapter 76; Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code	23-0100-0-1-752	1986 actual	1987 est.	1988 est.
	<b>Program by activities:</b>			
10.00	<b>Total obligations</b> .....	<b>21,534</b>	<b>25,572</b>	<b>28,120</b>
	<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	-34	-34	
24.40	Unobligated balance available, end of year .....	34		
25.00	Unobligated balance lapsing .....	1,966		
40.00	<b>Budget authority (appropriation)</b> .....	<b>23,500</b>	<b>25,838</b>	<b>28,120</b>
	<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....	21,534	25,572	28,120
72.40	Obligated balance, start of year .....	3,867	3,306	2,549
74.40	Obligated balance, end of year .....	-3,306	-2,549	-2,554
90.00	<b>Outlays</b> .....	<b>22,094</b>	<b>26,329</b>	<b>28,115</b>

The U.S. Tax Court hears and decides cases involving Federal income, estate and gift tax deficiencies and excise taxes relating to public charities, private foundations, qualified pension plans, real estate investment trusts, and windfall profit tax on domestic crude oil. It also renders declaratory judgments regarding the qualification or continuing qualification (including revocations of rulings on the exemptions) of retirement plans.

The Tax Court has jurisdiction to render declaratory judgments with respect to exempt organization status determinations pursuant to section 501(c)(3), Internal Revenue Code, and to enter declaratory judgments on the tax treatment of interest on proposed issues of Government obligations. In addition, the court has jurisdiction over actions to restrain disclosure and to obtain additional disclosure with respect to public inspection of written determinations issued by the Internal Revenue Service, and actions to compel the disclosure of the identity of third-party contacts relating to written determinations made by the Internal Revenue Service.

For 1988, the court proposes a trial program of 798 weeks consisting of 587 weeks of regular trial sessions and 211 weeks of small tax case sessions. Trials are held in approximately 90 cities throughout the United States.

The actual and estimated work volume of the court is presented in the following tabulation:

	1986 actual	1987 est.	1988 est.
Pending, beginning year .....	72,836	83,686	97,086
Docketed during year .....	48,398	53,000	58,000
Reopened during year .....	389	400	400
Disposed of during year .....	37,937	40,000	42,000
Pending, end of year .....	83,686	97,086	113,486

**Object Classification (in thousands of dollars)**

Identification code	23-0100-0-1-752	1986 actual	1987 est.	1988 est.
	<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	10,071	11,981	12,826
11.3	Other than full-time permanent .....	65	70	75
11.5	Other personnel compensation .....	117	101	108
11.9	<b>Total personnel compensation</b> .....	<b>10,253</b>	<b>12,152</b>	<b>13,009</b>
12.1	Personnel benefits: Civilian .....	1,217	1,541	1,723
13.0	Benefits for former personnel .....	472	551	568
21.0	Travel and transportation of persons .....	673	1,389	1,432
22.0	Transportation of things .....	70	125	129
23.1	Rental payments to GSA .....	4,089	4,717	5,773

23.2	Rental payments to others .....	598	650	670
24.0	Printing and reproduction .....	185	200	216
25.0	Other services .....	2,706	2,475	2,809
26.0	Supplies and materials .....	470	538	555
31.0	Equipment .....	801	1,234	1,236
99.9	Total obligations .....	21,534	25,572	28,120

**Personnel Summary**

Total number of full-time permanent positions .....	306	339	339
Total compensable workyears:			
Full-time equivalent employment .....	302	339	339
Full-time equivalent of overtime and holiday hours .....	3	3	3

**Trust Funds**

**TAX COURT JUDGES SURVIVORS ANNUITY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 23-8115-0-7-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0) .....	53	58	58
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance .....	-12	-1	-5
21.40 U.S. securities (par) .....	-1,553	-1,851	-2,129
Unobligated balance available, end of year:			
24.40 Treasury balance .....	1	5	5
24.40 U.S. securities (par) .....	1,851	2,129	2,448
60.00 Budget authority (appropriation) (permanent, indefinite) .....	340	340	377
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	53	58	58
90.00 Outlays .....	53	58	58

This fund, established under 26 U.S.C. 7448, is used to pay survivorship benefits to eligible surviving spouses and dependent children of deceased judges of the U.S. Tax Court. Participating judges pay 3.5 percent of their salaries or retired pay into the fund to cover creditable service for which payment is required. Additional funds as are needed are provided through the annual appropriation to the U.S. Tax Court.

On September 30, 1986, 24 judges of the court were participating in the fund, and 3 eligible widows were receiving survivorship annuity payments.

**OTHER LEGISLATIVE BRANCH AGENCIES**

**COMMISSION ON SECURITY AND COOPERATION IN EUROPE**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, [ \$526,000 ] \$770,000, to remain available until expended: *Provided*, That not to exceed \$6,000 of such amount shall be available for official reception and representation expenses. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

**Program and Financing (in thousands of dollars)**

Identification code 09-0110-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	591	741	770

<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	-280	-215
24.40	Unobligated balance available, end of year .....	215	
40.00	Budget authority (appropriation) .....	526	526
770			
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	591	741
72.40	Obligated balance, start of year .....	58	64
74.40	Obligated balance, end of year .....	-64	-71
90.00	Outlays .....	585	734
			762

The Commission on Security and Cooperation in Europe was created to monitor compliance with that code of conduct, particularly in regard to what is called "Basket Three" of the Final Act, the Provisions on Cooperation in Humanitarian and Other Fields. The law establishing the Commission on Security and Cooperation in Europe also mandated it to monitor and encourage U.S. Government and private activities designed to expand East-West trade and the exchange of people and ideas. The Commission will receive semiannual reports from the President on the signatories' compliance with the Final Act and on U.S. activities in trade and cultural/humanitarian exchange and it will itself make advisory reports to the Congress on the progress of implementation.

The Commission is made up of nine Senators, nine Members of the House of Representatives and one Commissioner each from the Departments of State, Defense, and Commerce.

**Object Classification (in thousands of dollars)**

Identification code 09-0110-0-1-801	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	391	500
11.3	Other than full-time permanent .....	12	
11.5	Other personnel compensation .....	1	
11.9	Total personnel compensation .....	404	500
12.1	Personnel benefits: Civilian .....	44	50
21.0	Travel and transportation of persons .....	7	20
23.3	Communications, utilities, and miscellaneous charges .....	37	32
24.0	Printing and reproduction .....	11	15
25.0	Other services .....	43	64
26.0	Supplies and materials .....	13	10
31.0	Equipment .....	32	50
99.9	Total obligations .....	591	741
			770

**Personnel Summary**

Total number of full-time permanent positions .....	15	15	15
Total compensable workyears: Full-time equivalent employment .....	15	15	15

**BOTANIC GARDEN**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, [ \$2,062,000 ] \$2,448,000. (*5 U.S.C. 5341-44, 5349; 40 U.S.C. 216; Public Law 91-656; 88 Stat. 1777.*)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.)

General and special funds—Continued

BOTANIC GARDEN—Continued  
SALARIES AND EXPENSES—Continued  
Program and Financing (in thousands of dollars)

Identification code 09-0200-0-1-801	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	2,081	2,245	2,448
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-151	-101	
24.40 Unobligated balance available, end of year	101		
25.00 Unobligated balance lapsing	63		
39.00 <b>Budget authority</b>	<b>2,094</b>	<b>2,144</b>	<b>2,448</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>	<b>2,094</b>	<b>2,062</b>	<b>2,448</b>
44.10 Supplemental for wage-board pay raises		31	
44.20 Supplemental for civilian pay raises		3	
44.40 Supplemental for retirement contributions (P.L. 99-335)		48	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,081	2,245	2,448
72.40 Obligated balance, start of year	210	171	149
74.40 Obligated balance, end of year	-171	-149	
77.00 Adjustments in expired accounts	-13		
89.00 <b>Outlays</b>	<b>2,107</b>	<b>2,267</b>	<b>2,597</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	2,107	2,190	2,592
91.10 Outlays from wage-board pay raise supplemental		29	2
91.20 Outlays from civilian pay raise supplemental		3	
91.40 Outlays from retirement contribution supplemental		45	3

Object Classification (in thousands of dollars)

<b>Personnel compensation:</b>			
11.1 Full-time permanent	1,289	1,412	1,438
11.3 Other than full-time permanent	9	10	10
11.5 Other personnel compensation	236	264	266
11.9 Total personnel compensation	1,534	1,686	1,714
12.1 Personnel benefits: Civilian	179	255	376
13.0 Benefits for former personnel	68		
23.3 Communications, utilities, and miscellaneous charges	34	37	37
25.0 Other services	151	151	100
26.0 Supplies and materials	57	50	53
31.0 Equipment	55	64	166
32.0 Lands and structures	2	2	2
42.0 Insurance claims and indemnities	1		
99.9 Total obligations	2,081	2,245	2,448

Personnel Summary

Total number of full-time permanent positions	57	57	57
Total compensable workyears:			
Full-time equivalent employment	53	55	57
Full-time equivalent of overtime and holiday hours	6	6	6

COPYRIGHT ROYALTY TRIBUNAL

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the Copyright Royalty Tribunal, **[\$617,000]** \$897,000, of which **[\$494,000]** \$718,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807. (17 U.S.C. 801-810.)

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 09-0310-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	509	633	897
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-363	-507	-718
25.00 Unobligated balance lapsing	3		
39.00 <b>Budget authority</b>	<b>149</b>	<b>126</b>	<b>179</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b>	<b>149</b>	<b>123</b>	<b>179</b>
44.20 Supplemental for civilian pay raises		2	
44.40 Supplemental for retirement contributions (P.L. 99-335)		1	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	146	126	179
72.40 Obligated balance, start of year	33	38	44
74.40 Obligated balance, end of year	-38	-44	-63
77.00 Adjustments in expired accounts	184		
89.00 <b>Outlays</b>	<b>326</b>	<b>120</b>	<b>160</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	326	117	160
91.20 Outlays from civilian pay raise supplemental		2	
91.40 Outlays from retirement contribution supplemental		1	

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	149	126	179
Outlays	326	120	160
<b>Supplemental under existing legislation:</b>			
Budget authority		3	
Outlays		3	
<b>Total:</b>			
Budget authority	149	129	179
Outlays	326	123	160

Under Public Law 94-553, the general revision of the copyright law, an independent Copyright Royalty Tribunal was created in the Legislative Branch. The Tribunal is composed of five commissioners appointed by the President with the advice and consent of the Senate for staggered terms of 7 years each.

The Tribunal's statutory responsibilities are: (a) To make determinations concerning copyright royalty rates (1) in the area of cable television (17 U.S.C. 111), (2) for phonorecords (17 U.S.C. 115), (3) for coin-operated phonorecord players (jukeboxes) (17 U.S.C. 116), and (4) for non-commercial broadcasting (17 U.S.C. 118); and (b) to distribute cable television and jukebox royalties deposited with the Register of Copyrights (17 U.S.C. 111 and 17 U.S.C. 116).

Object Classification (in thousands of dollars)

Identification code 09-0310-0-1-376	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent	338	377	581
12.1 Personnel benefits: Civilian	38	53	95
21.0 Travel and transportation of persons		1	2
23.1 Rental payments to GSA	56	73	90
23.3 Communications, utilities, and miscellaneous charges	6	5	5
24.0 Printing and reproduction	22	20	20
25.0 Other services	46	99	99
26.0 Supplies and materials	2	2	2
31.0 Equipment	1	3	3
99.9 Total obligations	509	633	897

**Personnel Summary**

Total number of full-time permanent positions.....	11	12	12
Total compensable workyears: Full-time equivalent employment.....	7	8	12

**PROSPECTIVE PAYMENT ASSESSMENT COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary to carry out section 601 of Public Law 98-21, [ \$3,421,000 ] \$3,798,000 to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-3400-0-1-551			
<b>Program by activities:</b>			
10.00 Total obligations.....	3,047	3,421	3,798
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	-2,769	-3,421	-3,798
17.00 Recovery of prior year obligations.....	-53		
21.40 Unobligated balance available, start of year.....	-355	-98	
24.40 Unobligated balance available, end of year.....	98		
25.00 Unobligated balance lapsing.....	31	98	
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	278		
72.40 Obligated balance, start of year.....	2,065	1,999	400
74.40 Obligated balance, end of year.....	-1,999	-400	-400
77.00 Adjustments in expired accounts.....	19		
78.00 Adjustments in unexpired accounts.....	-53		
90.00 <b>Outlays</b> .....	310	1,599	

The Prospective Payment Assessment Commission was authorized by Public Law 98-21, section 1886(e) of the Social Security Act Amendments of 1983 to advise and assist the Secretary of the Department of Health and Human Services and the Congress on maintaining and updating the new Medicare prospective payment system. The Commission will provide independent expertise and experience in the fields of health delivery, financing and research.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-3400-0-1-551			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	932	1,142	1,185
11.3 Other than full-time permanent.....	129	157	157
11.9 Total personnel compensation.....	1,061	1,299	1,342
12.1 Personnel benefits: Civilian.....	125	197	254
21.0 Travel and transportation of persons.....	63	95	95
23.1 Rental payments to GSA.....	80	121	125
23.3 Communications, utilities, and miscellaneous charges.....	349	412	427
24.0 Printing and reproduction.....	73	100	100
25.0 Other services.....	1,238	1,153	1,410
26.0 Supplies and materials.....	27	30	31
31.0 Equipment.....	31	14	14
99.9 Total obligations.....	3,047	3,421	3,798

**Personnel Summary**

Total number of full-time permanent positions.....	24	26	26
Total compensable workyears: Full-time equivalent employment.....	23	28	28

**PHYSICIAN PAYMENT REVIEW COMMISSION**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For expenses necessary to carry out section 1845(a) of the Social Security Act, [ \$1,000,000 to remain available until September 30, 1988, ] \$3,193,000, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1000-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations.....		1,000	3,193
<b>Financing:</b>			
13.00 Offsetting collections from: Trust Funds.....		-1,000	-3,193
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
74.40 Obligated balance, end of year.....			-400
90.00 <b>Outlays</b> .....			-400

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....			
Outlays.....			-400
Supplemental under existing legislation:			
Budget authority.....			
Outlays.....		-60	60
<b>Total:</b>			
Budget authority.....			
Outlays.....		-60	-340

The Physician Payment Review Commission was authorized by Public Law 99-272, section 9305(a) in April 1986, to advise and assist the Secretary of the Department of Health and Human Services and the Congress regarding adjustments to the reasonable charge levels for physician's services under Medicare. The Commission will provide independent expertise and experience in the fields of biomedical, health services, and health economics research.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1000-0-1-801			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		493	1,001
11.3 Other than full-time permanent.....		58	100
11.9 Total personnel compensation.....		551	1,101
12.1 Personnel benefits: Civilian.....		73	244
21.0 Travel and transportation of persons.....		50	95
23.1 Rental payments to GSA.....		50	125
23.3 Communications, utilities, and miscellaneous charges.....		164	355
24.0 Printing and reproduction.....		13	100
25.0 Other services.....		25	1,085
26.0 Supplies and materials.....		24	33
31.0 Equipment.....		50	55
99.9 Total obligations.....		1,000	3,193

**Personnel Summary**

Total number of full-time permanent positions.....	14	25
Total compensable workyears: Full-time equivalent employment.....	11	27

**【RAILROAD ACCOUNTING PRINCIPLES BOARD】**

*Federal Funds*

**General and special funds:**

**【SALARIES AND EXPENSES】**

【For salaries and expenses of the Railroad Accounting Principles Board, \$600,000, to be expended in accordance with the provisions of H.R. 4439, 98th Congress, as passed by the House of Representatives on February 7, 1984.】

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0800-0-1-801			
<b>Program by activities:</b>			
10.00 Total obligations	636	600	
<b>Financing:</b>			
25.00 Unobligated balance lapsing	82		
40.00 Budget authority (appropriation)	718	600	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	636	600	
72.40 Obligated balance, start of year	234	86	
74.40 Obligated balance, end of year	-86		
77.00 Adjustments in expired accounts	-21		
90.00 Outlays	763	686	

The Railroad Accounting Principles Board was authorized October 1, 1980 by the Staggers Rail Act of 1980 (Public Law 96-448). No additional funding is requested for 1988.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0800-0-1-801			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	308	371	
11.3 Other than full-time permanent	81	61	
11.5 Other personnel compensation	3		
11.9 Total personnel compensation	392	432	
12.1 Personnel benefits: Civilian	53	51	
21.0 Travel and transportation of persons	17	35	
23.3 Communications, utilities, and miscellaneous charges	25	5	
24.0 Printing and reproduction	2	7	
25.0 Other services	132	61	
26.0 Supplies and materials	9	8	
31.0 Equipment	6	1	
99.9 Total obligations	636	600	

**Personnel Summary**

Total number of full-time permanent positions	11		
Total compensable workyears: Full-time equivalent employment	12	10	

**BIOMEDICAL ETHICS**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0400-0-1-801			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-144	

24.40 Unobligated balance available, end of year: Treasury balance	144		
25.00 Unobligated balance lapsing		144	
40.00 Budget authority (appropriation)	144		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

There was no activity for this account in 1986.

**OFFICE OF TECHNOLOGY ASSESSMENT**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For salaries and expenses necessary to carry out the provisions of the Technology Assessment Act of 1972 (Public Law 92-484), including reception and representation expenses (not to exceed \$3,000 from the Trust Fund), and rental of space in the District of Columbia, and those necessary to carry out the duties of the Director of the Office of Technology Assessment under section 1886 of the Social Security Act as amended by section 601 of the Social Security Amendments of 1983 (Public Law 98-21), and those necessary to carry out the duties of the Director of the Office of Technology Assessment under part B of title XVIII of the Social Security Act as amended by section 9305 of the Consolidated Omnibus Reconciliation Act of 1985 (Public Law 98-272), **【\$15,532,000】 \$19,270,000: Provided,** That none of the funds in the Act shall be available for salaries or expenses of any employee of the Office of Technology Assessment in excess of **【143】 149** staff employees: *Provided further,* That no part of this appropriation shall be available for assessments or activities not initiated and approved in accordance with section 3(d) of Public Law 92-484, except that funds shall be available for the assessment required by Public Law 96-151: **【***Provided further,* That none of the funds in this Act shall be available for salaries or expenses of employees of the Office of Technology Assessment in connection with any reimbursable study for which funds are provided from sources other than appropriations made under this Act, or be available for any other administrative expenses incurred by the Office of Technology Assessment in carrying out such a study, except that funds shall be available for and reimbursement can be accepted for salaries or expenses of the Office of Technology Assessment in connection with the assessment required by section 101(b) of Public Law 99-190**】.**

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0700-0-1-801			
<b>Program by activities:</b>			
00.01 Total direct program	14,597	16,286	19,270
01.01 Reimbursable program	260	440	
10.00 Total obligations	14,857	16,726	19,270
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-260	-440	
25.00 Unobligated balance lapsing	45		
39.00 Budget authority	14,642	16,286	19,270
<b>Budget authority:</b>			
40.00 Appropriation	14,642	15,532	19,270
44.20 Supplemental for civilian pay raises		209	
44.40 Supplemental for retirement contributions (P.L. 99-335)		545	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	14,597	16,286	19,270
72.40 Obligated balance, start of year	3,727	3,925	4,090
74.40 Obligated balance, end of year	-3,925	-4,090	-4,818

77.00	Adjustments in expired accounts.....	-91		
89.00	Outlays.....	14,308	16,121	18,542
	Outlays:			
90.00	Outlays, excluding pay and retirement supplementals.....	14,308	15,407	18,502
91.20	Outlays from civilian pay raise supplemental.....		193	11
91.40	Outlays from retirement contribution supplemental.....		516	29

24.40	Unobligated balance available, end of year.....	12	12	12
60.00	Budget authority (appropriation) (permanent, indefinite).....	1	3	3
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	1	3	3
90.00	Outlays.....	1	3	3

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	14,642	16,286	19,270
Outlays.....	14,308	16,121	18,542
Supplemental under existing legislation:			
Budget authority.....		350	
Outlays.....		350	
Total:			
Budget authority.....	14,642	16,636	19,270
Outlays.....	14,308	16,471	18,542

The Congressional Office of Technology Assessment was created by Public Law 92-484 to equip the Congress with new and effective means for securing competent, unbiased information concerning the physical, biological, economic, social, and political effects of technological applications; and to serve as an aid in the legislative assessment of matters pending before the Congress, particularly in those instances where the Federal Government may be called upon to consider support for, or management or regulation of, technological applications.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0700-0-1-801			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	5,952	6,446	6,963
11.3 Other than full-time permanent.....	1,700	1,676	1,811
11.9 Total personnel compensation.....	7,652	8,122	8,774
12.1 Personnel benefits: Civilian.....	786	1,413	2,147
13.0 Benefits for former personnel.....	24	30	38
21.0 Travel and transportation of persons.....	240	300	331
22.0 Transportation of things.....	74	96	108
23.2 Rental payments to others.....	651	841	1,385
23.3 Communications, utilities, and miscellaneous charges.....	564	419	299
24.0 Printing and reproduction.....	608	584	662
25.0 Other services.....	3,159	4,081	4,996
26.0 Supplies and materials.....	232	200	235
31.0 Equipment.....	607	200	295
99.0 Subtotal, direct obligations.....	14,597	16,286	19,270
99.0 Reimbursable obligations.....	260	440	
99.9 Total obligations.....	14,857	16,726	19,270

**Personnel Summary**

Total number of full-time permanent positions.....	143	143	149
Total compensable workyears: Full-time equivalent employment.....	142	142	148

**Trust Funds**

**CONTRIBUTIONS AND DONATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-8094-0-7-801			
Program by activities:			
10.00 Total obligations (object class 25.0).....	1	3	3
Financing:			
21.40 Unobligated balance available, start of year.....	-12	-12	-12

Contributions and donations are used in furtherance of the general purposes of the Technology Assessment Act of 1972 (Public Law 92-484; 2 U.S.C. 475(a)(5)).

**TITLE III—GENERAL PROVISIONS**

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration.

SEC. 302. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 303. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided*, That the provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. (a) Upon enactment into law of this Act, the Architect of the Capitol, in consultation with the heads of the agencies of the legislative branch, shall develop an overall plan for satisfying the telecommunications requirements of such agencies, using a common system architecture for maximum interconnection capability and engineering compatibility. The plan shall be subject to joint approval by the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate, and, upon approval, shall be communicated to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate. No part of any appropriation in this Act or any other Act shall be used for acquisition of any new or expanded telecommunications system for an agency of the legislative branch, unless, as determined by the Architect of the Capitol, the acquisition is in conformance with the plan, as approved.

(b) As used in this section—

(1) the term "agency of the legislative branch" means, the office of the Architect of the Capitol, the Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, and the Congressional Budget Office; and

(2) the term "telecommunications system" means an electronic system for voice, data, or image communication, including any associated cable and switching equipment.

SEC. 306. The last sentence of 44 U.S.C. 1719 is amended to read: "The printing, binding, and distribution costs of any publications distributed in accordance with this section shall be charged to appropriations provided the Superintendent of Documents for that purpose."

SEC. 307. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the term "program, project, and activity" shall be synonymous with each appropriation account in this Act, except that the accounts under the general heading "House of Representatives" shall be considered one "pro-

gram, project, and activity”, and the accounts under the general heading “Senate” shall be considered one “program, project, and activity”.

Note.—Public Laws 99-500 and 99-591, section 101(j), provide funds to the extent and in the manner provided for in the conference version of H.R. 5203, Legislative Branch Appropriations Act, 1987.

## THE JUDICIARY

### SUPREME COURT OF THE UNITED STATES

#### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase, or hire, driving, maintenance and operation of an automobile for the Chief Justice and not to exceed \$10,000 for the purpose of transporting Associate Justices, hire of passenger motor vehicles; not to exceed \$10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; **[\$14,600,000]** \$16,041,000. (28 U.S.C. 1, 5, 411, 412, 671-677; The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

##### Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
10-0100-0-1-752			
<b>Program by activities:</b>			
10.00 Total obligations .....	14,171	14,600	16,041
<b>Financing:</b>			
25.00 Obligated balance lapsing .....	228		
39.00 Budget authority .....	<b>14,399</b>	<b>14,600</b>	<b>16,041</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	<b>14,399</b>	<b>13,687</b>	<b>16,041</b>
44.20 Supplemental for civilian pay raises .....		<b>504</b>	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		<b>409</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	14,171	14,600	16,041
72.40 Obligated balance, start of year .....	3,442	4,109	4,300
74.40 Obligated balance, end of year .....	-4,109	-4,300	-4,300
77.00 Adjustments in expired accounts .....	-109		
89.00 Outlays .....	13,395	14,409	16,041
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	13,395	13,586	15,951
91.20 Outlays from civilian pay raise supplemental .....		457	47
91.40 Outlays from retirement contribution supplemental .....		366	43

The Supreme Court of the United States is the highest court of our country and stands at the apex of the judicial branch of our constitutional form of government. The U.S. Supreme Court is the only constitutionally indispensable court in the Federal court system of the United States. The jurisdiction of the Supreme Court is as spelled out in the Constitution and as allotted by Congress. The funds herein requested are required to enable the U.S. Supreme Court to carry out its constitutional and congressionally allotted responsibilities.

##### Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
10-0100-0-1-752			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	8,560	9,134	9,715
11.3 Other than full-time permanent .....	641	688	733
11.9 Total personnel compensation .....	9,201	9,822	10,448
12.1 Personnel benefits: Civilian .....	1,193	1,282	1,961
13.0 Benefits for former personnel .....	34	29	29
21.0 Travel and transportation of persons .....	57	84	84

22.0 Transportation of things .....	14	15	16
23.3 Communications, utilities, and miscellaneous charges .....	640	619	644
24.0 Printing and reproduction .....	864	887	922
25.0 Other services .....	623	692	620
26.0 Supplies and materials .....	378	467	486
31.0 Equipment .....	1,166	703	831
99.9 Total obligations .....	14,171	14,600	16,041

##### Personnel Summary

Total number of full-time permanent positions .....	318	319	319
Total compensable workyears: Full-time equivalent employment .....	332	335	338

##### CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without regard to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract, and for security installations both without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); **[\$2,279,000]** \$2,662,000, of which **[\$375,000]** \$550,000 shall remain available until expended. (40 U.S.C. 13a and 13b; The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

##### Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
10-0103-0-1-752			
<b>Program by activities:</b>			
10.00 Total obligations .....	2,056	3,255	2,662
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-794	-919	
24.40 Unobligated balance available, end of year .....	919		
25.00 Unobligated balance lapsing .....	42		
39.00 Budget authority .....	<b>2,223</b>	<b>2,336</b>	<b>2,662</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	<b>2,223</b>	<b>2,279</b>	<b>2,662</b>
44.10 Supplemental for wage-board pay raises .....		<b>23</b>	
44.20 Supplemental for civilian pay raises .....		<b>1</b>	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		<b>33</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,056	3,255	2,662
72.40 Obligated balance, start of year .....	404	413	214
74.40 Obligated balance, end of year .....	-413	-214	
77.00 Adjustments in expired accounts .....	-16		
89.00 Outlays .....	2,031	3,454	2,876
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	2,031	3,400	2,873
91.10 Outlays from wage-board pay raise supplemental .....		22	1
91.20 Outlays from civilian pay raise supplemental .....		1	
91.40 Outlays from retirement contribution supplemental .....		31	2

##### Object Classification (in thousands of dollars)

<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	798	834	870
11.3 Other than full-time permanent .....	7	8	8
11.5 Other personnel compensation .....	150	164	165
11.9 Total personnel compensation .....	955	1,006	1,043

General and special funds—Continued

CARE OF THE BUILDING AND GROUNDS—Continued

Object Classification (in thousands of dollars)—Continued

12.1	Personnel benefits: Civilian.....	108	154	232
23.3	Communications, utilities, and miscellaneous charges.....	280	304	315
25.0	Other services.....	691	1,755	1,047
26.0	Supplies and materials.....	22	23	24
31.0	Equipment.....		13	1
99.9	Total obligations.....	2,056	3,255	2,662

Personnel Summary

Total number of full-time permanent positions.....	33	33	33
Total compensable workyears:			
Full-time equivalent employment.....	32	33	33
Full-time equivalent of overtime and holiday hours.....	5	4	4

ACQUISITION OF PROPERTY AS AN ADDITION TO THE GROUNDS OF THE UNITED STATES SUPREME COURT BUILDING

Program and Financing (in thousands of dollars)

Identification code 10-0104-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0).....		3	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-3	-3	
24.40 Unobligated balance available, end of year.....	3		
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		3	
72.40 Obligated balance, start of year.....	1		
90.00 Outlays.....	1	3	

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for all necessary expenses of the court, **[\$6,800,000] \$7,980,000.** (5 U.S.C. 5701-5707; 28 U.S.C. 44(a), 45, 46, 48, 372, 456, 462(d), 463, 711-715, 961, 1292 (c) and (d), 1295, 1296; 40 U.S.C. 490(j); The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 10-0510-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	5,259	6,920	7,980
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	50		
39.00 Budget authority.....	5,309	6,920	7,980
<b>Budget authority:</b>			
40.00 Appropriation.....	5,309	6,800	7,980
44.20 Supplemental for civilian pay raises.....		97	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		23	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,259	6,920	7,980
72.40 Obligated balance, start of year.....	352	360	449
74.40 Obligated balance, end of year.....	-360	-449	-529

77.00 Adjustments in expired accounts.....	9		
89.00 Outlays.....	5,261	6,831	7,900

Outlays:

90.00 Outlays, excluding pay raise supplemental.....	5,261	6,713	7,898
91.20 Outlays from civilian pay raise supplemental.....		95	2
91.40 Outlays from retirement contribution supplemental.....		23	

The United States Court of Appeals for the Federal Circuit has exclusive jurisdiction of appeals from final decisions of all Federal district courts in cases arising under 28 U.S.C. 1338; 35 U.S.C. sections 145 and 146; 28 U.S.C. 1346(a)(2); final decisions of the U.S. Court of International Trade; final decisions of the U.S. Claims Court; final determinations of the U.S. International Trade Commission relating to unfair practices in import trade made under 19 U.S.C. 1337; findings of the Secretary of Commerce under headnote 6 to schedule 8, part 4, of the Tariff Schedules of the United States relating to importation of educational or scientific instruments and apparatus; final orders or decisions of the Merit Systems Protection Board, and final decisions of all agency Boards of Contract Appeals; and exclusive jurisdiction over appeals from final decisions of the Patent and Trademark Office tribunals on patent applications and interferences, trademark applications and interferences, cancellations, concurrent uses, and oppositions; and appeals under section 71 of the Plant Variety Protection Act of 1970.

The Court also has exclusive jurisdiction of (1) appeals from interlocutory orders or decrees in cases where the court would have jurisdiction of the appeal; and (2) appeals from judgments in civil actions for patent infringement otherwise appealable to the court and final except for accounting. The court may, in its discretion, permit an appeal from an interlocutory order of a judge who certifies that there is a controlling question of law and a substantial ground for difference of opinion thereon, and an immediate appeal may materially advance the ultimate termination of the litigation.

Object Classification (in thousands of dollars)

Identification code 10-0510-0-1-752	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	2,984	3,387	3,694
12.1 Personnel benefits: Civilian.....	307	501	560
21.0 Travel and transportation of persons.....	13	33	45
22.0 Transportation of things.....		3	3
23.1 Rental payments to GSA.....	1,215	2,371	2,790
23.3 Communications, utilities, and miscellaneous charges.....	148	190	196
24.0 Printing and reproduction.....	41	30	33
25.0 Other services.....	172	162	191
26.0 Supplies and materials.....	33	32	41
31.0 Equipment.....	346	211	427
99.9 Total obligations.....	5,259	6,920	7,980

Personnel Summary

Total number of full-time permanent positions.....	87	93	95
Total compensable workyears: Full-time equivalent employment.....	83	86	95

**UNITED STATES COURT OF INTERNATIONAL TRADE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by 5 U.S.C. 3109; and necessary expenses of the court, including exchange of books and traveling expenses, as may be approved by the courts; **[\$7,000,000] \$8,132,000.** *Provided,* That travel expenses of judges of the Court of International Trade shall be paid upon written certificate of the judge. (5 U.S.C. 5701-5708; 28 U.S.C. 251-57, 372(c)(1), 372(c)(17), 456, 463, 871-873, 961, 1821; 40 U.S.C. 490(j); *The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

**Program and Financing** (in thousands of dollars)

Identification code	10-0400-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	5,835	7,139	8,132
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	- 98		
25.00	Unobligated balance lapsing.....	420		
39.00	<b>Budget authority</b> .....	<b>6,157</b>	<b>7,139</b>	<b>8,132</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	6,157	7,000	8,132
44.20	Supplemental for civilian pay raises.....		90	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		49	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	5,835	7,139	8,132
72.40	Obligated balance, start of year.....	404	212	249
74.40	Obligated balance, end of year.....	- 212	- 249	- 284
89.00	<b>Outlays</b> .....	<b>6,028</b>	<b>7,102</b>	<b>8,097</b>
<b>Outlays:</b>				
90.00	Outlays, excluding pay raise supplemental.....	6,028	6,965	8,095
91.20	Outlays from civilian pay raise supplemental.....		89	1
91.40	Outlays from retirement contribution supplemental.....		48	1

The United States Court of International Trade, established under Article III of the Constitution of the United States, was created by the Act of October 10, 1980 (94 Stat. 1727), effective November 1, 1980, as successor to the former United States Customs Court. The court has original and exclusive jurisdiction of civil actions against the United States, its agencies and officers, and certain civil actions brought by the United States, arising out of import transactions and Federal statutes affecting international trade. The court possesses all the powers in law and equity of, or as conferred by statute upon, a district court of the United States, and is authorized to conduct jury trials. The geographical jurisdiction of the court is nationwide and trials before the court may be held at any place within the jurisdiction of the United States. The court also is authorized to hold hearings in foreign countries. The principal statutory provisions pertaining to the court are contained in the following sections of title 28 of the United States Code: Organization, sections 251 to 257; Jurisdiction, sections 1581 to 1585; and Procedures, sections 2631 to 2647.

**Object Classification** (in thousands of dollars)

Identification code	10-0400-0-1-752	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent.....	3,003	3,375	3,432
12.1	Personnel benefits: Civilian.....	316	428	453
21.0	Travel and transportation of persons.....	16	40	45
22.0	Transportation of things.....	6	10	10
23.1	Rental payments to GSA.....	1,715	2,743	3,430
23.3	Communications, utilities, and miscellaneous charges.....	201	185	144
24.0	Printing and reproduction.....	16	22	23
25.0	Other services.....	114	128	290
26.0	Supplies and materials.....	31	38	41
31.0	Equipment.....	417	170	264
99.9	<b>Total obligations</b> .....	<b>5,835</b>	<b>7,139</b>	<b>8,132</b>

**Personnel Summary**

Total number of full-time permanent positions.....	101	99	99
Total compensable workyears: Full-time equivalent employment.....	88	94	99

**COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the Claims Court, bankruptcy judges, magistrates, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and all necessary expenses of the courts, including the purchase of firearms and ammunition, **[\$941,500,000] \$1,159,740,000**, of which not to exceed **[\$160,000,000] \$215,130,000** shall be available for payment of charges for space and facilities: *Provided, That, of the total amount appropriated, \$500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: Provided further,* That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned prearrangement conference duties. (5 U.S.C. 3109, 5701-5707, 5722-5724, 5728, 8334(c), 8339(n); 11 U.S.C. 105(c); 18 U.S.C. 3060, 3142(g), 3152-3154, 3401, 3402, 3522(a), 3651, 3654, 3656, 4107(e), 4108(e), 4255; 28 U.S.C. 44, 133-135, 151-158, 171-175, 332, 371-375, 456, 460, 462, 463, 602(b), 604, 605, 631-636, 638, 711-715, 751-753, 755, 771-775, 791, 794-797, 961, 1334(a), 1407, 1821, 1827, 1828, 1914(a), 1915(b), 1930(a), 1931, 2509(g); 40 U.S.C. 490(j); 41 U.S.C. 114(a); 48 U.S.C. 1424(b)(a), 1614(a), 1694(b)(1); Rules 53, 72, 73, and 75 F.R. Civ. P.; Rules 5 and 28 F.R. Crim. P.; Rule 706 F.R. Evid.; Misdemeanor Rules 5 and 7; Rules 2003 and 5007 F.R. Bank. P.; *The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

**Program and Financing** (in thousands of dollars)

Identification code	10-0920-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Salaries of judges.....	100,956	107,400	114,600
00.02	Salaries of supporting personnel.....	473,444	537,820	620,095
00.03	Expenses of operation and maintenance of the courts..	128,271	151,428	193,077
00.04	Space and facilities.....	145,675	175,000	231,468
00.91	<b>Total direct program</b> .....	<b>848,346</b>	<b>971,648</b>	<b>1,159,240</b>
01.01	Reimbursable program.....		3,000	3,000
10.00	<b>Total obligations</b> .....	<b>848,346</b>	<b>974,648</b>	<b>1,162,240</b>
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....		- 3,000	- 3,000
17.00	Recovery of prior year obligations.....	- 350		
21.40	Unobligated balance available, start of year.....	- 28,856	- 5,428	
24.40	Unobligated balance available, end of year.....	5,428		500

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 10-0920-0-1-752	1986 actual	1987 est.	1988 est.
25.00 Unobligated balance lapsing .....	3,198		
39.00 <b>Budget authority</b> .....	<b>827,766</b>	<b>966,220</b>	<b>1,159,740</b>
Budget authority:			
40.00 Appropriation .....	827,766	941,500	1,159,740
41.00 Transferred to other accounts .....	-8,000		
42.00 Transferred from other accounts .....	8,000		
43.00 <b>Appropriation (adjusted)</b> .....	<b>827,766</b>	<b>941,500</b>	<b>1,159,740</b>
44.20 <b>Supplemental for civilian pay raises</b> .....		15,832	
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		9,688	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	848,346	971,648	1,159,240
72.40 Obligated balance, start of year .....	56,627	47,696	59,752
74.40 Obligated balance, end of year .....	-47,696	-59,752	-80,097
77.00 Adjustments in expired accounts .....	68		
78.00 Adjustments in unexpired accounts .....	-350		
89.00 <b>Outlays</b> .....	<b>856,996</b>	<b>959,592</b>	<b>1,138,895</b>
Outlays:			
90.00 Outlays, excluding pay raise supplemental .....	856,996	935,214	1,138,553
91.20 Outlays from civilian pay raise supplemental .....		14,835	197
91.40 Outlays from retirement contribution supplemental .....		9,543	145
Distribution of budget authority and outlays:			
Budget authority:			
Salaries of judges .....	99,713	107,400	114,600
Salaries of supporting personnel .....	460,679	537,820	620,095
Expenses of operation and maintenance of the courts .....	123,695	146,000	193,577
Space and facilities .....	143,679	175,000	231,468
Total .....	827,766	966,220	1,159,740
Outlays:			
Salaries of judges .....	101,959	107,425	114,600
Salaries of supporting personnel .....	485,054	535,367	614,523
Expenses of operation and maintenance of the courts .....	123,907	145,291	183,402
Space and facilities .....	146,076	171,509	226,370
Total .....	856,996	959,592	1,138,895

Note.—The activities previously financed under Courts of Appeals, District Courts, and Other Judicial Services, account titles "Salaries of Judges," "Salaries of Supporting Personnel," "Expenses of Operation and Maintenance of the Courts," and "Space and Facilities" in 1986 are presented in these schedules and are to be financed in this account in 1987 and 1988. Budget authority and outlays are distributed by account above.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	827,766	966,220	1,159,740
Outlays .....	856,996	959,592	1,138,895
Supplemental under existing legislation:			
Budget authority .....		40,200	
Outlays .....		35,776	4,424
Total:			
Budget authority .....	827,766	1,006,420	1,159,740
Outlays .....	856,996	995,368	1,143,319

Funds appropriated under this heading are for the salaries and benefits of judges and supporting personnel and all operating expenses of the United States courts of appeals, district courts, bankruptcy courts, and Claims Court. In fiscal year 1987, the following appropriation accounts, which are now shown as separate activities, were consolidated into this account: "Salaries of Judges," "Salaries of Supporting Personnel," "Expenses of Operation and Maintenance of the Courts," and "Space and Facilities."

**Salaries of judges.**—This activity includes the salaries and benefits of all active United States circuit and dis-

trict judges (including judges of the territorial courts of the United States), Claims Court judges, bankruptcy judges, and all justices and judges who have retired from office or from regular active service in pursuance of law. The fiscal year 1988 request includes funds for an increase in the number of senior judges and for recalled bankruptcy judges.

**Salaries of supporting personnel.**—The salaries and benefits of all other officers and employees of the Federal Judiciary not otherwise specifically provided for are included under this activity. It provides for United States magistrates; the administrative and legal aides required to assist the judges and magistrates in the conduct of hearings, trials, and other judicial functions; and personnel to staff the component offices of the courts, including the Federal Probation Service. For fiscal year 1988, funds are included to annualize the cost of new positions authorized in 1987 and for an additional 1,679 supporting personnel required as a result of increased workload.

**Expenses of operation and maintenance of the courts.**—Funds included under this activity are for travel expenses incurred by judges, magistrates, and supporting personnel in attending sessions of court or transacting other official business and for relocation expenses, communications, printing, contractual services, supplies, equipment, and lawbooks. The fiscal year 1988 request includes funds to support the additional supporting personnel; expansion of automated systems in the courts; expansion of the drug dependent offenders program; and increases in the cost of services, supplies, and equipment.

**Space and facilities.**—This activity provides for the rental of space, alterations, and related services for United States court facilities. The 1988 request includes increases for space rental charges and for space required incident to prospectus projects and expanded/remodeled facilities.

**Object Classification (in thousands of dollars)**

Identification code 10-0920-0-1-752	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	479,565	534,243	587,104
11.3 Other than full-time permanent .....	12,978	14,809	16,431
11.5 Other personnel compensation .....	20	20	20
11.8 Special personal services payments .....	21,953	24,493	25,206
11.9 Total personnel compensation .....	514,516	573,565	628,761
12.1 Personnel benefits: Civilian .....	60,399	72,120	106,631
13.0 Benefits for former personnel .....	335	335	335
21.0 Travel and transportation of persons .....	11,400	12,000	16,576
22.0 Transportation of things .....	1,495	1,125	1,337
23.1 Rental payments to GSA .....	133,448	160,000	215,130
23.2 Rental payments to others .....	330	400	416
23.3 Communications, utilities, and miscellaneous charges .....	37,315	40,405	49,370
24.0 Printing and reproduction .....	5,490	5,860	6,165
25.0 Other services .....	36,178	45,160	56,371
26.0 Supplies and materials .....	7,230	8,030	9,883
31.0 Equipment .....	40,200	52,638	68,255
42.0 Insurance claims and indemnities .....	10	10	10
99.0 Subtotal, direct obligations .....	848,346	971,648	1,159,240
99.0 Reimbursable obligations .....		3,000	3,000
99.9 Total obligations .....	848,346	974,648	1,162,240

**Personnel Summary**

Total number of full-time permanent positions:			
Circuit judgeships.....	156	156	156
District judgeships.....	575	575	575
Claims Court judgeships.....	16	16	16
Bankruptcy judgeships.....	232	232	284
Magistrates.....	272	280	292
Supporting personnel.....	15,741	16,594	19,226
Total compensable workyears: Full-time equivalent employment.....	16,579	17,416	19,719

**DEFENDER SERVICES\***

\*See Part II for additional information.

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel, and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by law; **[\$86,378,000]** \$98,300,000, to remain available until expended. (18 U.S.C. 3142(f)(2), 3144, 4109, 4211(c)(1), 4214, 4247(d); 28 U.S.C. 463, 753(f), 1875(d), 1915(b); 40 U.S.C. 490(j); The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code 10-0923-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Federal public defenders.....	18,480	25,377	27,070
00.02 Community defender organizations (grants).....	5,765	7,015	7,477
00.03 Panel attorneys.....	39,987	51,076	58,928
00.04 Transcripts.....	3,174	4,340	4,775
00.05 General administrative expense.....	11	50	50
10.00 Total obligations.....	67,417	87,858	98,300
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-8,274		
39.00 <b>Budget authority</b> .....	<b>59,143</b>	<b>87,858</b>	<b>98,300</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>59,143</b>	<b>86,378</b>	<b>98,300</b>
44.20 Supplemental for civilian pay raises.....		593	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		887	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	67,417	87,858	98,300
72.40 Obligated balance, start of year.....	32,200	40,540	52,715
74.40 Obligated balance, end of year.....	-40,540	-52,715	-58,980
89.00 Outlays.....	59,078	75,683	92,035
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental.....	59,078	74,226	92,012
91.20 Outlays from civilian pay raise supplemental.....		583	10
91.40 Outlays from retirement contribution supplemental.....		874	13

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	59,143	87,858	98,300
Outlays.....	59,078	75,683	92,035
<b>Supplemental under existing legislation:</b>			
Budget authority.....		2,500	
Outlays.....		1,000	1,500
<b>Total:</b>			
Budget authority.....	59,143	90,358	98,300
Outlays.....	59,078	76,683	93,535

Funds appropriated under this heading provide for the administration and operation of the Criminal Justice Act of 1964 (18 U.S.C. 3006A), as amended, which

provides for furnishing representation for any person financially unable to obtain adequate representation: (1) who is charged with a felony or misdemeanor (other than a petty offense, unless the defendant faces the likelihood of loss of liberty), or with juvenile delinquency, or with a violation of probation; (2) who is under arrest, when such representation is required by law; (3) who is entitled to appointment of counsel in parole proceedings under chapter 311 of title 18, United States Code; (4) who is subject to a mental condition hearing under chapter 313 of title 18, United States Code; (5) who is in custody as a material witness; (6) who is entitled to appointment of counsel under the sixth amendment to the Constitution; (7) who faces loss of liberty in a case, and Federal law requires the appointment of counsel; or (8) is seeking relief under section 2241, 2254, or 2255 of title 28, United States Code. Representation includes counsel and investigative, expert, and other necessary services. The appropriation includes funding for the compensation and expenses of court-appointed counsel and persons providing investigative, expert and other services under the Act, for the operation of the Federal Defender organizations, and for the continuing education and training of persons providing representational services under the Act. In addition, this appropriation is available for the compensation of counsel: (1) appointed pursuant to 5 United States Code Section 3109 to assist the court in criminal cases where the defendant has waived representation by counsel; and (2) appointed pursuant to 28 United States Code Section 1875 to represent jurors in civil actions for the protection of their employment.

**Object Classification (in thousands of dollars)**

Identification code 10-0923-0-1-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,654	16,231	17,424
11.3 Other than full-time permanent.....	343	351	353
11.9 Total personnel compensation.....	12,997	16,582	17,777
12.1 Personnel benefits: Civilian.....	1,614	3,267	3,738
21.0 Travel and transportation of persons.....	412	543	571
22.0 Transportation of things.....	12	19	12
23.1 Rental payments to GSA.....	1,570	2,052	2,202
23.2 Rental payments to others.....	30	45	45
23.3 Communications, utilities, and miscellaneous charges.....	666	912	879
24.0 Printing and reproduction.....	18	53	55
<b>Other services:</b>			
25.0 Compensation and out-of-pocket expenses of court-appointed counsel.....	38,430	49,136	56,768
25.0 Transcripts.....	3,174	4,340	4,775
25.0 Investigators, interpreters, psychiatrists, and other experts.....	1,872	2,419	2,643
25.0 Other.....	184	549	571
26.0 Supplies and materials.....	115	115	132
31.0 Equipment.....	558	811	655
41.0 Grants, subsidies, and contributions.....	5,765	7,015	7,477
99.9 Total obligations.....	67,417	87,858	98,300

**Personnel Summary**

Total number of full-time permanent positions.....	416	453	468
Total compensable workyears: Full-time equivalent employment.....	386	421	434

**FEES OF JURORS AND COMMISSIONERS**

For fees and expenses and refreshments of jurors; compensation of jury commissioners; and compensation of commissioners appointed in condemnation cases pursuant to Rule 71A(h) of the Federal Rules of

General and special funds—Continued

FEE OF JURORS AND COMMISSIONERS—Continued

Civil Procedure; \$52,135,000, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code. (5 U.S.C. 3109(b); 28 U.S.C. 604, 1863(a)(b), 1871; *The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

Program and Financing (in thousands of dollars)

Identification code 10-0925-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Jury commissioners.....	7	25	25
00.02 Land commissioners.....	479	450	450
00.03 Grand jurors.....	11,584	11,475	11,700
00.04 Petit jurors.....	33,264	37,385	42,760
10.00 Total obligations.....	45,334	49,335	54,935
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....			-2,800
24.40 Unobligated balance available, end of year.....		2,800	
40.00 Budget authority (appropriation).....	45,334	52,135	52,135
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	45,334	49,335	54,935
72.40 Obligated balance, start of year.....	1,801	2,251	2,417
74.40 Obligated balance, end of year.....	-2,251	-2,417	-2,692
90.00 Outlays.....	44,883	49,169	54,660

This appropriation provides for the statutory fees and allowances of jurors, refreshments of jurors, fees of jury commissioners, and compensation of land commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure. Budgetary requirements depend largely on the volume and length of jury trials demanded by the parties to both civil and criminal actions and the number of grand juries being convened by the courts at the request of United States attorneys.

Object Classification (in thousands of dollars)

Identification code 10-0925-0-1-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation: Other than full-time permanent:</b>			
11.3 Jury commissioners.....	6	23	23
11.3 Land commissioners.....	449	427	427
11.8 Jurors.....	28,839	30,607	34,134
11.9 Total personnel compensation.....	29,294	31,057	34,584
12.1 Personnel benefits: Civilian.....	28	25	25
21.0 Travel and transportation of persons (jurors).....	14,763	16,100	17,929
23.3 Communications, utilities, and miscellaneous charges.....	165	180	200
25.0 Other services (meals and lodging furnished sequestered jurors).....	875	1,480	1,648
26.0 Supplies and materials.....	209	493	549
99.9 Total obligations.....	45,334	49,335	54,935

BANKRUPTCY COURTS, SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code 10-0921-0-1-752	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	15,498	2,171	
74.40 Obligated balance, end of year.....	-2,171		
77.00 Adjustments in expired accounts.....	638		
90.00 Outlays.....	13,965	2,171	

In fiscal year 1986, the salaries and expenses of bankruptcy judges, secretaries, law clerks and other supporting personnel were funded from the appropriations "Salaries of judges", "Salaries of supporting personnel", and "Expenses of operation and maintenance of the courts". In fiscal year 1987, these accounts were consolidated into one appropriation "Salaries and Expenses."

FURNITURE AND FURNISHINGS

Program and Financing (in thousands of dollars)

Identification code 10-0932-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 31.0).....		136	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-136	-136	
24.40 Unobligated balance available, end of year.....	136		
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			136
72.40 Obligated balance, start of year.....	385	384	
74.40 Obligated balance, end of year.....	-384		
90.00 Outlays.....			520

This no-year appropriation provides for the purchase of furniture and furnishings for judges authorized by Public Law 95-486 and the Bankruptcy Reform Act (Public Law 95-598).

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities; **[\$36,000,000] \$46,300,000**, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General. (28 U.S.C. 569(a); 40 U.S.C. 490(j); *The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

Program and Financing (in thousands of dollars)

Identification code 10-0930-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	30,437	36,000	46,300
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-443		
25.00 Unobligated balance lapsing.....	1,348		
40.00 Budget authority (appropriation).....	31,342	36,000	46,300
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	30,437	36,000	46,300
72.40 Obligated balance, start of year.....	6,419	11,755	14,040
74.40 Obligated balance, end of year.....	-11,755	-14,040	-18,057
77.00 Adjustments in expired accounts.....	798		
90.00 Outlays.....	25,898	33,715	42,283

This appropriation provides for the necessary expenses of security and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activi-

ties, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the judicial facility security program.

**Object Classification** (in thousands of dollars)

Identification code 10-0930-0-1-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	436	458	750
11.5 Other personnel compensation .....	21		
11.9 Total personnel compensation .....	457	458	750
12.1 Personnel benefits: Civilian .....	53	63	100
21.0 Travel and transportation of persons .....	96	57	128
22.0 Transportation of things .....	17		10
23.1 Rental payments to GSA .....	556	649	944
23.3 Communications, utilities, and miscellaneous charges .....	41	30	75
24.0 Printing and reproduction .....		2	10
25.0 Other services .....	23,499	30,171	38,641
26.0 Supplies and materials .....	120	15	75
31.0 Equipment .....	5,598	4,555	5,567
99.9 Total obligations .....	30,437	36,000	46,300

**Personnel Summary**

Total number of full-time permanent positions .....	15	15	23
Total compensable workyears:			
Full-time equivalent employment .....	15	15	23
Full-time equivalent of overtime and holiday hours .....	1		

**SPECIAL RAIL REORGANIZATION COURT**

**Program and Financing** (in thousands of dollars)

Identification code 10-0937-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	172	389	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-6		
21.40 Unobligated balance available, start of year .....	-555	-389	
24.40 Unobligated balance available, end of year .....	389		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	172	389	
72.40 Obligated balance, start of year .....	13	7	2
74.40 Obligated balance, end of year .....	-7	-2	
78.00 Adjustments in unexpired accounts .....	-6		
90.00 Outlays .....	173	394	2

Funds appropriated under this heading are for salaries and expenses of the special court established by the Rail Reorganization Act of 1973, as amended by Public Law 95-199, approved November 23, 1977. Continued funding of the special court will be from the appropriation "Salaries and Expenses" once the available funds in this account have been exhausted.

**Object Classification** (in thousands of dollars)

Identification code 10-0937-0-1-752	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent .....	154	159	
12.1 Personnel benefits: Civilian .....	14	14	
21.0 Travel and transportation of persons .....	1	1	
23.3 Communications, utilities, and miscellaneous charges .....	1	1	
25.0 Other services .....	2	214	
99.9 Total obligations .....	172	389	

**Personnel Summary**

Total number of full-time permanent positions .....	41		
Total compensable workyears: Full-time equivalent employment .....	7	7	

**ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For necessary expenses of the Administrative Office of the United States Courts, including travel, advertising, hire of a passenger motor vehicle, and rent in the District of Columbia and elsewhere, **[\$29,500,000]** \$33,640,000, of which an amount not to exceed \$5,000 is authorized for official reception and representation expenses. (U.S.C. 5108(c)(1), 5402, 5403; 28 U.S.C. 332, 463, 601-606, 611, 621(a)(3), 628, 634, 635, 638, 1827, 1828; 31 U.S.C. 1105(b); 18 U.S.C. 2519(3), 4255; 40 U.S.C. 490(j); 2 D.C.C. 2226(b), 2227; The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing** (in thousands of dollars)

Identification code 10-0927-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Executive direction .....	4,109	4,592	5,087
00.02 Program direction .....	4,144	4,714	5,227
00.03 Management services .....	9,999	10,386	11,187
00.04 Information systems .....	9,980	10,392	12,139
10.00 Total obligations .....	28,232	30,084	33,640
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-452		
25.00 Unobligated balance lapsing .....	164		
39.00 <b>Budget authority</b> .....	27,944	30,084	33,640
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	27,944	29,500	33,640
44.20 Supplemental for civilian pay raises .....		504	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		80	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	28,232	30,084	33,640
72.40 Obligated balance, start of year .....	4,208	3,524	3,717
74.40 Obligated balance, end of year .....	-3,524	-3,717	-4,132
77.00 Adjustments in expired accounts .....	-117		
89.00 Outlays .....	28,799	29,891	33,225
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental .....	28,799	29,316	33,216
91.20 Outlays from civilian pay raise supplemental .....		496	8
91.40 Outlays from retirement contribution supplemental .....		79	1

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

<b>Enacted/requested:</b>			
Budget authority .....	27,944	30,084	33,640
Outlays .....	28,799	29,891	33,225
<b>Supplemental under existing legislation:</b>			
Budget authority .....		192	
Outlays .....		142	50
<b>Total:</b>			
Budget authority .....	27,944	30,276	33,640
Outlays .....	28,799	30,033	33,275

The Office, pursuant to section 604 of title 28, United States Code, under the supervision and direction of the Judicial Conference of the United States, is responsible for the administration of the U.S. courts, including the probation and bankruptcy system. The principal func-

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

tions consist of providing staff and services for the courts; conducting a continuous study of the rules of practice and procedure in the Federal courts; examining the state of dockets of the various courts; compiling and publishing statistical data concerning the business transacted by the courts; and administering the Judicial Survivors Annuity System under title 28, United States Code, section 376. The Office also is responsible for the preparation and submission of the annual budget estimates as well as supplemental and deficiency estimates; the disbursement of and accounting for moneys appropriated for the operation of the courts, the Public Defender Service for the District of Columbia and the Federal Judicial Center; the audit and examination of accounts; the purchase and distribution of supplies and equipment; providing automated data processing services; and for securing adequate space for occupancy by the courts and for such other matters as may be assigned by the Supreme Court and Judicial Conference of the United States.

Object Classification (in thousands of dollars)

Identification code 10-0927-0-1-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	17,241	18,661	20,166
11.3 Other than full-time permanent .....	360	360	360
11.5 Other personnel compensation .....	144	185	185
11.9 Total personnel compensation .....	17,745	19,206	20,711
12.1 Personnel benefits: Civilian .....	2,015	2,418	2,665
21.0 Travel and transportation of persons .....	665	775	1,254
22.0 Transportation of things .....	78	80	83
23.1 Rental payments to GSA .....	2,334	2,800	3,410
23.3 Communications, utilities, and miscellaneous charges .....	1,505	1,381	1,452
24.0 Printing and reproduction .....	22	25	26
25.0 Other services .....	2,378	2,079	2,186
26.0 Supplies and materials .....	525	480	512
31.0 Equipment .....	965	840	1,341
99.9 Total obligations .....	28,232	30,084	33,640

Personnel Summary

Total number of full-time permanent positions .....	583	600	623
Total compensable workyears:			
Full-time equivalent employment .....	540	565	594
Full-time equivalent of overtime and holiday hours .....	4	4	4

STUDY OF CONSTRUCTION OF OFFICE BUILDING

Program and Financing (in thousands of dollars)

Identification code 10-0940-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		1,300	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....		-1,300	
24.40 Unobligated balance available, end of year .....	1,300		
40.00 Budget authority (appropriation) .....	1,300		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		1,300	
90.00 Outlays .....		1,300	

This schedule reflects the fiscal year 1986 supplemental appropriation to fund the study of the construction of a new judicial office building.

FEDERAL JUDICIAL CENTER

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, [ \$9,600,000 ] \$11,998,000. (The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 10-0928-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administration and support services .....	2,704	2,876	3,219
00.02 Education and training .....	2,835	3,243	4,946
00.03 Research and systems development .....	3,625	3,705	3,833
10.00 Total obligations .....	9,164	9,824	11,998
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	23		
39.00 Budget authority .....	9,187	9,824	11,998
<b>Budget authority:</b>			
40.00 Appropriation .....	9,187	9,600	11,998
44.20 Supplemental for civilian pay raises .....		116	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		108	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	9,164	9,824	11,998
72.40 Obligated balance, start of year .....	1,830	1,546	1,744
74.40 Obligated balance, end of year .....	-1,546	-1,744	-2,108
77.00 Adjustments in expired accounts .....	-140		
89.00 Outlays .....	9,308	9,626	11,634
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental .....	9,308	9,405	11,631
91.20 Outlays from civilian pay raise supplemental .....		114	2
91.40 Outlays from retirement contribution supplemental .....		107	1

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	9,187	9,824	11,998
Outlays .....	9,308	9,626	11,634
<b>Supplemental under existing legislation:</b>			
Budget authority .....		1,108	
Outlays .....		936	172
<b>Total:</b>			
Budget authority .....	9,187	10,932	11,998
Outlays .....	9,308	10,562	11,806

This appropriation provides for the operation of the Federal Judicial Center which was established by the act of December 20, 1967, Public Law 90-219 (81 Stat. 664). The Center is charged with the responsibility for furthering the development and adoption of improved judicial administration in the courts of the United States.

Object Classification (in thousands of dollars)

Identification code 10-0928-0-1-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	3,237	3,341	3,458

11.3	Other than full-time permanent .....	761	784	784
11.9	Total personnel compensation.....	3,998	4,125	4,242
12.1	Personnel benefits: Civilian .....	470	642	720
21.0	Travel and transportation of persons.....	1,815	2,148	3,712
22.0	Transportation of things .....	26	26	27
23.1	Rental payments to GSA .....	595	643	885
23.3	Communications, utilities, and miscellaneous charges .....	391	405	442
24.0	Printing and reproduction.....	136	264	275
25.0	Other services .....	941	1,108	1,213
26.0	Supplies and materials .....	158	182	189
31.0	Equipment (including library) .....	634	281	293
99.9	Total obligations .....	9,164	9,824	11,998

**Personnel Summary**

Total number of full-time permanent positions.....	94	94	97
Total compensable workyears:			
Full-time equivalent employment .....	116	116	119
Full-time equivalent of overtime and holiday hours .....	1	1	1

**BICENTENNIAL EXPENSES, THE JUDICIARY**

*Federal Funds*

**General and special funds:**

**BICENTENNIAL ACTIVITIES**

**[(INCLUDING TRANSFER OF FUNDS)]**

For expenses to be incurred by the Judiciary for the observance of the Bicentennial of the Constitution of the United States, \$1,000,000, to remain available until expended. Funds appropriated under this heading in The Judiciary Appropriation Act, 1976, shall also be available for this purpose. (The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code 10-0933-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	12	375	65
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-811	-799	-1,424
24.40 Unobligated balance available, end of year.....	799	1,424	1,359
40.00 Budget authority (appropriation) .....		1,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	12	375	65
72.40 Obligated balance, start of year .....	80	80	50
74.40 Obligated balance, end of year .....	-80	-50	-15
90.00 Outlays .....	11	405	100

This account is for expenses incurred by the Judiciary for the observance of the Bicentennial of the U.S. Constitution.

**Object Classification (in thousands of dollars)**

Identification code 10-0933-0-1-806	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	2	25	25
24.0 Printing and reproduction .....		20	20
25.0 Other services .....	10	330	20
99.9 Total obligations .....	12	375	65

**JUDICIARY TRUST FUNDS**

*Trust Funds*

**JUDICIAL SURVIVORS' ANNUITIES FUND**

**Program and Financing (in thousands of dollars)**

Identification code 10-8110-0-7-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Annuities .....	2,832	2,971	3,147
00.02 Claims and other expenses.....	245	1,708	108
10.00 Total obligations .....	3,077	4,679	3,255
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-304	-344	-132
21.40 U.S. securities (par) .....	-101,680	-112,644	-123,771
Unobligated balance available, end of year:			
24.40 Treasury balance.....	344	132	133
24.40 U.S. securities (par) .....	112,644	123,771	135,611
60.00 Budget authority (appropriation) (permanent, indefinite) .....	14,082	15,594	15,096
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	3,077	4,679	3,255
90.00 Outlays .....	3,077	4,679	3,255

The Judicial survivors' annuities fund (section 376 of title 28, United States Code) was established to receive sums deducted and withheld from salaries of justices, judges, the Director of the Federal Judicial Center, and the Director of the Administrative Office of the U.S. Courts who have elected to bring themselves within the purview of the above section as well as amounts received from said judges covering Federal civilian service prior to date of election.

This fund provides an annuity for participants' surviving widows and dependent children.

**Object Classification (in thousands of dollars)**

Identification code 10-8110-0-7-602	1986 actual	1987 est.	1988 est.
42.0 Insurance claims and indemnities.....	2,832	2,971	3,147
44.0 Refunds .....	245	1,708	108
99.9 Total obligations .....	3,077	4,679	3,255

**GENERAL PROVISIONS—THE JUDICIARY**

SEC. 401. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 402. Appropriations made in this title shall be available for salaries and expenses of the Temporary Emergency Court of Appeals authorized by Public Law 92-210 and the Special Court established under the Regional Rail Reorganization Act of 1973, Public Law 93-236.

SEC. 403. The position of Trustee Coordinator in the Bankruptcy Courts of the United States shall not be limited to persons with formal legal training.

SEC. 404. Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of the United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Director of the Administrative Office of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such

directives. The provisions of this paragraph shall terminate on October 1, 1988.

SEC. 405. Such fees as shall be collected for the preparation and mailing of notices in bankruptcy cases as prescribed by the Judicial Conference of the United States pursuant to 28 U.S.C. 1930(b) shall be deposited to the "Courts of Appeals, District Courts, and Other Judicial Services, Salaries and Expenses" appropriation to be used for

salaries and other expenses incurred in providing these services.

SEC. 406. Pursuant to section 140 of Public Law 97-92, during fiscal year 1988, justices and judges of the United States shall receive the same percentage increase in salary accorded to employees paid under the General Schedule (pursuant to 5 U.S.C. 5305). (*The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

## EXECUTIVE OFFICE OF THE PRESIDENT

### COMPENSATION OF THE PRESIDENT

#### Federal Funds

#### General and special funds:

#### COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102; \$250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided, further*, That none of the funds made available for official expenses shall be considered as taxable to the President. (*Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

#### Program and Financing (in thousands of dollars)

Identification code 11-0001-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Compensation of the President.....	200	200	200
00.02 Expenses.....	45	50	50
10.00 Total obligations.....	245	250	250
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	5	0	0
40.00 Budget authority (appropriation).....	250	250	250
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	245	250	250
72.40 Obligated balance, start of year.....	15	5	5
74.40 Obligated balance, end of year.....	-5	-5	-5
77.00 Adjustments in expired accounts.....	-5		
90.00 Outlays.....	250	250	250

These funds provide for the compensation of the President and for official expenses.

#### Object Classification (in thousands of dollars)

Identification code 11-0001-0-1-802	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	200	200	200
25.0 Other services.....	45	50	50
99.9 Total obligations.....	245	250	250

## THE WHITE HOUSE OFFICE

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed \$20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; **[\$24,450,000] \$27,493,000.** (*Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

#### Program and Financing (in thousands of dollars)

Identification code 11-0110-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	23,791	24,996	27,493
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	44		
39.00 Budget authority.....	23,835	24,996	27,493
<b>Budget authority:</b>			
40.00 Appropriation.....	23,835	24,450	27,493
44.20 Supplemental for civilian pay raises.....		172	
44.40 Supplemental for retirement contributions (PL 99-335).....		374	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	23,791	24,996	27,493
72.40 Obligated balance, start of year.....	3,281	3,831	3,868
74.40 Obligated balance, end of year.....	-3,831	-3,868	-3,831
77.00 Adjustments in expired accounts.....	-49		
89.00 Outlays.....	23,192	24,959	27,530
<b>Outlays:</b>			
90.00 Outlays excluding pay and retirement supplementals.....	23,192	24,450	27,493
91.20 Outlays from civilian pay raise supplemental.....		160	12
91.40 Outlays from retirement contribution supplemental.....		349	25

These funds provide the President with staff assistance and provide administrative services for the direct support of the President.

#### Object Classification (in thousands of dollars)

Identification code 11-0110-0-1-802	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,001	12,501	12,729
11.3 Other than full-time permanent.....	751	887	902
11.5 Other personnel compensation.....	267	273	278
11.8 Special personal services payments.....	358	425	425
11.9 Total personnel compensation.....	13,377	14,086	14,334
12.1 Personnel benefits: Civilian.....	1,656	2,053	2,606
21.0 Travel of the President.....	26	100	100
21.0 Travel and transportation of persons.....	485	500	500
22.0 Transportation of things.....	10	13	13
23.1 Rental payments to GSA.....	2,618	2,597	4,293
23.3 Communications, utilities, and miscellaneous charges.....	2,423	2,221	2,221
24.0 Printing and reproduction.....	594	610	610
25.0 Other services.....	1,623	1,587	1,587
25.0 Official entertainment.....	14	20	20
26.0 Supplies and materials.....	402	409	409
31.0 Equipment.....	563	800	800
99.9 Total obligations.....	23,791	24,996	27,493

#### Personnel Summary

Total number of full-time permanent positions.....	312	323	323
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	352	366	366
Full-time equivalent of overtime and holiday hours.....	7	7	7

**EXECUTIVE RESIDENCE AT THE WHITE HOUSE**

*Federal Funds*

**General and special funds:**

**OPERATING EXPENSES**

For the care, maintenance, repair and alteration, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; **[\$4,700,000,] \$7,403,000, of which \$2,400,000 for the repair of the face of the Executive Residence shall remain available until expended, to be expended and accounted for as provided by 3 U.S.C. 105, 109-110, 112-114. (Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)**

**Program and Financing (in thousands of dollars)**

Identification code	11-0210-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program.....	4,380	4,796	7,403
01.01	Reimbursable program.....	852	1,106	1,244
10.00	<b>Total obligations.....</b>	<b>5,232</b>	<b>5,902</b>	<b>8,647</b>
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-328	-450	-515
14.00	Non-Federal sources.....	-524	-656	-729
39.00	<b>Budget authority.....</b>	<b>4,380</b>	<b>4,796</b>	<b>7,403</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation.....</b>	<b>4,380</b>	<b>4,700</b>	<b>7,403</b>
44.10	Supplemental for wage board pay raises.....		18	
44.20	Supplemental for civilian pay raises.....		25	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		53	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	4,380	4,796	7,403
72.40	Obligated balance, start of year.....	276	38	170
74.40	Obligated balance, end of year.....	-38	-170	-738
77.00	Adjustments in expired accounts.....	-4		
89.00	<b>Outlays.....</b>	<b>4,614</b>	<b>4,664</b>	<b>6,834</b>
<b>Outlays:</b>				
90.00	Outlays excluding pay and retirement supplementals.....	4,614	4,568	6,834
91.10	Outlays from wage board pay raise supplemental.....		18	
91.20	Outlays from civilian pay raise supplemental.....		25	
91.40	Outlays from retirement supplemental.....		53	

These funds provide for the care, maintenance, and operation of the Executive Residence.

**Object Classification (in thousands of dollars)**

Identification code	11-0210-0-1-802	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,697	2,773	2,846
11.5	Other personnel compensation.....	503	636	658
11.9	<b>Total personnel compensation.....</b>	<b>3,200</b>	<b>3,409</b>	<b>3,504</b>
12.1	Personnel benefits: Civilian.....	329	398	351
21.0	Travel and transportation of persons.....	4	3	8
23.3	Communications, utilities, and miscellaneous charges.....	207	240	254
25.0	Other services.....	191	176	2,677
26.0	Supplies and materials.....	405	501	529
31.0	Equipment.....	44	69	80
99.0	<b>Subtotal, direct obligations.....</b>	<b>4,380</b>	<b>4,796</b>	<b>7,403</b>
99.0	Reimbursable obligations.....	852	1,106	1,244
99.9	<b>Total obligations.....</b>	<b>5,232</b>	<b>5,902</b>	<b>8,647</b>

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	93	93	93

Total compensable workyears:			
Full-time equivalent employment.....	93	93	93
Full-time equivalent of overtime and holiday hours.....	12	12	12

Reimbursable:			
Total compensable workyears: Full-time equivalent employment.....	105	105	105

**OFFICIAL RESIDENCE OF THE VICE PRESIDENT**

*Federal Funds*

**General and special funds:**

**OPERATING EXPENSES**

For the care, maintenance, repair and alteration, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed **[\$60,000] \$75,000** for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; **[\$211,000] \$258,000: Provided,** That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities. (Executive Office Appropriations Act, 1987 as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code	11-0211-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	<b>Total obligations.....</b>	<b>195</b>	<b>211</b>	<b>258</b>
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation).....</b>	<b>195</b>	<b>211</b>	<b>258</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	195	211	258
72.40	Obligated balance, start of year.....	269	158	164
74.40	Obligated balance, end of year.....	-158	-164	-172
77.00	Adjustments in expired accounts.....	-59		
90.00	<b>Outlays.....</b>	<b>247</b>	<b>205</b>	<b>250</b>

These funds provide for the care, maintenance, and operation of the Vice President's official residence.

**Object Classification (in thousands of dollars)**

Identification code	11-0211-0-1-802	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....			30
11.8	Special personal service payments.....		33	
11.9	<b>Total personnel compensation.....</b>		<b>33</b>	<b>30</b>
12.1	Personnel benefits: Civilian.....			3
21.0	Travel and transportation of persons.....		5	5
22.0	Transportation of things.....		1	1
23.3	Communications, utilities and miscellaneous charges.....		21	27
24.0	Printing and reproduction.....		3	3
25.0	Other services.....	195	121	154
26.0	Supplies and materials.....		16	19
31.0	Equipment.....		11	16
99.9	<b>Total obligations.....</b>	<b>195</b>	<b>211</b>	<b>258</b>

**Personnel Summary**

Total number of full-time permanent positions.....	1
Total compensable workyears: Full-time equivalent employment.....	1

**SPECIAL ASSISTANCE TO THE PRESIDENT**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles; **[\$1,790,000] \$2,250,000.** (*Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

**Program and Financing** (in thousands of dollars)

Identification code	11-1454-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.91	Total direct program.....	1,708	1,907	2,250
01.01	Reimbursable program.....	15	16	.....
10.00	<b>Total obligations</b> .....	<b>1,723</b>	<b>1,923</b>	<b>2,250</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal Funds.....	-15	-16	.....
25.00	Unobligated balance lapsing.....	9	.....	.....
39.00	<b>Budget authority</b> .....	<b>1,717</b>	<b>1,907</b>	<b>2,250</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>1,717</b>	<b>1,790</b>	<b>2,250</b>
44.20	Supplemental for civilian pay raises.....	10	.....	.....
44.40	Supplemental for retirement contributions (P.L. 99-335).....	107	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,708	1,907	2,250
72.40	Obligated balance, start of year.....	169	188	245
74.40	Obligated balance, end of year.....	-188	-245	-312
77.00	Adjustments in expired accounts.....	-55	.....	.....
89.00	<b>Outlays</b> .....	<b>1,634</b>	<b>1,850</b>	<b>2,183</b>
<b>Outlays:</b>				
90.00	Outlays excluding pay and retirement supplementals.....	1,634	1,736	2,180
91.20	Outlays from civilian pay contribution supplemental.....	10	.....	.....
91.40	Outlays from retirement contribution supplemental.....	104	.....	3

These funds are to be used by the Vice President to carry out responsibilities assigned him by the President and by various statutes.

**Object Classification** (in thousands of dollars)

Identification code	11-1454-0-1-802	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	820	907	918
11.3	Other than full-time permanent.....	32	35	35
11.5	Other personnel compensation.....	1	1	1
11.8	Special personal services payments.....	42	13	13
11.9	<b>Total personnel compensation</b> .....	<b>895</b>	<b>956</b>	<b>969</b>
12.1	Personnel benefits: Civilian.....	102	216	231
21.0	Travel and transportation of persons.....	145	145	160
22.0	Transportation of things.....	6	7	7
23.1	Rental payments to GSA.....	283	283	595
23.3	Communications, utilities, and miscellaneous charges.....	153	175	175
24.0	Printing and reproduction.....	5	5	5
25.0	Other services.....	38	40	38
26.0	Supplies and materials.....	44	40	37
31.0	Equipment.....	37	40	35
99.0	<b>Subtotal direct obligation</b> .....	<b>1,708</b>	<b>1,907</b>	<b>2,250</b>
29.0	Rembursable obligations.....	15	16	.....
99.9	<b>Total obligations</b> .....	<b>1,723</b>	<b>1,923</b>	<b>2,250</b>

**Personnel Summary**

Total number of full-time permanent positions.....	24	24	24
Total compensable workyears: Full-time equivalent employment.....	24	24	24

**COUNCIL OF ECONOMIC ADVISERS**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); **[\$2,275,000] \$2,628,000.** (*Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

**Program and Financing** (in thousands of dollars)

Identification code	11-1900-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	<b>Total obligations</b> .....	<b>2,194</b>	<b>2,386</b>	<b>2,628</b>
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	8	.....	.....
39.00	<b>Budget authority</b> .....	<b>2,202</b>	<b>2,386</b>	<b>2,628</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>2,202</b>	<b>2,275</b>	<b>2,628</b>
44.20	Supplemental for civilian pay raises.....	16	.....	.....
44.40	Supplemental for retirement contributions (P.L. 99-335).....	95	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	2,194	2,386	2,628
72.40	Obligated balance, start of year.....	479	273	345
74.40	Obligated balance, end of year.....	-273	-345	-424
77.00	Adjustments in expired accounts.....	-94	.....	.....
89.00	<b>Outlays</b> .....	<b>2,306</b>	<b>2,314</b>	<b>2,549</b>
<b>Outlays:</b>				
90.00	Outlays excluding pay and retirement supplementals.....	2,306	2,210	2,542
91.20	Outlays from civilian pay raise supplemental.....	15	1	1
91.40	Outlays from retirement contribution supplemental.....	89	.....	6

The Council of Economic Advisers analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal Government, and assists in preparation of the annual Economic Report of the President to Congress.

**Object Classification** (in thousands of dollars)

Identification code	11-1900-0-1-802	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,212	1,308	1,334
11.3	Other than full-time permanent.....	96	36	36
11.5	Other personnel compensation.....	44	55	55
11.8	Special personal services payments.....	202	159	159
11.9	<b>Total personnel compensation</b> .....	<b>1,554</b>	<b>1,558</b>	<b>1,584</b>
12.1	Personnel benefits: Civilian.....	156	280	293
21.0	Travel and transportation of persons.....	28	28	28
22.0	Transportation of things.....	1	.....	.....
23.1	Rental payments to GSA.....	188	185	388
23.3	Communications, utilities, and miscellaneous charges.....	79	95	95
24.0	Printing and reproduction.....	52	75	75
25.0	Other services.....	63	65	65
26.0	Supplies and materials.....	28	30	30
31.0	Equipment.....	45	70	70
99.9	<b>Total obligations</b> .....	<b>2,194</b>	<b>2,386</b>	<b>2,628</b>

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Personnel Summary**

Total number of full-time permanent positions.....	28	34	34
Total compensable workyears:			
Full-time equivalent employment .....	30	38	38
Full-time equivalent of overtime and holiday hours .....	2	2	2

**COUNCIL ON ENVIRONMENTAL QUALITY AND  
OFFICE OF ENVIRONMENTAL QUALITY**

**Federal Funds**

**General and special funds:**

**COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF  
ENVIRONMENTAL QUALITY**

For necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91-190), the Environmental Quality Improvement Act of 1970 (Public Law 91-224), and Reorganization Plan No. 1 of 1977, including not to exceed \$500 for official reception and representation expenses, and hire of passenger motor vehicles, **[\$800,000] \$862,000.**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 11-1453-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Direct program: Environmental policy development and program evaluation total obligations .....	672	806	862
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1		
39.00 <b>Budget authority</b> .....	<b>670</b>	<b>806</b>	<b>862</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>670</b>	<b>800</b>	<b>862</b>
44.20 <b>Supplemental for civilian pay raises</b> .....		<b>6</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	672	806	862
72.40 Obligated balance, start of year .....	638	121	40
74.40 Obligated balance, end of year .....	-121	-40	-43
77.00 Adjustments in expired accounts .....	-82		
89.00 <b>Outlays</b> .....	<b>1,107</b>	<b>887</b>	<b>858</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental .....	1,107	881	858
91.20 Outlays from civilian pay raise supplemental.....		6	

The Council on Environmental Quality and the Office of Environmental Quality analyze important environmental conditions and trends; review and appraise Federal Government programs having an impact upon the environment; recommend policies for protecting and improving the quality of the environment; assist in coordinating Federal environmental programs which involve more than one agency; and assist in the preparation of the President's annual report to Congress.

**Object Classification (in thousands of dollars)**

Identification code 11-1453-0-1-802	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent .....	470	567	587
12.1 Personnel benefits: Civilian .....	42	51	88
21.0 Travel and transportation of persons .....	12	15	18
22.0 Transportation of things .....	1	3	3
23.1 Rental payments to GSA .....	67	66	85

23.3 Communications, utilities and miscellaneous charges .....	24	36	36
24.0 Printing and reproduction .....	19	32	20
25.0 Other services .....	30	11	10
26.0 Supplies and materials .....	7	13	10
31.0 Equipment .....		10	5
99.9 <b>Total obligations</b> .....	<b>672</b>	<b>806</b>	<b>862</b>

**Personnel Summary**

Total number of full-time permanent positions.....	13	13	13
Total compensable workyears: Full-time equivalent employment .....	13	13	13

**Intragovernmental funds:**

**MANAGEMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 11-3963-0-4-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	1,075	867	904
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,135	-867	-904
21.98 Unobligated balance available, start of year .....	-154	-214	-214
24.98 Unobligated balance available, end of year.....	214	214	214
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-59		
72.98 Obligated balance, start of year .....	1,085	974	
74.98 Obligated balance, end of year .....	-974		
90.00 <b>Outlays</b> .....	<b>52</b>	<b>974</b>	

This fund finances study contracts that are jointly sponsored by the Office of Environmental Quality and one or more other Federal agencies and Federal inter-agency environmental projects (including task forces) in which the Office participates.

**OFFICE OF POLICY DEVELOPMENT**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; **[\$2,600,000] \$3,122,000.** (Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code 11-2200-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	2,566	2,712	3,122
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	43		
39.00 <b>Budget authority</b> .....	<b>2,609</b>	<b>2,712</b>	<b>3,122</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>2,609</b>	<b>2,600</b>	<b>3,122</b>
44.20 <b>Supplemental for civilian pay raises</b> .....		<b>23</b>	
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>89</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,566	2,712	3,122
72.40 Obligated balance, start of year .....	318	302	73
74.40 Obligated balance, end of year .....	-302	-73	-50

77.00	Adjustments in expired accounts.....	-64		
89.00	Outlays.....	2,518	2,941	3,145
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	2,518	2,837	3,137
91.20	Outlays from civilian pay raise supplemental.....		21	2
91.40	Outlays from retirement contribution supplemental.....		83	6

The Office of Policy Development advises and assists the President in the formulation, evaluation and coordination of long-range economic and domestic policy; supports the operation of the Office of Cabinet Affairs, including the Domestic Policy Council and the Economic Policy Council; and, in accordance with Executive Order No. 12296, supports the President's Economic Policy Advisory Board.

Object Classification (in thousands of dollars)

Identification code	11-2200-0-1-802	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	1,621	1,713	1,763
11.3	Other than full-time permanent.....	70	45	45
11.5	Other personnel compensation.....	16	10	10
11.8	Special personal services payments.....	48	20	20
11.9	Total personnel compensation.....	1,755	1,788	1,838
12.1	Personnel benefits: Civilian.....	187	281	344
21.0	Travel and transportation of persons.....	46	60	60
22.0	Transportation of things.....		1	1
23.1	Rental payments to GSA.....	275	275	572
23.3	Communications, utilities, and miscellaneous charges.....	134	145	145
24.0	Printing and reproduction.....	11	10	10
25.0	Other services.....	78	77	77
26.0	Supplies and materials.....	37	40	40
31.0	Equipment.....	43	35	35
99.9	Total obligations.....	2,566	2,712	3,122

Personnel Summary

Total number of full-time permanent positions.....	38	42	42
Total compensable workyears:			
Full-time equivalent employment.....	38	44	44
Full-time equivalent of overtime and holiday hours.....		2	2

NATIONAL SECURITY COUNCIL

Federal funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; **[\$4,550,000]** \$5,324,000. (Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code	11-2000-0-1-802	1986 actual	1987 est.	1988 est.
Program by activities:				
Direct program:				
00.01	Policy and operations coordination.....	4,062	4,244	4,853
00.02	President's intelligence advisory boards.....	313	396	471
00.91	Total direct program.....	4,375	4,640	5,324
01.01	Reimbursable program.....		371	321
10.01	Total obligations.....	4,375	5,011	5,645
Financing:				
11.00	Offsetting collections from: Federal funds.....		-371	-321
25.00	Unobligated balance lapsing.....	53		
39.00	Budget authority.....	4,428	4,640	5,324
Budget authority:				
40.00	Appropriation.....	4,428	4,550	5,324

44.20	Supplemental for civilian pay raises.....			28
44.40	Supplemental for retirement contributions (P.L. 99-335).....			62

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	4,375	4,640	5,324
72.40	Obligated balance, start of year.....	811	852	854
74.40	Obligated balance, end of year.....	-852	-854	-861
77.00	Adjustments in expired accounts.....	-99		
89.00	Outlays.....	4,235	4,638	5,317

Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	4,235	4,550	5,315
91.20	Outlays from civilian pay raise supplemental.....		28	
91.40	Outlays from retirement contribution supplemental.....		60	2

The National Security Council advises the President on the integration of domestic, foreign, and military policies relating to national security.

Object Classification (in thousands of dollars)

Identification code	11-2000-0-1-802	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	2,197	2,309	2,314
11.3	Other than full-time permanent.....	187	200	200
11.5	Other personnel compensation.....	125	145	145
11.8	Special personal services payments.....	240	235	235
11.9	Total personnel compensation.....	2,749	2,889	2,894
12.1	Personnel benefits: Civilian.....	256	327	445
21.0	Travel and transportation of persons.....	339	350	350
23.1	Rental payments to GSA.....	453	470	1,031
23.3	Communications, utilities, and miscellaneous charges.....	331	351	351
24.0	Printing and reproduction.....	17	5	5
25.0	Other services.....	82	136	136
26.0	Supplies and materials.....	74	69	69
31.0	Equipment.....	74	43	43
99.0	Subtotal, direct obligations.....	4,375	4,640	5,324
99.0	Reimbursable obligations.....		371	321
99.9	Total obligations.....	4,375	5,011	5,645

Personnel Summary

Total number of full-time permanent positions.....	59	61	61
Total compensable workyears:			
Full-time equivalent employment.....	63	63	63
Full-time equivalent of overtime and holiday hours.....	4	4	4

NATIONAL CRITICAL MATERIALS COUNCIL

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373; **[\$175,000]** \$178,000. (Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code	11-0111-0-1-802	1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations.....	131	175	178
Financing:				
25.00	Unobligated balance lapsing.....	347		
40.00	Budget authority (appropriation).....	478	175	178
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	131	175	178
72.40	Obligated balance, start of year.....		60	

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	11-0111-0-1-802	1986 actual	1987 est.	1988 est.
74.40	Obligated balance, end of year.....	-60		
90.00	Outlays.....	71	235	178

The National Critical Materials Council assists in the coordination of materials policies and programs and works with the various agencies with mineral and materials policy and program responsibilities.

Object Classification (in thousands of dollars)

Identification code	11-0111-0-1-802	1986 actual	1987 est.	1988 est.
11.8	Personnel compensation: Special personal services payments.....	35	120	120
21.0	Travel and transportation of persons.....	1	15	15
23.1	Rental payments to GSA.....	12	18	20
23.3	Communications, utilities, and miscellaneous charges.....	1	10	10
24.0	Printing and reproduction.....		3	3
25.0	Other services.....	63	6	7
26.0	Supplies and materials.....	1	2	2
31.0	Equipment.....	18	1	1
99.0	Total obligations.....	131	175	178

OFFICE OF ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; **[\$15,700,000] \$16,640,000** including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles. (*Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

Program and Financing (in thousands of dollars)

Identification code	11-0038-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Director's office.....	360	399	428
00.02	Personnel management.....	557	597	629
00.03	Financial management.....	931	998	1,035
00.04	Administrative operations.....	4,928	5,287	5,784
00.05	Library and information services.....	1,269	1,363	1,426
00.06	Automated systems (operations).....	6,806	7,327	7,338
00.91	Total direct program.....	14,851	15,971	16,640
01.01	Reimbursable program.....	2,536	4,203	4,008
10.00	Total obligations.....	17,387	20,174	20,648
Financing:				
11.00	Offsetting collections from: Federal funds.....	-2,536	-4,203	-4,008
25.00	Unobligated balance lapsing.....	75		
39.00	Budget authority.....	14,926	15,971	16,640
Budget authority:				
40.00	Appropriation.....	14,926	15,700	16,640
44.20	Supplemental for civilian pay raises.....		57	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		214	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	14,851	15,971	16,640
72.40	Obligated balance, start of year.....	5,579	4,055	4,534
74.40	Obligated balance, end of year.....	-4,055	-4,534	-5,025

77.00	Adjustments in expired accounts.....	-581		
89.00	Outlays.....	15,794	15,492	16,149
Outlays:				
90.00	Outlays excluding pay and retirement supplementals.....	15,794	15,229	16,141
91.20	Outlays from civilian pay raise supplemental.....		55	2
91.40	Outlays from retirement contribution supplemental.....		208	6

This office provides common administrative support and services to units within the Executive Office of the President. Included are personnel and financial management; administrative services such as mail distribution, messenger services, printing and duplication, and procurement; and automated data processing.

Program development in ADP systems will be funded by reimbursements from users.

Object Classification (in thousands of dollars)

Identification code	11-0038-0-1-802	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	3,999	4,360	4,450
11.3	Other than full-time permanent.....	384	390	390
11.5	Other personnel compensation.....	22	65	65
11.8	Special personal services payments.....	14	25	25
11.9	Total personnel compensation.....	4,419	4,840	4,930
12.1	Personnel benefits: Civilian.....	548	777	956
21.0	Travel and transportation of persons.....	13	30	30
22.0	Transportation of things.....	46	46	46
23.1	Rental payments to GSA.....	1,435	1,482	2,082
23.3	Communications, utilities, and miscellaneous charges.....	2,808	2,598	1,465
24.0	Printing and reproduction.....	409	546	546
25.0	Other services.....	4,094	4,756	5,283
26.0	Supplies and materials.....	668	396	396
31.0	Equipment.....	411	500	906
99.0	Subtotal, direct obligations.....	14,851	15,971	16,640
99.0	Reimbursable obligations.....	2,536	4,203	4,008
99.9	Total obligations.....	17,387	20,174	20,648

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	139	139	139
Total compensable workyears:			
Full-time equivalent employment.....	153	172	167
Full-time equivalent of overtime and holiday hours.....	2	2	2
Reimbursable:			
Total number of full-time permanent positions.....	24	29	29
Total compensable workyears: Full-time equivalent employment.....	21	29	29

OFFICE OF MANAGEMENT AND BUDGET

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; **[\$37,000,000] \$41,226,000** of which not to exceed **[\$5,408,000] \$4,500,000** shall be available [for the Office of Information and Regulatory Affairs: *Provided*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the review of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: *Provided further*, That this proviso shall not apply to printed hearings released by the Committee on Appropria-

tions or the Committee on Veterans' Affairs: *Provided further*, That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below fiscal year 1985 levels: *Provided further*, That none of the funds appropriated by this Act shall be available to the Office of Management and Budget for revising, curtailing or otherwise amending the administrative and/or regulatory methodology employed by the Bureau of Alcohol, Tobacco and Firearms to assure compliance with section 205, title 27 of the United States Code (Federal Alcohol Administration Act) or with regulations, rulings or forms promulgated thereunder] to carry out the provisions of 44 U.S.C., chapter 35. (Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing** (in thousands of dollars)

Identification code	11-0300-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Budget review .....	5,083	5,240	5,731
00.02	National security and international affairs .....	5,147	5,681	6,178
00.03	Economics and government .....	3,726	3,911	4,268
00.04	Natural resources, energy, and science .....	4,895	5,111	5,575
00.05	Human resources, veterans, and labor .....	4,044	4,231	4,611
00.06	Director's office .....	4,329	4,589	5,089
00.07	Management .....	3,518	3,676	4,008
00.08	Information and regulatory affairs .....	4,930	5,264	5,766
10.00	<b>Total obligations</b> .....	<b>35,672</b>	<b>37,703</b>	<b>41,226</b>
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	23		
39.00	<b>Budget authority</b> .....	<b>35,695</b>	<b>37,703</b>	<b>41,226</b>
<b>Budget authority:</b>				
40.00	Appropriations .....	35,695	37,000	41,226
44.20	Supplemental for civilian pay raises .....		290	
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		413	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	35,672	37,703	41,226
72.40	Obligated balance, start of year .....	4,244	3,822	4,193
74.40	Obligated balance, end of year .....	-3,822	-4,193	-4,590
77.00	Adjustments in expired accounts .....	-564		
89.00	<b>Outlays</b> .....	<b>35,530</b>	<b>37,332</b>	<b>40,829</b>
<b>Outlays:</b>				
90.00	Outlays excluding pay and retirement supplementals .....	35,530	36,782	40,676
91.20	Outlays from pay raise supplemental .....		200	90
91.40	Outlays from retirement contribution supplemental .....		350	63

This Office assists the President in the discharge of his budgetary, management, and other executive responsibilities.

**Budget review.**—Budget instructions and procedures are developed, review of agency estimates is coordinated, budget data systems are maintained, agency financial management plans are reviewed, and the budget document is prepared.

**National security and international affairs, Economics and government, Natural resources, energy, and science, and Human resources, veterans, and labor.**—Agency programs, budget requests, and management activities are examined, appropriations are apportioned, proposed changes in agency functions are studied, and special studies aimed at establishing goals and objectives that would result in long- and short-range improvements in the agencies' financial, administrative, and operational management are conducted.

**Director's office.**—Executive direction and coordination for all Office of Management and Budget activities is provided. This includes the Director's immediate office as well as staff support in the areas of administration, public affairs, legislative reference, congressional

and legislative affairs, economic policy, and General Counsel/Civil Rights.

**Management.**—Government-wide programs to improve management effectiveness are planned and implemented. Policy leadership and assistance are given to all agencies in administrative and management systems, debt collection, financial management, and anti-fraud, waste and abuse initiatives.

**Information and regulatory affairs.**—Policy leadership and assistance to agencies in paperwork management and reduction, ADP telecommunications policy, statistical policy, information policy and regulatory reviews are provided. Estimates include resources necessary for the Office of Information and Regulatory Affairs in the Office of Management and Budget to implement the Paperwork Reduction Act of 1980 (as amended by the Paperwork Reduction Act of 1986) and other functions delegated or assigned by the Director.

**Object Classification** (in thousands of dollars)

Identification code	11-0300-0-1-802	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	20,991	21,864	22,298
11.3	Other than full-time permanent .....	915	950	950
11.5	Other personnel compensation .....	489	550	550
11.8	Special personal services payments .....	32	35	35
11.9	<b>Total personnel compensation</b> .....	<b>22,427</b>	<b>23,399</b>	<b>23,833</b>
12.1	Personnel benefits: Civilian .....	2,428	2,913	4,481
21.0	Travel and transportation of persons .....	154	345	345
23.1	Rental payments to GSA .....	5,184	5,184	6,356
23.3	Communications, utilities, and miscellaneous charges .....	875	900	945
24.0	Printing and reproduction .....	1,141	1,212	1,271
25.0	Other services .....	2,738	2,800	2,920
26.0	Supplies and materials .....	441	550	575
31.0	Equipment .....	284	400	500
99.9	<b>Total obligations</b> .....	<b>35,672</b>	<b>37,703</b>	<b>41,226</b>

**Personnel Summary**

Total number of full-time permanent positions .....	594	580	580
Total compensable workyears:			
Full-time equivalent employment .....	525	590	590
Full-time equivalent of overtime and holiday hours .....	6	6	6

**OFFICE OF FEDERAL PROCUREMENT POLICY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; **[\$1,600,000] \$2,489,000.** (Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing** (in thousands of dollars)

Identification code	11-0201-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	1,492	1,632	2,489
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	50		
39.00	<b>Budget authority</b> .....	<b>1,542</b>	<b>1,632</b>	<b>2,489</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	1,542	1,600	2,489
44.20	Supplemental for civilian raises .....		12	
44.40	Supplemental for retirement contributions (PL 99-335) .....		20	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,492	1,632	2,489

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	11-0201-0-1-802	1986 actual	1987 est.	1988 est.
72.40	Obligated balance, start of year.....	144	319	328
74.40	Obligated balance, end of year.....	-319	-328	-332
77.00	Adjustments in expired accounts.....	-37		
89.00	Outlays.....	1,280	1,623	2,485
	Outlays:			
90.00	Outlays excluding pay and retirement supplementals.....	1,280	1,594	2,482
91.20	Outlays from civilian pay raise supplemental.....		11	1
91.40	Outlays from retirement contribution supplemental.....		18	2

The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

Object Classification (in thousands of dollars)

Identification code	11-0201-0-1-802	1986 actual	1987 est.	1988 est.
	Personnel compensation:			
11.1	Full-time permanent.....	669	955	1,657
11.3	Other than full-time permanent.....	64	56	
11.5	Other personnel compensation.....	22	25	20
11.8	Special personal services payments.....	54		25
11.9	Total personnel compensation.....	809	1,036	1,702
12.1	Personnel benefits: Civilian.....	73	99	256
21.0	Travel and transportation of persons.....	6	22	30
23.1	Rental payments to GSA.....	213	215	248
23.3	Communications, utilities, and miscellaneous charges.....	49	75	82
24.0	Printing and reproduction.....	3	20	28
25.0	Other services.....	272	126	94
26.0	Supplies and materials.....	11	15	20
31.0	Equipment.....	56	24	29
99.9	Total obligations.....	1,492	1,632	2,489

Personnel Summary

Total number of full-time permanent positions.....	25	25	32
Total compensable workyears: Full-time equivalent employment.....	17	22	32

OFFICE OF SCIENCE AND TECHNOLOGY  
POLICY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (43 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed \$1,500 for official reception and representation, expenses, and rental of conference rooms in the District of Columbia, **[\$1,900,000] \$2,101,000: Provided.** That the Office of Science and Technology Policy shall reimburse other agencies for not less than one-half of the personnel compensation costs of individuals detailed to it.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	11-2600-0-1-802	1986 actual	1987 est.	1988 est.
	Program by activities:			
10.00	Total obligations.....	2,040	1,949	2,101

Financing:				
25.00	Unobligated balance lapsing.....	177		
39.00	Budget authority.....	2,217	1,949	2,101
	Budget authority:			
40.00	Appropriation.....	2,217	1,900	2,101
44.20	Supplemental for civilian pay raises.....		9	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		40	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	2,040	1,949	2,101
72.40	Obligated balance, start of year.....	1,061	927	985
74.40	Obligated balance, end of year.....	-927	-985	-1,048
77.00	Adjustments in expired accounts.....	-334		
89.00	Outlays.....	1,840	1,891	2,038
	Outlays:			
90.00	Outlays, excluding pay and retirement supplementals.....	1,840	1,843	2,037
91.20	Outlays from civilian pay raise supplemental.....		9	
91.40	Outlays from retirement contribution supplemental.....		39	1

The Office of Science and Technology Policy (OSTP) provides advice to the President concerning policies in science and technology and on the utilization of science and technology in addressing important national problems. The OSTP operations include support to other Executive Office of the President organizations on issues with science and technology considerations; review and analysis, with the Office of Management and Budget, of research and development budgets for all Federal agencies; coordination of research and development programs of the Federal Government; and other activities necessary to carry out the duties, functions, and activities described in Public Law 94-282, the National Science and Technology Policy, Organization, and Priorities Act of 1976.

Object Classification (in thousands of dollars)

Identification code	11-2600-0-1-802	1986 actual	1987 est.	1988 est.
	Personnel compensation:			
11.1	Full-time permanent.....	375	529	720
11.3	Other than full-time permanent.....	137	57	30
11.5	Other personnel compensation.....	16	10	10
11.8	Special personal services payments.....	593	376	251
11.9	Total personnel compensation.....	1,121	972	1,011
12.1	Personnel benefits: Civilian.....	57	106	163
21.0	Travel and transportation of persons.....	89	85	105
22.0	Transportation of things.....	4	3	3
23.1	Rental payments to GSA.....	433	433	539
23.3	Communications, utilities, and miscellaneous charges.....	178	150	137
24.0	Printing and reproduction.....	32	15	15
25.0	Other services.....	82	55	48
26.0	Supplies and materials.....	38	35	35
31.0	Equipment.....	6	95	45
99.9	Total obligations.....	2,040	1,949	2,101

Personnel Summary

Total number of full-time permanent positions.....	6	15	15
Total compensable workyears:			
Full-time equivalent employment.....	12	23	23
Full-time equivalent of overtime and holiday hours.....	1	1	1

**OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, **[\$13,300,000] \$15,248,000, to remain available until expended: Provided, That not to exceed [\$59,000] \$69,000 shall be available for official reception and representation expenses. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)**

**Program and Financing (in thousands of dollars)**

Identification code	11-0400-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	12,494	13,545	15,248
<b>Financing:</b>				
25.00	Unobligated balance lapsing	98		
39.00	<b>Budget authority</b>	<b>12,592</b>	<b>13,545</b>	<b>15,248</b>
<b>Budget authority:</b>				
40.00	Appropriation	12,592	13,300	15,248
40.00	Supplemental for civilian pay raises		77	
44.40	Supplemental for retirement contributions (P.L. 99-335)		168	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	12,494	13,545	15,248
72.40	Obligated balance, start of year	2,151	1,476	1,476
74.40	Obligated balance, end of year	-1,476	-1,476	-1,476
77.00	Adjustments in expired accounts	-492		
89.00	<b>Outlays</b>	<b>12,677</b>	<b>13,545</b>	<b>15,248</b>
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals	12,677	13,300	15,248
91.20	Outlays from civilian pay raise supplemental		77	
91.40	Outlays from retirement contribution supplemental		168	

The United States Trade Representative is responsible for developing and coordinating U.S. foreign trade policy. The Trade Representative has policy and negotiating responsibility for direct investment, trade in commodities and energy, export expansion, and East-West trade. The Trade Representative also conducts U.S. affairs relating to the General Agreement on Tariffs and Trade (GATT).

GATT negotiations on the harmonized tariff nomenclature system are expected to conclude during 1987. Multilateral trade negotiations in the GATT began in September 1986; resource needs for these negotiations are included in this request.

**Object Classification (in thousands of dollars)**

Identification code	11-0400-0-1-802	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	5,848	6,569	6,999
11.3	Other than full-time permanent	331	203	203
11.5	Other personnel compensation	155	205	300
11.8	Special personal services payments	186	555	555
11.9	<b>Total personnel compensation</b>	<b>6,520</b>	<b>7,532</b>	<b>8,057</b>
12.1	Personnel benefits: Civilian	869	941	1,091
21.0	Travel and transportation of persons	887	959	959
22.0	Transportation of things	58	28	32
23.1	Rental payments to GSA	509	519	1,243
23.2	Rental payments to others	374	375	431
23.3	Communications, utilities, and miscellaneous charges	963	883	927

24.0	Printing and reproduction	152	168	168
25.0	Other services	1,849	1,908	1,918
26.0	Supplies and materials	146	155	155
31.0	Equipment	167	77	267
99.9	<b>Total obligations</b>	<b>12,494</b>	<b>13,545</b>	<b>15,248</b>

**Personnel Summary**

Total number of full-time permanent positions	126	139	144
Total compensable workyears:			
Full-time equivalent employment	134	141	146
Full-time equivalent of overtime and holiday hours	4	4	4

**PROPERTY REVIEW BOARD**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code	11-0800-0-1-802	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	43		
74.40	Obligated balance, end of year			
77.00	Adjustments in expired accounts	-43		
90.00	<b>Outlays</b>			

The Property Review Board was terminated in 1984.

**[WHITE HOUSE CONFERENCE ON DRUG ABUSE AND CONTROL]**

*Federal Funds*

**General and special funds:**

**[SALARIES AND EXPENSES]**

**[For necessary expenses of the White House Conference on Drug Abuse and Control, \$5,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)**

**Program and Financing (in thousands of dollars)**

Identification code	11-0212-0-1-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations		5,000	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>		<b>5,000</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		5,000	
72.40	Obligated balance, start of year			900
74.40	Obligated balance, end of year		-900	
90.00	<b>Outlays</b>		<b>4,100</b>	<b>900</b>

A White House Conference for a Drug Free America, involving government at all levels and a broad spectrum of the private sector, will be held to share knowledge and focus public attention on how to successfully attack and eliminate drug abuse.

**Object Classification (in thousands of dollars)**

Identification code	11-0212-0-1-551	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		550	

General and special funds—Continued

[SALARIES AND EXPENSES]—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	11-0212-0-1-551	1986 actual	1987 est.	1988 est.
11.3	Other than full-time permanent.....		700	
11.5	Other personnel compensation.....		65	
11.8	Special personal services payments.....		275	
11.9	Total personnel compensation.....		1,590	
12.1	Civilian personnel.....		225	
21.0	Travel and transportation of persons.....		600	
22.0	Transportation of things.....		15	
23.1	Rental payments to GSA.....		325	
23.2	Rental payments to others.....		300	
24.0	Printing and reproduction.....		50	
25.0	Other services.....		1,450	
26.0	Supplies and materials.....		145	
31.0	Equipment.....		300	
99.9	Total obligations.....		5,000	

Personnel Summary

Total number of permanent positions.....	12
Total compensable workyears:	
Full-time equivalent employment.....	23
Full-time equivalent of overtime and holiday hours.....	4

SPECIAL ACTION OFFICE FOR DRUG ABUSE PREVENTION

Federal Funds

General and special funds:

MISCELLANEOUS EXPIRED ACCOUNTS

Program and Financing (in thousands of dollars)

Identification code	11-9912-0-1-554	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
72.40	Obligated balance, start of year.....	95	43	
74.40	Obligated balance, end of year.....	-43		
77.00	Adjustments in expired accounts.....	-54		
90.00	Outlays.....	-2	43	
Distribution of outlays by account:				
	Pharmacological research.....		5	
	Special fund for drug abuse.....	-2	38	

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at \$6,600 except station wagons for which the maximum shall be \$7,600: *Provided*, That these limits may be exceeded by not to exceed \$2,700 for police-type vehicles, and by not to exceed \$4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section shall not apply to electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976.

SEC. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

SEC. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the

Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian and Laotian refugees paroled in the United States after January 1, 1975: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (78 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

[SEC. 606. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.]

SEC. 606. Funds made available under this Act or any other Act for employing agency contributions prescribed by the Civil Service Retirement System (5 U.S.C. ch. 83) and the Federal Employees' Retirement System Act of 1986 (Public Law 99-335), as amended, for any Executive agency, as defined in 31 U.S.C. 102, with direct pay costs in fiscal year 1988 of over \$25,000,000, shall be available only for such purpose. If the total amount obligated for fiscal year 1988 for such employing agency contributions is less than the estimate for such contributions reflected in the President's Budget, then the difference between the estimated and actual obligations shall not be available for obligation.

[SEC. 607. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchanged allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.]

SEC. [608] 607. No part of any appropriation contained in this or any other Act, shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific

statutory approval to receive financial support from more than one agency or instrumentality.

SEC. [609] 608. Funds made available by this or any other Act to (1) the General Services Administration, including the fund created by the Public Building Amendments of 1972 (86 Stat. 216), and (2) the "Postal Service Fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c): *Provided*, That when the Administrator of General Services delegates responsibility to protect property under his charge and control to the head of another Federal agency, that agency may employ guards to protect the property who shall have the same powers of special policemen in same manner as the foregoing.

SEC. [610] 609. None of the funds available under this or any other Act shall be available for administrative expenses in connection with the designation for construction, arranging for financing, or execution of contracts or agreements for financing or construction of any additional purchase contract projects pursuant to section 5 of the Public Building Amendments of 1972 (Public Law 92-313) during the period beginning October 1, 1976, and ending September 30, [1987] 1988.

[SEC. 611. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.]

SEC. [612] 610. No part of any appropriation contained in, or funds made available by this or any other Act, shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the [current] fiscal year and for which appropriations were granted.

SEC. [613] 611. (a)(1) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal years ending September 30, [1987] 1988, or September 30, [1988] 1989, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title—

(1) during the period from the date of expiration of the limitation imposed by section 613 of [H.R. 3036, incorporated by reference in section 101(h) of Public Law 99-190] *the Treasury, Postal Service, and General Government Appropriations Act, 1987, as incorporated in section 101(m) of Public Laws 99-500 and 99-591*, until the first day of the first applicable pay period that begins not less than ninety days after that date, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 613; and

(2) during the period consisting of the remainder, if any, of fiscal year [1987] 1988, and that portion of fiscal year [1988] 1989, that precedes the normal effective date of the applicable wage survey adjustment that is to be effective in fiscal year [1988] 1989, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) of this subsection by more than the overall average percentage adjustment in the General Schedule during fiscal year [1987] 1988.

(b) Notwithstanding the provisions of section 9(b) of Public Law 92-392 or section 704(b) of Public Law 95-454, the provisions of subsection (a) of this section shall apply (in such manner as the Office of Personnel Management shall prescribe) to any prevailing rate employee to whom such section 9(b) applies, except that the provisions of subsection (a) may not apply to any increase in a wage schedule or

rate that is required by the terms of a contract entered into before the date of enactment of this Act].

(c) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the periods for which subsection (a) of this section is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(d) For the purpose of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule that was not in existence on September 30, [1986] 1987, shall be determined under regulations prescribed by the Office of Personnel Management.

(e) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, [1986] 1987, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(f) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, [1986] 1987.

(g) For the purpose of administering any provision of law, including section 8431 of title 5, United States Code, or any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate or salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(h) Nothing in this section may be construed to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(i) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

[SEC. 614. None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or appraisal functions of any offices in the United States Customs Service.]

SEC. [615] 612. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of \$5,000 to renovate, remodel, furnish, or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless *advance notice* of such renovation, remodeling, furnishing, or redecoration [is expressly approved by] *has been transmitted* to the Committees on Appropriations of the House and Senate.

SEC. [616] 613. (a) If any individual or entity which provides or proposes to provide child care services for Federal employees *during fiscal year 1988 or any fiscal year thereafter*, applies to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such service, such officer or agency may allot space in such a building to such individual or entity if—

(1) such space is available;

(2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 50 percent are Federal employees; and

(3) such officer or agency determines that such individual or entity will give priority for available child care services in such space to Federal employees.

(b)(1) If an officer or agency allots space *during fiscal year 1988 or any fiscal year thereafter*, to an individual or entity under subsection (a), such space may be provided to such individual or entity without charge for rent or services.

(2) If there is an agreement for the payment of costs associated with the provision of space allotted under subsection (a) or services provided in connection with such space, nothing in title 31, United States Code, or any other provision of law, shall be construed to prohibit or restrict payment by reimbursement to the miscellaneous receipts or other appropriate account of the Treasury.

## DEPARTMENTS, AGENCIES, AND CORPORATIONS—Continued

(3) For the purpose of this section, the term "services" includes the providing of lighting, heating, cooling, electricity, office furniture, office machines and equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone service), and security systems (including installation and other expenses associated with security systems).

Sec. [617] 614. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

[Sec. 618. (a) ELIGIBILITY TO PARTICIPATE IN 1986.—(1) Notwithstanding any other provision of law, and any regulations prescribed thereunder, any application by the Federal Employee Education and Assistance Fund (a nonprofit corporation incorporated in the District of Columbia) for admission to the Combined Federal Campaign, whether in a particular community or otherwise, shall be considered without regard to any eligibility requirements, to the extent that such requirements relate to any period before the date on which such Fund became incorporated.]

(2) The eligibility of the Fund to be admitted to the Combined Federal Campaign in a particular community shall also be determined without regard to any criteria relating to having a "direct and substantial presence" in the community involved.

(3) This subsection shall be effective only with respect to the Combined Federal Campaign as conducted during calendar year 1986.

(b) DEFINITIONS.—For the purpose of this section, the term "Combined Federal Campaign" and the term "community" each has the meaning given such term by section 950.101 of title 5 of the Code of Federal Regulations (as in effect on the date of the enactment of this Act.)

[Sec. 619. None of the funds appropriated by this Act or any other Act shall be used for preparing, promulgating or implementing any regulations dealing with organization participation in the 1986 and 1987 Combined Federal Campaign other than repromulgating and implementing the 1984 and 1985 Combined Federal Campaign regulations, unless such regulations provide that any charitable organization which participated in any prior campaign shall be allowed to participate in 1986 and 1987 campaign: *Provided further*, That none of the funds appropriated by this Act or any other Act shall be used for preparing, promulgating or implementing new regulations dealing with the Combined Federal Campaign ("CFC") which require or allow the Office of Personnel Management to directly or indirectly determine the eligibility of any agency to participate in the CFC (other than the local service of those agencies which perform a substantial preponderance of their services in the United States) if that agency is a member of a qualified federated group.]

[Sec. 620. None of the funds appropriated or made available by this Act shall be used to implement or enforce the rule proposed on May 7, 1986 (51 Federal Register 16988-16991), or any other regulation issued pursuant to statute requiring competitive bidding for electricity, gas, or steam utility services acquired by the Federal Government.]

[Sec. 621. None of the funds appropriated by this or any other Act may be used prior to July 15, 1987, to repeal, amend, or modify any policy, procedure, or practice contained in subpart 19.5 of title 48 of the Code of Federal Regulations (as such subpart was in effect on July 31, 1986) except if such subpart requires modification to implement the amendments made by section 911 (relating to small business set-asides) of H.R. 4438 (99th Congress, 2d Session), or the amendments made by any successor provision to such section, if such bill is enacted into law.]

[Sec. 622. Section 202 of title 3, United States Code, is amended by inserting a new clause (3) to read "(3) the Treasury Building and grounds;" and by renumbering previously existing clauses (3) through (8) as clauses (4) through (9). The word "immediately" in prior clause

(6) (renumbered clause (7)) is stricken and the word "immediate" is inserted in its place.]

[Sec. 623. The Rural Electrification Act of 1936 is amended by inserting after section 310 (7 U.S.C. 940) the following new section:

"Sec. 311. PRIVATIZATION PROGRAM.—The Administrator shall establish a privatization demonstration program which shall permit borrowers to prepay loans made by the Federal Financing Bank and guaranteed under section 306 of this Act by paying the outstanding principal balance due on the loans. No sums in addition to the payment of the outstanding principal balance due on the Federal Financing Bank loans may be charged as the result of such prepayment against the borrower, the fund, or the Rural Electrification Administration. Federal Financing Bank shall be refinanced using the existing section 306 loan guarantee, with private capital, in an amount not to exceed the outstanding principal amount prepaid: *Provided*, That such guarantee of private capital shall be 90% of the principal amount of the loan or any portion thereof plus accrued interest outstanding at any time during the maturity period of the loan and shall be fully transferable and assignable. Notwithstanding any other provision of law, borrowers may prepay Federal Financing Bank loans under this section, except that such borrowers shall be required to prepay all of their outstanding loans made or guaranteed under this Act within one year of prepayment of the first loan. A direct or insured loan prepaid under this section shall be prepaid by the borrower at the lesser of the outstanding principal balance due on the loan or the loan's present value discounted from the face value at maturity at the rate set by the Administrator. A Rural Telephone Bank loan shall be prepaid by paying the outstanding principal balance on the loan. No guarantee or other financial assistance shall be available to the borrowers to refinance outstanding loans prepaid hereunder. In the case of an electric borrower prepaying under this section or otherwise prepaying a loan at less than the outstanding principal balance due on the loan, after the date of prepayment, no loans, loan guarantees or other financial assistance shall be provided pursuant to this Act to the borrower or its successors or for the purpose of financing the construction or operation of generating plants or bulk transmission lines for the purpose of furnishing electric energy in the area served on a retail or wholesale basis by such borrower. In the case of a telephone borrower prepaying under this section, or otherwise prepaying a loan at less than the outstanding principal balance due on the loan, after the date of prepayment, no loans, loan guarantees or other financial assistance shall be provided pursuant to this Act to the borrower or its successors or for the purpose of furnishing or improving telephone service in the area served by such borrower. In determining the service area of electric borrowers, the Administrator shall make allowances and adjustments to avoid adversely affecting the eligibility of other borrowers for financial assistance under this Act where such borrowers are currently providing electric supply services for retail loads in the same area and which are reasonably expected to continue providing electric supply services for retail loads in such areas. In the event that the borrower prepaying under this section shall be using a majority of its generating capacity to directly serve its retail consumers, other borrowers which are purchasing power from such borrower as of September 30, 1986, shall continue to remain eligible for financing under this Act for needs in their service area. Nothing in this section shall prohibit a borrower which has prepaid pursuant to this section from participating in generation and transmission projects with borrowers which have not prepaid, so long as the borrower which has prepaid utilizes private capital financing without financial assistance under this Act: *Provided further*, That nothing in this section shall prohibit short-term power purchases by borrowers which have prepaid under this section from borrowers which have not prepaid. The Administrator shall issue regulations to implement this section within 60 days." (Treasury, Postal Service, and General Government Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

# FUNDS APPROPRIATED TO THE PRESIDENT

## DISASTER RELIEF

### Federal Funds

#### General and special funds:

#### DISASTER RELIEF

#### [(INCLUDING TRANSFER OF FUNDS)]

For necessary expenses in carrying out the functions of the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), **[\$120,000,000] \$125,000,000**, to remain available until expended: **Provided**, That the regulation changes proposed by the Federal Emergency Management Agency and set forth at 51 Fed. Reg. 13332-13373 (April 18, 1986), or any finally adopted regulations related to or developed or following from such proposed regulations, shall not be effective from enactment of this Act through September 30, 1987].

NOTE.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code	11-0039-0-1-453	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	497,734	250,000	250,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-67,962	-50,000	-50,000
21.40	Unobligated balance available, start of year .....	-268,348	-184,276	-104,276
24.40	Unobligated balance available, end of year .....	184,276	104,276	29,276
39.00	<b>Budget authority</b> .....	<b>345,700</b>	<b>120,000</b>	<b>125,000</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	365,700	120,000	125,000
40.00	Reduction pursuant to P.L. 99-160 .....	-20,000		
43.00	<b>Appropriation (adjusted)</b> .....	<b>345,700</b>	<b>120,000</b>	<b>125,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	497,734	250,000	250,000
72.40	Obligated balance, start of year .....	424,475	518,803	406,265
74.40	Obligated balance, end of year .....	-518,803	-406,265	-381,265
78.00	Adjustments in unexpired accounts .....	-67,962	-50,000	-50,000
90.00	<b>Outlays</b> .....	<b>335,444</b>	<b>312,538</b>	<b>225,000</b>

Federal disaster assistance is a nationwide program operated pursuant to the Disaster Relief Act of 1974 (Public Law 93-288). Supplementary assistance is provided to individuals, and State and local governments in the event of a Presidentially declared emergency or major disaster. Funds may be made available directly to a State or local government, or to other Federal agencies as reimbursement of expenditures in disaster relief work performed under this authority. In addition, a variety of other Federal agency assistance is coordinated under this program.

#### Object Classification (in thousands of dollars)

Identification code	11-0039-0-1-453	1986 actual	1987 est.	1988 est.
25.0	Other services .....	62,694	37,500	37,500
41.0	Grants, subsidies, and contributions .....	435,040	212,500	212,500
99.9	<b>Total obligations</b> .....	<b>497,734</b>	<b>250,000</b>	<b>250,000</b>

## Trust Funds

### BEQUESTS AND GIFTS

#### Program and Financing (in thousands of dollars)

Identification code	11-8244-0-7-453	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	86	35	50
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-1	-8	-1
21.40	U.S. securities (par) .....	-1,160	-1,145	-1,178
Unobligated balance available, end of year:				
24.40	Treasury balance .....	8	1	1
24.40	U.S. securities (par) .....	1,145	1,178	1,193
60.00	<b>Budget authority (appropriation) (indefinite)</b> .....	<b>78</b>	<b>61</b>	<b>65</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	86	35	50
72.40	Obligated balance, start of year .....	3		
90.00	<b>Outlays</b> .....	<b>88</b>	<b>35</b>	<b>50</b>

This fund represents contributions from the estate of Cora Brown to support the activities of the disaster relief fund.

## UNANTICIPATED NEEDS

### Federal Funds

#### General and special funds:

#### UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; **\$1,000,000**. (*Executive Office Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

#### Program and Financing (in thousands of dollars)

Identification code	11-0037-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Special assistance to the President, salaries and expenses .....	202		
00.02	President's Special Review Board .....		250	
00.03	Reserved for future allocation .....		750	1,000
10.00	<b>Total obligations</b> .....	<b>202</b>	<b>1,000</b>	<b>1,000</b>
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	755		
40.00	<b>Budget authority (appropriation)</b> .....	<b>957</b>	<b>1,000</b>	<b>1,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	202	1,000	1,000
72.40	Obligated balance, start of year .....	140	38	38
74.40	Obligated balance, end of year .....	-38	-38	-38
77.00	Adjustments in expired accounts .....	-49		
90.00	<b>Outlays</b> .....	<b>255</b>	<b>1,000</b>	<b>1,000</b>

These funds enable the President to meet unanticipated needs in furtherance of the national interest, security, or defense.

General and special funds—Continued

UNANTICIPATED NEEDS—Continued

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-0037-0-1-802			
<b>ALLOCATION ACCOUNTS</b>			
11.1 Personnel compensation: Full-time permanent .....		140	
12.1 Personnel Benefits: Civilian .....		26	
21.0 Travel and transportation of persons.....		10	
22.0 Transportation of things.....	14	1	
23.1 Rental payments to GSA .....	24	22	
23.3 Communications, utilities, and miscellaneous charges.....	69	10	
24.0 Printing and reproduction.....	20	20	
25.0 Other services.....	66	15	
26.0 Supplies and material.....	9	5	
31.0 Equipment.....		1	
92.0 Undistributed, reserved for future allocations.....		750	1,000
99.9 Total obligations.....	202	1,000	1,000

EXPENSES OF MANAGEMENT IMPROVEMENT

Federal Funds

General and special funds:

EXPENSES OF MANAGEMENT IMPROVEMENT

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-0061-0-1-802			
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	228	228	228
24.40 Unobligated balance available, end of year.....	-228	-228	-228
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

These funds enable the President to develop and implement improvements in the management, organization, and operation of the agencies of the executive branch.

INTERNATIONAL SECURITY ASSISTANCE

Federal Funds

General and special funds:

FOREIGN MILITARY [CREDIT] SALES CREDIT\*

\*See Part II for additional information.

For expenses necessary to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, [\$4,040,441,284 of which not less than \$1,800,000,000 shall be available only for Israel, not less than \$1,300,000,000 shall be available only for Egypt, and not less than \$312,500,000 shall be available only for Pakistan: *Provided*, That if the Government of Israel requests that funds be used for such purposes, up to \$150,000,000 of the amount of credits made available for Israel pursuant to this paragraph shall be available for research and development in the United States for the Lavi program, and not less than \$300,000,000 shall be for the procurement in Israel of defense articles and services, including research and development, for the Lavi program and other activities if requested by Israel: *Provided further*, That funds for the Lavi program shall be expended upon the Department of Defense's determination that the proposed contracts meet applicable technical standards] \$4,421,150,000: *Provided [further]*, That during fiscal year [1987] 1988 and within the resources available, gross obligations for the principal amount of direct loans, exclusive of loan guarantee defaults, shall not exceed [\$4,040,441,284] \$4,421,150,000: *Provided further*,

That any funds made available by this paragraph, other than funds made available for Israel and Egypt, may be made available at concessional rates of interest, notwithstanding section 31(b)(2) of the Arms Export Control Act: *Provided further*, That the concessional rate of interest on foreign military credit sales loans for countries other than Israel and Egypt shall be not less than 5 percent per year: *Provided further*, That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated under this paragraph shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That of the funds made available by this Act to carry out the provisions of section 503 of the Foreign Assistance Act of 1961 and section 23 of the Arms Export Control Act, a total of \$490,000,000 shall be available only for Turkey and, of the funds made available by this paragraph, only \$343,000,000 shall be available for Greece, notwithstanding sections 101 (e)(1) and (f) of Public Law 99-83]. (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591; additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-1082-0-1-152			
<b>Program by activities:</b>			
<b>Credit and guarantees:</b>			
00.01 Forgiven loans.....	2,966,700	3,100,000	3,100,000
00.02 Concessional loans.....	897,130	940,441	1,321,150
00.03 Treasury rate loans.....	1,103,000		
10.00 Total obligations (object class 33.0).....	4,966,830	4,040,441	4,421,150
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	775,300	-1,293,600	-2,409,958
22.40 Unobligated balance transferred, net.....	-20,000		
31.00 Redemption of debt.....	775,300	1,293,600	2,409,958
39.00 Budget authority.....	4,946,830	4,040,441	4,421,150
<b>Budget authority:</b>			
40.00 Appropriation.....	4,966,830	4,040,441	4,421,150
41.00 Transferred to other accounts.....	-20,000		
43.00 Appropriation (adjusted).....	4,946,830	4,040,441	4,421,150
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,191,530	2,746,841	2,011,192
72.40 Obligated balance, start of year.....	7,332,492	6,760,887	5,611,790
74.40 Obligated balance, end of year.....	-6,760,887	-5,611,790	-4,681,269
90.00 Outlays.....	4,763,135	3,895,938	2,941,713

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	4,946,830	4,040,441	4,421,150
Outlays.....	4,763,135	3,895,938	2,941,713
Supplemental under existing legislation:			
Budget authority.....		200,000	
Outlays.....		30,000	60,000
Total:			
Budget authority.....	4,946,830	4,240,441	4,421,150
Outlays.....	4,763,135	3,925,938	3,001,713

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-1082-0-1-52			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	4,966,830	4,040,441	4,421,150
1150 Total direct loan obligations.....	4,966,830	4,040,441	4,421,150
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	19,144,751	22,124,229	22,692,296
1231 Disbursements: Direct loan disbursements.....	5,535,550	5,189,538	5,351,671
1251 Repayments: Repayments and prepayments.....	-833,472	-1,370,000	-2,520,958

1264	Adjustment: Other adjustments, net <sup>1</sup> .....	-1,722,600	-3,251,471	-2,994,000
1290	Outstanding, end of year .....	22,124,229	22,692,296	22,529,009

<sup>1</sup> Forgiven credits.

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	180,000	160,000	140,000
2251	Repayments and prepayments .....	-20,000	-20,000	-20,000
2290	Outstanding, end of year .....	160,000	140,000	120,000

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	160,000	140,000	120,000
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This appropriation provides funds to finance credit sales of defense articles, defense services, and design and construction services to foreign countries and international organizations.

ECONOMIC SUPPORT FUND\*

\*See Part II for additional information.

Economic support fund: For necessary expenses to carry out the provisions of chapter 4 of part II, [§3,550,000,000 including such funds as may be made available in fiscal year 1987 for Economic support funds for Central American countries through final enactment of section 205 of H.R. 5052: *Provided*, That of the funds appropriated under this paragraph, not less than \$1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of enactment of this Act or by October 31, 1986, whichever is later: *Provided further*, That not less than \$815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, of which not less than \$115,000,000 shall be provided as a cash transfer in accordance with the provisions of section 202(b) of Public Law 99-83, and not less than \$200,000,000 shall be provided as a Commodity Import Program: *Provided further*, That notwithstanding any other provision of law, the Agency for International Development is authorized to obligate such funds as it deems necessary in excess of \$115,000,000 from the funds appropriated for assistance to Egypt for the fiscal year 1987 as direct cash transfer for Egypt: *Provided further*, That such obligations in excess of \$115,000,000 shall only be made in support of the implementation of a comprehensive structural economic reform program by the Government of Egypt: *Provided further*, That all such cash transfers in excess of \$115,000,000 shall be subject to the regular notification procedures of the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate, and the Appropriations Committees of the House and Senate: *Provided further*, That such notifications for the provision of cash transfers in excess of \$115,000,000 shall include detailed descriptions of the comprehensive structural economic reform program of the Government of Egypt: *Provided further*, That if the Agency for International Development obligates cash transfer assistance for Egypt exceeding \$115,000,000, as permitted above, then such increased funding shall be derived through proportionate reductions in both the Commodity Import Program and project assistance: *Provided further*, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty; and that Egypt and Israel are urged to continue their efforts to restore a full diplomatic relationship, including ambassadors, and achieve realization of the Camp David Accords: *Provided further*, That not less than \$250,000,000 of the funds appropriated under this paragraph shall be available only for Pakistan: *Provided further*, That not less than \$35,000,000 of the funds appropriated under this paragraph shall be available for a United States contribution to the International Fund for Northern Ireland and Ireland: *Provided further*, That not less than an additional sum of \$200,000,000 shall be available only for the Philippines: *Provided further*, That not less than \$15,000,000 of the funds appropriated under this paragraph shall be available for

Cyprus: *Provided further*, That up to \$15,000,000 shall be made available for Jordan in addition to funds otherwise made available by this paragraph and allocated to Jordan: *Provided further*, That any of the funds appropriated under this paragraph for El Salvador which are placed in the Central Reserve Bank of El Salvador shall be maintained in a separate account and not commingled with any other funds, except that such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the cash transfer nature of this assistance or which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Rept. No. 98-1159): *Provided further*, That pursuant to section 660(d) of the Foreign Assistance Act of 1961 up to \$1,000,000 of the funds appropriated under this paragraph shall be made available to assist the Government of El Salvador's Special Investigative Unit for the purpose of bringing to justice those responsible for the murders of United States citizens in El Salvador: *Provided further*, That a report of the investigation shall be provided to the Congress: *Provided further*, That up to \$20,000,000 of the funds appropriated under this paragraph may be made available to carry out the Administration of Justice program pursuant to section 534 of the Foreign Assistance Act of 1961: *Provided further*, That up to \$20,000,000 of the funds made available by this paragraph may be provided to countries that are receiving "International Narcotics Control" assistance and that have made substantial progress in illicit drug control efforts: *Provided further*, That all funds made available pursuant to the previous proviso shall be subject to the regular notification procedures of the Committees on Appropriations and that such notifications shall contain an explanation of the progress in illicit drug control that has been made by the recipient country: *Provided further*, That all of the funds provided under this paragraph which are made available for disadvantaged persons in South Africa shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further*, That after February 1, 1987, any country which receives in excess of a total of \$5,000,000 as cash transfer assistance shall maintain such funds in a separate account and shall not commingle such funds with any other funds, except that such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the cash transfer nature of this assistance or which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Rept. No. 98-1159): *Provided further*, That all local currencies that may be generated with funds provided as a cash transfer in accordance with the previous proviso shall be deposited in a special account to be used in accordance with section 609 of the Foreign Assistance Act of 1961: *Provided further*, That not more than \$5,000,000 of the funds made available under this paragraph may be available to finance tied aid credits, unless the President determines it is in the national interest to provide in excess of \$5,000,000 and so notifies the Committees on Appropriations through the regular notification procedures: *Provided further*, That funds made available under this paragraph shall remain available until September 30, 1988. ] \$3,587,500,000, to remain available until expended. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

[ASSISTANCE FOR THE CENTRAL AMERICAN DEMOCRACIES]

[SEC. 205. (a) There are hereby transferred to the President for assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) in accordance with the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961; \$300,000,000 of unobligated funds from the accounts specified in subsection (b). Amounts transferred under this section shall be administered in accordance with the terms and conditions of chapter 6 of part I of the Foreign Assistance Act of 1961. Notwithstanding any other provision of law, funds made available by this section—

(1) shall be in addition to amounts previously appropriated for the fiscal year 1986 and allocated for assistance to Central American countries, and

(2) shall remain available for obligation until September 30, 1987, except that not less than \$100,000,000 shall be obligated on or before September 30, 1986.

(b) Amounts made available by this section shall be transferred from such accounts as the President may designate for which appropriations were made by title II of the Foreign Assistance and Related Programs Appropriations Act, 1986, title IV of the Agriculture, Rural Development and Related Agencies Appropriations Act, 1986 (as con-

General and special funds—Continued

ECONOMIC SUPPORT FUND—Continued

[ASSISTANCE FOR THE CENTRAL AMERICAN DEMOCRACIES]—Continued

tained in Public Law 99-190, and title II of the Urgent Supplemental Appropriations Act, 1985 (Public Law 99-10).

(c)(1) The Secretary of State, the Administrator of the Agency for International Development, and the Director of the Office of Management and Budget, shall—

(A) develop a plan for fully funding the assistance to the Central American democracies (Costa Rica, El Salvador, Guatemala, and Honduras) proposed in the January 1984 report of the National Bipartisan Commission on Central America; and

(B) provide a report describing this plan to the President and the Congress no later than March 1, 1987.

(2) The report required by paragraph (1) shall include an analysis and recommendations, prepared in consultation with the Secretary of Agriculture, on how more effective use can be made of agricultural commodities from the United States in alleviating hunger in Central America and contributing to the economic development of the Central American democracies.

(d)(1) There are hereby transferred to the President out of funds appropriated by the Supplemental Appropriations Act, 1985 (Public Law 99-88), under the heading "Assistance For Implementation of a Contadora Agreement" such sums as the President may require but not more than \$2,000,000, to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America.

(2) Funds transferred under paragraph (1) shall remain available for the same period of time as such funds would have been available under the Supplemental Appropriations Act, 1985 (Public Law 99-88), but for the enactment of this title.

(e) The Congress reaffirms its support for the establishment of a Central American Development Organization, authorized by section 464 of the Foreign Assistance Act of 1961, as an effective forum for dialogue on, and the continuous review and advancement of, Central America's political, economic, and social development, including the strengthening of democratic pluralism and respect for internationally recognized human rights. Toward this end, not less than \$750,000 of the funds transferred by this section should be used to establish the Central American Development Organization and its administrative apparatus so as to ensure that Central American development objectives are encouraged. (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(k).)

Note.—Funds transferred pursuant to subsection 205(d)(1) are shown in the account entitled "Promotion of Stability and Security in Central America".

Program and Financing (in thousands of dollars)

Identification code 11-1037-0-1-152	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Country and regional programs.....	4,827,028	3,646,470	3,587,500
00.02 Reobligation of country programs.....	85,968	50,000	12,500
10.00 Total obligations.....	4,912,996	3,696,470	3,600,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-26		
17.00 Recovery of prior year obligations.....	-7,585		
21.40 Unobligated balance available, start of year.....	-1,269,895	-96,470	
22.40 Unobligated balance transferred, net.....	22,850		
23.40 Unobligated balance rescinded.....	6,692		
24.40 Unobligated balance available, end of year.....	96,470		
25.00 Unobligated balance lapsing.....	19		
39.00 Budget authority.....	3,761,521	3,600,000	3,600,000
<b>Budget authority:</b>			
40.00 Appropriation.....	3,640,642	3,250,000	3,587,500
41.00 Transferred to other accounts.....	-2,739		
42.00 Transferred from other accounts.....	37,650	300,000	
43.00 Appropriation (adjusted).....	3,675,553	3,550,000	3,587,500
50.00 Reappropriation.....	85,968	50,000	12,500

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	4,912,970	3,696,470	3,600,000
72.40 Obligated balance, start of year.....	4,288,062	4,422,634	3,928,390
74.40 Obligated balance, end of year.....	-4,422,634	-3,928,390	-3,474,954
77.00 Adjustments in expired accounts.....	-87,122		
78.00 Adjustments in unexpired accounts.....	-7,585		
90.00 Outlays.....	4,683,692	4,190,714	4,053,436

Note.—Total obligations include local cost support charges of \$3.388 million in 1986 and \$14.915 million in 1987.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
<b>Enacted/requested:</b>			
Budget authority.....	3,761,521	3,600,000	3,600,000
Outlays.....	4,683,692	4,190,714	4,053,436
<b>Supplemental—additional authorizing legislation required:</b>			
Budget authority.....		297,000	
Outlays.....		182,833	43,600
<b>Total:</b>			
Budget authority.....	3,761,521	3,897,000	3,600,000
Outlays.....	4,683,692	4,373,547	4,097,036

Status of Direct Loans (in thousands of dollars)

Identification code 11-1037-0-1-152	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	103,878	175,581	175,581
1150 Total direct loan obligations.....	103,878	175,581	175,581
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	6,221,732	6,304,579	6,381,487
1231 Disbursements: Direct loan disbursements.....	89,825	175,581	175,581
1251 Repayments: Repayments and prepayments.....	-71,795	-98,673	-121,474
<b>Adjustments:</b>			
1261 Capitalized interest.....	14,053		
1264 Other adjustments, net <sup>1</sup> .....	50,764		
1290 Outstanding, end of year.....	6,304,579	6,381,487	6,435,594

<sup>1</sup> Reflects deferred interest.

This account is used primarily to provide economic assistance to selected countries, in support of U.S. efforts to promote stability and U.S. security interests in strategic regions of the world.

Object Classification (in thousands of dollars)

Identification code 11-1037-0-1-152	1986 actual	1987 est.	1988 est.
<b>INTERNATIONAL SECURITY ASSISTANCE</b>			
21.0 Travel and transportation of persons.....	12	9	9
25.0 Other services.....	10,230	7,697	7,496
26.0 Supplies and materials.....	276,199	207,808	202,385
33.0 Investments and loans.....	122,781	92,379	89,968
41.0 Grants, subsidies, and contributions.....	4,490,941	3,378,922	3,290,739
99.0 Subtotal obligations, International Security Assistance.....	4,900,163	3,686,815	3,590,597
<b>ALLOCATION ACCOUNTS</b>			
41.0 Grants, subsidies, contributions.....	12,833	9,655	9,403
99.9 Total obligations.....	4,912,996	3,696,470	3,600,000
<b>Obligations are distributed as follows:</b>			
International Security Assistance.....	4,900,163	3,686,815	3,590,280
United States Information Agency.....	4,785	4,089	4,140
Department of State.....	6,699	5,566	5,580
Department of Justice.....	1,349		

MILITARY ASSISTANCE\*

\*See Part II for additional information.

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, **[\$900,000,000: Provided, That none of the funds under this heading shall be obligated for law enforcement agencies in El Salvador and Honduras until the notification required under Section 660(d) of the Foreign Assistance Act of 1961, as amended, is provided to the Committees on Appropriations: Provided further, That of the funds provided under this paragraph not more than \$37,000,000 shall be used for "Overseas Military Program Management": Provided further, That the reports required by section 702 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) shall also be provided to the Committees on Appropriations: Provided further, That funds appropriated under this paragraph shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That amounts appropriated under this heading shall be available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956] \$1,329,800,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591; additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code	11-1080-0-1-152	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Country programs	701,591	904,000	1,283,800
00.02	General costs	48,854	46,000	46,000
10.00	<b>Total obligations</b>	<b>750,445</b>	<b>950,000</b>	<b>1,329,800</b>
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-2,960		
21.40	Unobligated balance available, start of year		-50,000	
24.40	Unobligated balance available, end of year	50,000		
25.00	Unobligated balance lapsing	889		
40.00	<b>Budget authority (appropriation)</b>	<b>798,374</b>	<b>900,000</b>	<b>1,329,800</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	747,485	950,000	1,329,800
72.40	Obligated balance, start of year	31,519	23,684	775,377
74.40	Obligated balance, end of year	-23,684	-775,377	-1,589,156
77.00	Adjustments in expired accounts	-1,976		
90.00	<b>Outlays</b>	<b>753,343</b>	<b>198,307</b>	<b>516,021</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	798,374	900,000	1,329,800
Outlays	753,343	198,307	516,021
<b>Supplemental—Additional authorizing legislation required:</b>			
Budget authority		261,000	
Outlays		39,158	78,300
<b>Total:</b>			
Budget authority	798,374	1,161,000	1,329,800
Outlays	753,343	237,465	594,321

This account provides grants to finance defense articles, defense services, and design and construction services to assist selected countries to improve their military capabilities.

Object Classification (in thousands of dollars)

Identification code	11-1080-0-1-152	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	8,350	8,426	8,610
11.3	Other than full-time permanent	241	262	270
11.5	Other personnel compensation	433	460	475
11.8	Special personal services payments	11,422	13,610	14,900
11.9	<b>Total personnel compensation</b>	<b>20,446</b>	<b>22,758</b>	<b>24,255</b>
12.1	Personnel benefits: Civilian	843	880	915
13.0	Benefits for former personnel	90	70	95

21.0	Travel and transportation of persons	3,069	3,270	3,450
22.0	Transportation of things	1,197	995	1,200
23.1	Rental payments to GSA	325	340	370
23.2	Rental payments to others	2,260	2,786	3,080
23.3	Communications, utilities, and miscellaneous charges	1,203	1,360	1,500
24.0	Printing and reproduction	62	70	80
25.0	Other services	718,072	913,808	1,291,360
26.0	Supplies and materials	827	932	995
31.0	Equipment	2,051	2,731	2,500
99.9	<b>Total obligations</b>	<b>750,445</b>	<b>950,000</b>	<b>1,329,800</b>

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	267	253	237
<b>Total compensable workyears:</b>			
Full-time equivalent employment	264	251	235
Full-time equivalent of overtime and holiday hours	5	5	5
<b>Reimbursable:</b>			
<b>Total compensable workyears:</b>			
Full-time equivalent employment	101	103	97
Full-time equivalent of overtime and holiday hours	4	4	4

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541, **\$56,000,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591; additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code	11-1081-0-1-152	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	<b>Total obligations</b>	<b>51,739</b>	<b>56,000</b>	<b>56,000</b>
<b>Financing:</b>				
25.00	Unobligated balance lapsing	407		
40.00	<b>Budget authority (appropriation)</b>	<b>52,146</b>	<b>56,000</b>	<b>56,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	51,739	56,000	56,000
72.40	Obligated balance, start of year	44,818	36,772	35,355
74.40	Obligated balance, end of year	-36,772	-35,355	-34,100
77.00	Adjustments in expired accounts	-4,683		
90.00	<b>Outlays</b>	<b>55,102</b>	<b>57,417</b>	<b>57,256</b>

This program provides grants for training foreign military personnel in the United States and abroad.

Object Classification (in thousands of dollars)

Identification code	11-1081-0-1-152	1986 actual	1987 est.	1988 est.
25.0	Other services	44,496	48,160	48,160
26.0	Supplies and materials	5,691	6,160	6,160
31.0	Equipment	1,552	1,680	1,680
99.9	<b>Total obligations</b>	<b>51,739</b>	<b>56,000</b>	<b>56,000</b>

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551, **[\$31,689,000: Provided, That, notwithstanding sections 451, 492(b), or 614 of the Foreign Assistance Act of 1961, or any other provision of law, these funds may be used only as justified in the Congressional Presentation Document for fiscal year 1987: Provided further, That, to the extent that these funds cannot be used to provide for such assistance, they shall revert to the Treasury as miscellaneous receipts: Provided further, That not more than half of the funds which are appropriated under this paragraph and which are allocated for the United Nations Force in Cyprus may be obligated for the United States contribution to that Force until the Secretary of State submits a report to the Congress detailing how the United States and other contributing countries plan to eliminate the financial deficit of that Force] \$46,311,000. (Foreign Assistance and Related Programs Appro-**

General and special funds—Continued

PEACEKEEPING OPERATIONS—Continued

provisions Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	11-1032-0-1-152	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	26,913	31,689	46,311
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-4,507		
21.40	Unobligated balance available, start of year		-5,625	
23.40	Unobligated balance rescinded	4,507		
24.40	Unobligated balance available, end of year	5,625		
25.00	Unobligated balance lapsing		5,625	
40.00	<b>Budget authority (appropriation)</b>	<b>32,538</b>	<b>31,689</b>	<b>46,311</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	26,913	31,689	46,311
72.40	Obligated balance, start of year	43,075	23,836	23,836
74.40	Obligated balance, end of year	-23,836	-23,836	-23,836
77.00	Adjustments in expired accounts	-3		
78.00	Adjustments in unexpired accounts	-4,507		
90.00	<b>Outlays</b>	<b>41,642</b>	<b>31,689</b>	<b>46,311</b>

U.S. assistance to international efforts to monitor and maintain the peace in areas of special concern to the United States is funded in this account. In 1988, contributions will be made to the Multinational Force and Observers in the Sinai and to the United Nations Force in Cyprus.

ASSISTANCE FOR RELOCATION OF FACILITIES IN ISRAEL

Program and Financing (in thousands of dollars)

Identification code	11-1088-0-1-152	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources		-5,819	
32.49	Balance of contract authority withdrawn		5,819	
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-5,819	
<b>Obligated balance, start of year:</b>				
72.40	Appropriation	795	347	
72.49	Contract authority	5,819	5,819	
<b>Obligated balance, end of year:</b>				
74.40	Appropriation	-347		
74.49	Contract authority	-5,819		
90.00	<b>Outlays</b>	<b>448</b>	<b>347</b>	

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year	5,819	5,819	
Collections applied to liquidate contract authority		-5,819	
Unfunded balance, end of year	5,819		

This account provides funds for two airfields in Israel, replacing similar facilities evacuated in the Sinai.

Public enterprise funds:

GUARANTEE RESERVE FUND

Program and Financing (in thousands of dollars)

Identification code	11-4121-0-3-152	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	795,058	942,800	891,366
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-795,058	-942,800	-891,366
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	270,614	15,656	7,201
74.40	Obligated balance, end of year	-15,656	-7,201	-7,201
90.00	<b>Outlays</b>	<b>254,958</b>	<b>8,455</b>	

Status of Direct Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public			
1132	Obligations exempt from limitation: Defaulted guaranteed loan claims	1,050,016	951,255	891,366
1150	<b>Total direct loan obligations</b>	<b>1,050,016</b>	<b>951,255</b>	<b>891,366</b>
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	1,165,248	1,420,206	1,428,661
1232	Disbursements: Disbursements for guaranteed loan claims <sup>1</sup>	1,050,016	951,255	891,366
1251	Repayments: Repayments and prepayments	-795,058	-942,800	-891,366
1290	Outstanding, end of year	1,420,206	1,428,661	1,428,661

<sup>1</sup> Guaranteed claims transferred from the foreign military sales credit account.

This fund was established to make payments to lenders of foreign military sales credit guaranteed loans for late payments and rescheduled loans. Estimated activities in the account are shown below (in thousands of dollars).

	1986 actual	1987 est.	1988 est.
Delinquent payments	237,304	237,814	222,841
Accrued interest and rescheduled loans	812,712	713,441	668,525
<b>Total</b>	<b>1,050,016</b>	<b>951,255</b>	<b>891,366</b>

INTERNATIONAL DEVELOPMENT ASSISTANCE

MULTILATERAL ASSISTANCE

Federal Funds

General and special funds:

MULTILATERAL DEVELOPMENT BANKS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the [increase] increases in capital stock, [ \$55,805,000 ] \$204,909,039, for the General and Selective Capital [increase] Increases, to remain available until expended: Provided, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternative United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed **[\$688,261,667]** \$2,169,161,009. (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

Program and Financing (in thousands of dollars)				
Identification code	11-0077-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	105,003	55,805	204,909
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Appropriation	-1,948,346	-1,948,346	-1,948,346
21.47	Authority to borrow	-5,715,000	-5,715,000	-5,715,000
Unobligated balance available, end of year:				
24.40	Appropriation	1,948,346	1,948,346	1,948,346
24.47	Authority to borrow	5,715,000	5,715,000	5,715,000
40.00	<b>Budget authority (appropriation)</b>	<b>105,003</b>	<b>55,805</b>	<b>204,909</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	105,003	55,805	204,909
72.40	Obligated balance, start of year	399,891	226,168	276,392
74.40	Obligated balance, end of year	-226,168	-276,392	-241,220
90.00	Outlays	278,726	5,581	240,081

The International Bank for Reconstruction and Development (World Bank) finances development projects in less developed countries. By applying banking principles to the achievement of development goals, it promotes increased economic productivity and helps developing economies meet more of the basic needs of their people. Since its founding in 1945, the Bank has made loan commitments of approximately \$126 billion.

The Bank's 1986 lending program included 131 loan commitments to 41 countries for a total of \$13.2 billion. More than twice this amount was contributed to these projects by recipient countries, commercial lenders, and other multilateral or bilateral agencies.

The Administration's request for 1988 consists of: (1) \$58.6 million in budget authority for paid-in capital subscriptions and \$664.7 million in program limitations for callable capital subscriptions to provide the last payment for the \$8.8 billion U.S. share of the \$40.0 billion 1981 General Capital Increase (GCI); (2) \$14.8 million for paid-in capital subscriptions and \$133.6 million in program limitations for callable capital subscriptions to the 1970 Selective Capital Increase (SCI); and (3) \$131.4 million for paid-in capital subscriptions and \$1,370.8 million in program limitations for callable capital subscriptions to the 1984 SCI.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION\*

\*See Part II for additional information.

For payment to the International Development Association by the Secretary of the Treasury, **[\$622,623,251]** \$958,333,334, for the United States contribution to the **[seventh replenishment]** replenishments, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the International Bank for Reconstruction and Development is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under

section 5316 of title 5, United States Code. (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

Program and Financing (in thousands of dollars)

Identification code	11-0073-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	669,900	622,623	958,333
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>	<b>669,900</b>	<b>622,623</b>	<b>958,333</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	669,900	622,623	958,333
72.40	Obligated balance, start of year	2,357,838	2,242,016	2,314,639
74.40	Obligated balance, end of year	-2,242,016	-2,314,639	-2,380,972
90.00	Outlays	785,722	550,000	892,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority	669,900	622,623	958,333	
Outlays	785,722	550,000	892,000	
Supplemental under existing legislation:				
Budget authority		207,477		
Outlays				
Total:				
Budget authority	669,900	830,100	958,333	
Outlays	785,722	550,000	892,000	

The International Development Association (IDA), a member of the World Bank Group, provides development financing on highly concessional terms to the world's poorest nations. IDA is the largest source of multilateral lending extended on concessional terms to developing countries. Projects have to meet the same economic and financial standards as other World Bank projects and there has never been a default on an IDA loan by any borrower.

By June 30, 1986, IDA had extended credits totaling \$39.8 billion for development projects in 85 countries. IDA assistance is concentrated overwhelmingly in the poorest countries—mainly those with an annual per capita gross national product of less than \$400 in 1985 dollars. In 1985, IDA's lending program included 105 credits to 38 countries for a total of \$3.1 billion.

The Eighth Replenishment of IDA will provide resources of nearly \$12.5 billion. The United States has pledged \$2.875 billion to the replenishment and the \$958.3 million requested in 1988 is for the first installment on that contribution.

In addition, a 1987 supplemental for \$207.5 million of budget authority is being requested to complete the third, and final, installments to the seventh replenishment.

CONTRIBUTION TO THE SPECIAL FACILITY FOR SUB-SAHARAN AFRICA

[For payment to the Special Facility for Sub-Saharan Africa by the Secretary of the Treasury, \$64,805,000, to remain available until expended: *Provided*, That funds made available under this heading shall be obligated to the Special Facility for Sub-Saharan Africa no later than March 1, 1987.] (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

MULTILATERAL ASSISTANCE—Continued  
General and special funds—Continued  
MULTILATERAL DEVELOPMENT BANKS—Continued  
[CONTRIBUTION TO THE SPECIAL FACILITY FOR SUB-SAHARAN AFRICA]—  
Continued

Program and Financing (in thousands of dollars)

Identification code	11-0086-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	71,775	64,805	
<b>Financing:</b>				
40.00	Budget authority (appropriation)	71,775	64,805	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	71,775	64,805	
72.40	Obligated balance, start of year		47,762	82,847
74.40	Obligated balance, end of year	-47,762	-82,847	-49,886
90.00	Outlays	24,013	29,720	32,961

Public Laws 99-500 and 99-591 provide the authorization and an appropriation for a \$64.8 million payment to the Special Facility for Sub-Saharan Africa administered by the International Development Association.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION\*

\*See Part II for additional information.

For payment to the International Finance Corporation by the Secretary of the Treasury for the United States share of the increase in subscription to capital stock, as authorized by the International Finance Corporation Act (Public Law 84-350), as amended, \$35,032,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	11-0078-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	27,827		35,032
<b>Financing:</b>				
40.00	Budget authority (appropriation)	27,827		35,032
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	27,827		35,032
90.00	Outlays	27,827		35,032

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	27,827		35,032
Outlays	27,827		35,032
Supplemental under existing legislation:			
Budget authority		42,239	
Outlays		42,239	
Total:			
Budget authority	27,827	42,239	35,032
Outlays	27,827	42,239	35,032

The International Finance Corporation (IFC), a member of the World Bank Group, was established in 1956 to further economic development by encouraging the growth of private enterprise in developing countries. IFC provides and mobilizes loans and equity investments for promising ventures, and provides technical assistance. During 1986 the Corporation approved 85 loans and investments in 39 countries totaling \$1,156.3 million. An increase in the IFC's capital of \$650 million was agreed to in 1985. The 1988 request of \$35 million is for the third of five installments on the U.S. share of \$175 million for the increase in IFC resources.

In addition, a 1987 supplemental for \$42.2 million of budget authority is being requested to complete the first installment and make the second installment to the capital increase.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury for the United States share of the increase in the resources of the Fund for Special Operations, [\$17,263,000] \$110,097,000, to remain available until expended; [and \$16,417,000] \$121,098,332, for the United States share of the [increase] increases in paid-in capital stock to remain available until expended; and \$26,803,000, for the United States share of the capital stock of the Inter-American Investment Corporation, to remain available until expended: Provided, That no such payment may be made while the United States Executive Director for the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director for the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such [increase] increases in capital stock in an amount not to exceed [\$1,111,561,128] \$2,376,737,187. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

Program and Financing (in thousands of dollars)

Identification code	11-0072-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	85,844	33,680	257,998
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-3,960,860	-3,960,860	-3,960,860
24.40	Unobligated balance available, end of year	3,960,860	3,960,860	3,960,860
40.00	Budget authority (appropriation)	85,844	33,680	257,998
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	85,844	33,680	257,998
72.40	Obligated balance, start of year	1,056,167	790,234	558,678
74.40	Obligated balance, end of year	-790,234	-558,678	-593,159
90.00	Outlays	351,777	265,236	223,517

The Inter-American Development Bank (IDB) promotes the economic and social development of Latin America and the Caribbean through loans and technical assistance. In its 25 years of operation, the Bank has lent over \$31 billion for projects that represent a total investment of more than \$106 billion.

The Bank lends money through: (1) the ordinary and inter-regional capital resources which lend at near-market rates; (2) the Fund for Special Operations (FSO) which makes loans on concessional terms to the region's poorest nations; and (3) the new Inter-American Investment Corporation (IIC), which will make loans and equity investments for small and medium sized private enterprises.

The 1988 request includes: (1) budget authority of \$63.2 million for paid-in capital subscriptions along with a program limitation of \$119.4 million to complete the U.S. share of the Sixth Replenishment of the Bank's capital; (2) budget authority of \$89.5 million to complete the U.S. share of the current replenishment of

the Fund for Special Operations (FSO); and (3) budget authority of \$26.8 million to complete the U.S. share of the initial capitalization of the Inter-American Investment Corporation; (4) budget authority of \$57.9 million for paid-in capital and a program limitation of \$2.26 billion for a possible installment on a subscription to the forthcoming capital increase in the Bank's ordinary resources; and (5) budget authority of \$20.6 million for a possible contribution to the forthcoming replenishment of the FSO.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, **[\$13,232,676]** \$15,057,220, to remain available until expended; and for the United States contribution to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), **[\$91,406,000]** \$218,964,000, to remain available until expended: *Provided*, That no such payment may be made while the United States Director of the Bank is compensated by the Bank at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to the Bank is compensated by the Bank in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such increase in capital stock in an amount not to exceed **[\$251,367,220]** \$276,503,941. (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

Program and Financing (in thousands of dollars)

Identification code	11-0076-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	107,097	104,639	234,021
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-748,095	-748,095	-748,095
24.40	Unobligated balance available, end of year	748,095	748,095	748,095
40.00	<b>Budget authority (appropriation)</b>	<b>107,097</b>	<b>104,639</b>	<b>234,021</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	107,097	104,639	234,021
72.40	Obligated balance, start of year	651,415	640,507	632,972
74.40	Obligated balance, end of year	-640,507	-632,972	-738,627
90.00	Outlays	118,005	112,174	128,366

The Asian Development Bank fosters economic growth and cooperation in the Asian and Pacific region. The Bank lends at near-market rates through its ordinary capital window, and on highly concessional terms to the region's poorer nations through the Asian Development Fund (ADF). Since its founding in 1966, the Bank has made loans totaling more than \$17 billion, contributing to a total investment of more than \$42 billion.

The 1988 request includes: (1) budget authority of \$15.1 million for paid-in capital subscriptions and a program limitation of \$276.5 million for the fourth and fifth installments of the Bank's current capital increase; (2) budget authority of \$72.9 million of the U.S. share of the third replenishment of the ADF; and (3)

budget authority of \$146.1 million for the first installment of the U.S. share of the fourth replenishment of ADF resources.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND\*

\*See Part II for additional information.

For payment to the African Development Fund by the Secretary of the Treasury, **[\$53,788,000]** \$75,000,000, for the United States contribution to the fourth replenishment of the African Development Fund, to remain available until expended. (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

Program and Financing (in thousands of dollars)

Identification code	11-0079-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	59,573	53,788	75,000
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>	<b>59,573</b>	<b>53,788</b>	<b>75,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	59,573	53,788	75,000
72.40	Obligated balance, start of year	205,000	259,573	260,631
74.40	Obligated balance, end of year	-259,573	-260,631	-280,068
90.00	Outlays	5,000	52,730	55,563

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	59,573	53,788	75,000
Outlays	5,000	52,730	55,563
Supplemental under existing legislation:			
Budget authority		36,639	
Outlays			
<b>Total:</b>			
Budget authority	59,573	90,427	75,000
Outlays	5,000	52,730	55,563

The African Development Fund (AFDF), the concessional lending affiliate of the African Development Bank, makes loans to the poorest African nations. More than 80 percent of its lending goes to countries with per capita GNP of \$510 or less. During 1986, AFDF lending amounted to \$400 million to 27 countries.

The 1988 request for the AFDF is \$75 million—the final installment of the U.S. share of the Fund's fourth replenishment.

In addition, a 1987 supplemental of \$36.6 million is being requested to complete the second installment to the current replenishment.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK\*

\*See Part II for additional information.

For payment to the African Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increases in capital stock, **[\$13,988,000]** \$8,999,371, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

MULTILATERAL ASSISTANCE—Continued

General and special funds—Continued

MULTILATERAL DEVELOPMENT BANKS—Continued

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND—Continued

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed **[\$41,980,980] \$134,918,184.** (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

Program and Financing (in thousands of dollars)

Identification code	11-0082-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	15,490	13,993	8,999
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-2	-5	
24.40	Unobligated balance available, end of year	5		
40.00	<b>Budget authority (appropriation)</b>	<b>15,493</b>	<b>13,988</b>	<b>8,999</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	15,490	13,993	8,999
90.00	Outlays	15,490	13,993	8,999

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	15,493	13,988	8,999
Outlays	15,490	13,993	8,999
<b>Supplemental under existing legislation:</b>			
Budget authority		6,492	
Outlays		6,492	
<b>Total:</b>			
Budget authority	15,493	20,480	8,999
Outlays	15,490	20,485	8,999

The African Development Bank (AFDB) makes loans at near-market rates for the economic and social development of its African members. Membership in the Bank was restricted to African nations until 1982 when non-regional countries were allowed to join. The U.S. became a member of the Bank in 1983 with an initial subscription of \$360 million of AFDB capital.

In 1986, the AFDB lent \$849 million for development projects in 13 countries. The Bank expects to lend about \$1 billion in 1987.

The 1988 request of \$9 million of paid-in capital and \$135 million of program limitations for callable capital subscriptions is for the first installment on the \$179 million U.S. share of the \$13 billion increase in AFDB capital.

In addition, a 1987 supplemental is being requested to complete the U.S. share of the previous capital increase.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Development Guarantee Agency by the Secretary of the Treasury, for the paid-in share of the capital stock, **\$44,403,116, to remain available until expended.** (*Additional authorizing legislation to be proposed.*)

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The Secretary of the Treasury may subscribe without fiscal year limitation to the callable portion of the shares of capital stock in an amount not to exceed **\$177,612,464.** (*Additional authorizing legislation to be proposed.*)

Program and Financing (dollars in thousands)

Identification code	11-0084-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)			44,403
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>			<b>44,403</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			44,403
74.40	Obligated balance, end of year			-22,201
90.00	Outlays			22,202

The Multilateral Investment Guarantee Agency (MIGA) is a proposed international development institution designed to encourage the flow of investment to and among developing countries by: (1) issuing guarantees against noncommercial risks; (2) carrying out a wide range of investment promotion activities; and (3) encouraging sound investment policies in member countries. The administration supports the MIGA Convention and seeks authorization and full funding of U.S. membership in the 1988 budget.

The capital stock of the MIGA will be \$1.08 billion. The U.S. share will be \$222 million or 20.5 percent of the total. The request for 1988 is \$44.4 million of budget authority, half to be paid in cash and the remainder to be paid in the form of non-negotiable, non-interest bearing promissory notes. The rest of the U.S. share (\$177.6 million) represents callable capital requested under program limitations.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, **[\$237,264,000: Provided,** That no funds shall be available for the United Nations Fund for Science and Technology: *Provided further,* That the total amount of funds made available by this paragraph shall be available only as follows: \$107,500,000 for the United Nations Development Program; \$51,080,000 for the United Nations Children's Fund; \$1,818,000 for the World Food Program; \$861,000 for the United Nations Capital Development Fund; \$219,000 for the United Nations Voluntary Fund for the Decade for Women; \$2,000,000 for the International Convention and Scientific Organization Contributions; \$2,000,000 for the World Meteorological Organization Voluntary Cooperation Program; \$20,500,000 for the International Atomic Energy Agency; \$6,800,000 for the United Nations Environment Program; \$789,000 for the United Nations Educational and Training Program for Southern Africa; \$250,000 for the United Nations Trust Fund for South Africa; \$110,000 for the United Nations Institute for Namibia; \$172,000 for the Convention on International Trade in Endangered Species; \$219,000 for the World Heritage Fund; \$86,000 for the United Nations Voluntary Fund for Victims of Torture; \$100,000 for the United Nations Fellowship Program; \$150,000 for the UNIDO Investment Promotion Service; \$400,000 for the Center on Human Settlements; \$13,500,000 for the Organization of American States; and \$28,710,000 for the International Fund for Agricultural Development, of which \$10,000,000 shall be made available for the Special Program for Sub-Saharan African Countries Affected by Drought and Desertification] **\$194,000,000, to remain available until expended.** (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code	11-1005-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	U.N. development program	138,115	107,500	90,000

00.02	U.N. Children's Fund .....	46,080	51,080	30,000
00.03	Organization of American States .....	14,092	13,500	14,250
00.04	International Atomic Energy Agency .....	16,953	20,500	22,300
00.05	International Fund for Agricultural Development .....	28,710	28,710	26,600
00.06	Other organizations and programs .....	22,471	15,974	10,850
10.00	Total obligations (object class 41.0) .....	266,421	237,264	194,000
<b>Financing:</b>				
22.40	Unobligated balance transferred, net .....	-5,350		
40.00	<b>Budget authority (appropriation) .....</b>	<b>261,071</b>	<b>237,264</b>	<b>194,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	266,421	237,264	194,000
72.40	Obligated balance, start of year .....	264,341	299,602	278,232
74.40	Obligated balance, end of year .....	-299,602	-278,232	-243,697
77.00	Adjustments in expired accounts .....	166		
90.00	Outlays .....	231,326	258,634	228,535

**Status of Direct Loans (in thousands of dollars)**

Identification code	11-1005-0-1-151	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	50,483	49,437	48,376
1251	Repayments: Repayments and prepayments .....	-1,046	-1,061	-1,075
1290	Outstanding, end of year .....	49,437	45,376	47,301

In addition to its assessed payments, the United States contributes to voluntary funds of 12 international organizations and programs involved in a wide range of development assistance, humanitarian, and scientific activities.

AGENCY FOR INTERNATIONAL DEVELOPMENT

*Federal Funds*

**General and special funds:**

FUNCTIONAL DEVELOPMENT ASSISTANCE PROGRAM

**[FUNDS APPROPRIATED TO THE PRESIDENT]**

[For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1987, unless otherwise specified herein, as follows:]

AGENCY FOR INTERNATIONAL DEVELOPMENT

[Agriculture, rural development and nutrition, Development Assistance: For necessary expenses to carry out the provisions of section 103, \$639,613,000: *Provided*, That up to \$5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: *Provided further*, That not less than \$6,000,000 shall be provided for the Vitamin A Deficiency Program: *Provided further*, That, notwithstanding any other provision of law, up to \$10,000,000 of the funds appropriated under this paragraph may be available for agricultural activities in Poland which are managed by the Polish Catholic Church or other non-governmental organizations.]

[Population, Development Assistance: For necessary expenses to carry out the provisions of section 104(b), \$234,625,000: *Provided*, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further*, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further*, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and,

additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further*, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act.]

[Health, Development Assistance: For necessary expenses to carry out the provisions of section 104(c), \$166,762,500.]

[Child Survival Fund: For necessary expenses to carry out the provisions of section 104(c)(2), \$75,000,000, notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.]

[Education and human resources development, Development Assistance: For necessary expenses to carry out the provisions of section 105, \$155,000,000: *Provided*, That of this amount not less than \$6,000,000 shall be made available only for the International Student Exchange Program.]

[Energy and selected development activities, Development Assistance: For necessary expenses to carry out the provisions of section 106, \$140,328,500: *Provided*, That not less than \$5,000,000 shall be made available only for cooperative projects among the United States, Israel and developing countries: *Provided further*, That not less than \$5,000,000 shall be made available only for the Central American Rural Electrification Support project.]

[Science and technology, Development Assistance: For necessary expenses to carry out the provisions of section 106, \$9,661,500.]

[Limitation on Development Assistance: None of the funds made available by this Act in order to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, as amended, may be expended to provide an amount which would result in the percentage of funds expended for centrally funded, country, or regional programs for areas other than sub-Saharan Africa exceeding the percentage of total funds designated for centrally funded, country, or regional programs for areas other than sub-Saharan Africa in fiscal year 1986, as shown in the fiscal year 1987 congressional presentation materials.]

[Limitation on Development Assistance: None of the funds made available by this Act in order to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, as amended, may be expended to provide an amount which would result in the percentage of funds expended for centrally funded, country, or regional programs for areas other than Central America exceeding the percentage of total funds designated for centrally funded, country, or regional programs for areas other than Central America in fiscal year 1986, as shown in the fiscal year 1987 congressional presentation materials.]

[Haiti, Development Assistance: Of the funds made available to carry out sections 103 through 106 of the Foreign Assistance Act of 1961, as amended, not less than \$37,000,000 shall be available to support a transition to democracy through activities emphasizing job creation, rural development, health care, sanitation, small scale irrigation projects, reforestation, land conservation, and literacy education projects: *Provided*, That funds made available pursuant to this paragraph for Haiti shall be used to provide assistance, to the maximum extent practicable, equitably among the various regions of Haiti.]

[Private and Voluntary Organizations: None of the funds appropriated or otherwise made available in this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided*, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section.]

[Loan allocation, Development Assistance: In order to carry out the provisions of part I, the Administrator of the agency responsible for administering such part may furnish loan assistance pursuant to existing law and on such terms and conditions as he may determine: *Provided*, That to the maximum extent practicable, loans to private sector institutions, from funds made available to carry out the provisions of sections 103 through 106, shall be provided at or near the prevailing interest rate paid on Treasury obligations of similar maturity at the time of obligating such funds: *Provided further*, That amounts appropriated to carry out the provisions of chapter 1 of part I which are provided in the form of loans shall remain available until September 30, 1988.]

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
General and special funds—Continued  
AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued

For necessary expenses to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, as amended, \$1,157,950,000, to remain available until expended. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	11-1021-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Functional development assistance .....			1,145,950
00.02	Agriculture, rural development and nutrition.....	759,987	640,903	
00.03	Population planning .....	237,539	230,575	
00.04	Health.....	213,249	162,507	
00.05	Child survival fund.....	36,425	75,000	
00.06	Education and human resources .....	181,857	158,221	
00.07	Energy and selected development activities.....	169,705	140,655	
00.08	Science and technology .....	15,111	9,662	
00.09	Reobligation of country programs .....		50,000	12,500
10.00	Total obligations .....	1,613,873	1,467,523	1,158,450
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-467		
17.00	Recovery of prior year obligations .....	-2,711		
21.40	Unobligated balance available, start of year .....	-114,578	-8,810	
22.40	Unobligated balance transferred, net .....	-13,058		
24.40	Unobligated balance available, end of year.....	8,810		
25.00	Unobligated balance lapsing.....	2,397		
39.00	Budget authority.....	1,494,266	1,458,713	1,158,450
<b>Budget authority:</b>				
40.00	Appropriation .....	1,465,089	1,423,991	1,157,950
41.00	Transferred to other accounts.....	-23,100	-13,000	-12,000
43.00	Appropriation (adjusted).....	1,441,989*	1,410,991	1,145,950
45.00	Transfer out for pay raises .....		-2,278	
50.00	Reappropriation.....	52,277	50,000	12,500
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,613,406	1,467,523	1,158,450
72.40	Obligated balance, start of year.....	3,459,773	3,679,063	3,778,997
74.40	Obligated balance, end of year .....	-3,679,063	-3,778,997	-3,561,828
77.00	Adjustments in expired accounts .....	-61,260		
78.00	Adjustments in unexpired accounts.....	-2,711		
90.00	Outlays .....	1,330,145	1,367,589	1,375,619
<b>Distribution of budget authority by account:</b>				
	Functional development assistance .....			1,158,450
	Agriculture, rural development and nutrition.....	692,411	663,176	
	Population planning .....	235,325	232,402	
	Health.....	194,519	171,719	
	Child survival fund.....	23,925	75,000	
	Education and human resources .....	171,254	164,594	
	Energy and selected development activities.....	161,721	142,160	
	Science and technology .....	15,111	9,662	
<b>Distribution of outlays by account:</b>				
	Functional development assistance .....			90,716
	Agriculture, rural development and nutrition.....	665,229	683,956	642,603
	Population planning .....	199,044	204,647	192,274
	Health.....	174,249	179,154	168,322
	Child survival fund.....	4,837	4,973	4,673
	Education and human resources .....	126,132	129,683	121,842
	Energy and selected development activities.....	149,670	153,883	144,579
	Science and technology .....	10,984	11,293	10,610

Note.—Total obligations include local cost support charges of \$12.862 million in fiscal year 1986 and \$22.439 million in fiscal year 1987

Status of Direct Loans (in thousands of dollars)

Identification code	11-1021-0-1-151	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....			

1131	Obligations exempt from limitation: Direct loans to the public.....	254,424	150,000	150,000
1150	Total direct loan obligations .....	254,424	150,000	150,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	3,117,430	3,425,495	3,657,148
1231	Disbursements: Direct loan disbursements.....	309,328	255,000	225,000
1251	Repayments: Repayments and prepayments .....	-32,887	-23,347	-28,222
<b>Adjustments:</b>				
1261	Capitalized interest .....	10,870		
1262	Write-offs for default.....	20,754		
1290	Outstanding, end of year.....	3,425,495	3,657,148	3,853,926

**Functional development assistance.**—Program provides economic resources to developing countries with the aim of bringing the benefits of development to the poor. Loans and grants under this program are concentrated in those areas in which the United States has special expertise and which promise the greatest opportunity for the poor to better their lives.

Funds are provided under seven separate activities:

**Agriculture, rural development and nutrition.**—Supports efforts to increase food production in the developing countries by improving the productivity and income of small farmers, creating greater rural employment opportunities, enhancing rural infrastructure and the environment, improving nutrition and removing impediments to equitable economic growth.

**Population planning.**—Supports efforts to reduce population growth rates in developing countries and to provide families with effective options in choosing the number and spacing of their children.

**Health.**—Assists developing countries to increase access to health care, family planning and nutrition services, to make safe water and adequate sanitation more widely available, to reduce the incidence of debilitating tropical diseases, malnutrition, diarrheal infections, measles and other preventable diseases, and to increase governmental capacity to plan and manage their health resources.

**Child survival fund.**—Provides funds for programs designed to deal directly with the special health needs of children and mothers. Includes oral rehydration therapy to combat diarrheal diseases, immunization and other primary health care efforts aimed at cutting in half infant and child mortality rates in developing countries.

**Education and human resources.**—Supports the efforts of developing countries to provide basic education for children, improve the fundamental life skills of adults, and improve the management skills and performance of managers of development programs.

**Energy and selected development activities.**—Provides assistance to developing countries to better contend with national energy problems, to cope with employment and income problems in urban areas, to mitigate the problems of rapid urban migration, and to improve environmental management and resource planning. This activity also facilitates the involvement of U.S. private voluntary organizations in development and helps improve access by developing countries to U.S. scientific and technical expertise.

**Science and technology.**—Supports new and innovative research on problems of development and assists

developing countries in improving their scientific and technological capacities.

Beginning in 1988, development assistance for sub-Saharan Africa, including assistance currently provided under the Sahel Development Program, is requested to be funded under the new Development Fund for Africa account.

**Object Classification** (in thousands of dollars)

Identification code	11-1021-0-1-151	1986 actual	1987 est.	1988 est.
<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b>				
21.0	Travel and transportation of persons	158	144	111
22.0	Transportation of things	997	907	701
25.0	Other services	151,055	137,369	106,135
26.0	Supplies and materials	22,297	20,277	15,666
31.0	Equipment	870	791	611
33.0	Investments and loans	312,643	284,317	219,671
41.0	Grants, subsidies, and contributions	1,125,665	1,023,547	815,423
99.0	Subtotal obligations, functional development assistance program	1,613,685	1,467,352	1,158,318
<b>ALLOCATION TO THE DEPARTMENT OF STATE</b>				
41.0	Grants, subsidies, and contributions	188	171	132
99.9	Total obligations	1,613,873	1,467,523	1,158,450
Obligations are distributed as follows:				
	Functional development assistance program	1,613,685	1,467,352	1,158,318
	Department of State	188	171	132

**DEVELOPMENT FUND FOR AFRICA**

For necessary expenses to carry out the provisions of the "Development Fund for Africa", \$500,000,000, to remain available until expended. (Additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	11-1014-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			500,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)			500,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net			500,000
74.40	Obligated balance, end of year			-398,000
90.00	Outlays			102,000

The Development Fund for Africa is a new single account resource designed to allow AID greater effectiveness in meeting Africa's development requirements. Resources will be used in both project and non-project modes to address shared development program and policy commitments of reform-minded African leaders. The Fund assures availability of resources for Africa and provides greater flexibility in supporting the objective of growth with equity in Africa. This development program will be composed of no-year funding.

**[SAHEL DEVELOPMENT PROGRAM]**

For necessary expenses to carry out the provisions of section 121, \$70,000,000, to remain available until expended: *Provided*, That no part of such appropriation may be available to make any contribution of the United States to the Sahel development program in excess of 10 percent of the total contributions to such program. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

**Program and Financing** (in thousands of dollars)

Identification code	11-1012-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	84,686	74,583	
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-4,510		
21.40	Unobligated balance available, start of year	-7,721	-4,583	
24.40	Unobligated balance available, end of year	4,583		
40.00	Budget authority (appropriation)	77,038	70,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	84,686	74,583	
72.40	Obligated balance, start of year	250,185	250,150	234,082
74.40	Obligated balance, end of year	-250,150	-234,082	-195,513
78.00	Adjustments in unexpired accounts	-4,510		
90.00	Outlays	80,211	90,651	38,569

Note.—Total obligations include local cost support charges of \$800 thousand in 1986 and \$1,961 thousand in 1987

The Sahel development program helps promote food self-sufficiency and self-sustaining economic growth in the Sahel region of Africa. Assistance is furnished in accordance with a long-term, multidonor development plan based on equitable burden sharing with other donors and the assisted African countries.

Beginning in 1988, the administration proposes consolidating this account into the new Development Fund for Africa account.

**Object Classification** (in thousands of dollars)

Identification code	11-1012-0-1-151	1986 actual	1987 est.	1988 est.
21.0	Travel and transportation of persons	5	5	
25.0	Other services	3,435	3,025	
41.0	Grants, subsidies, and contributions	81,246	71,553	
99.9	Total obligations	84,686	74,583	

**AMERICAN SCHOOLS AND HOSPITALS ABROAD**

For necessary expenses to carry out the provisions of section 214, \$35,000,000, \$20,000,000, to remain available until expended. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	11-1013-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	33,495	35,000	20,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)	33,495	35,000	20,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	33,495	35,000	20,000
72.40	Obligated balance, start of year	30,719	35,712	42,058
74.40	Obligated balance, end of year	-35,712	-42,058	-39,746
77.00	Adjustments in expired accounts	-8		
90.00	Outlays	28,495	28,654	22,312

These funds provide assistance to schools, libraries and hospitals abroad founded or sponsored by U.S. citizens which serve as demonstration centers for American ideas and practices in education and medicine. Emphasis is given to geographic dispersion of the program, with special priority to institutions in less developed countries. Grants generally finance new physical facili-

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
General and special funds—Continued  
AMERICAN SCHOOLS AND HOSPITALS ABROAD—Continued

ties, special medical and training programs, and the procurement of equipment.

INTERNATIONAL DISASTER ASSISTANCE\*

\*See Part II for additional information.

For necessary expenses to carry out the provisions of section 491, **[\$70,000,000]** \$25,000,000, to remain available until expended: *Provided*, That not less than \$50,000,000 shall be available only for earthquake relief, reconstruction, and rehabilitation in El Salvador, notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956. *(Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)*

Program and Financing (in thousands of dollars)

Identification code 11-1035-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 International disaster assistance.....	14,062	28,232	25,000
00.02 African refugees.....	5,462	5,329	
00.03 African supplemental.....	70,581		
00.04 Romanian relief.....		55	
00.05 Italian relief and rehabilitation.....		418	
00.06 Cambodian refugees.....		798	
00.07 Afghan refugees.....	631		
00.08 Hurricane David.....		531	
00.09 El Salvador earthquake.....		50,000	
10.00 Total obligations.....	90,736	85,363	25,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-2,373		
21.40 Unobligated balance available, start of year.....	-82,214	-15,363	
24.40 Unobligated balance available, end of year.....	15,363		
25.00 Unobligated balance lapsing.....	20		
40.00 Budget authority (appropriation).....	21,532	70,000	25,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	90,736	85,363	25,000
72.40 Obligated balance, start of year.....	167,473	102,940	83,303
74.40 Obligated balance, end of year.....	-102,940	-83,303	-54,412
77.00 Adjustments in expired accounts.....	-6,314		
78.00 Adjustments in unexpired accounts.....	-2,373		
90.00 Outlays.....	146,581	105,000	53,891

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	21,532	70,000	25,000
Outlays.....	146,581	105,000	53,891
Supplemental—Additional authorizing legislation required:			
Budget authority.....		100,000	
Outlays.....		24,800	50,000
Total:			
Budget authority.....	21,532	170,000	25,000
Outlays.....	146,581	129,800	103,891

The international disaster assistance program provides relief to foreign countries struck by disasters such as famines, floods, hurricanes, and earthquakes, and supports assistance in disaster preparedness and contingency planning.

Object Classification (in thousands of dollars)

Identification code 11-1035-0-1-151	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	242	228	67
22.0 Transportation of things.....	245	230	67

25.0 Other services.....	12,065	11,350	3,324
26.0 Supplies and materials.....	496	467	137
41.0 Grants, subsidies, and contributions.....	77,688	73,088	21,405
99.9 Total obligations.....	90,736	85,363	25,000
Obligations are distributed as follows:			
International disaster assistance.....	14,062	13,229	3,874
Agency for International Development.....	76,674	72,134	21,126

OPERATING EXPENSES, AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, **[\$340,600,000: Provided**, That not more than \$15,000,000 of this amount shall be for Foreign Affairs Administrative Support: *Provided further*, That the Agency for International Development may use amounts appropriated to carry out the provisions of chapter 1 of part I (with the exception of the "Child Survival Fund") and chapter 4 of part II of the Foreign Assistance Act of 1961, for the overseas local support costs of its economic programs and for the operating expenses of the Agency for International Development Office of Inspector General: *Provided further*, That except to the extent that the Administrator of the Agency for International Development determines otherwise, not less than 10 per centum of the aggregate of the funds made available for the fiscal year 1987 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be made available only for activities of economically and socially disadvantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977), historically black colleges and universities, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically and socially disadvantaged (within the meaning of section 133(c)(5) (B) and (C) of the International Development and Food Assistance Act of 1977). For purposes of this proviso, economically and socially disadvantaged individuals shall be deemed to include women] **\$426,810,000, to remain available until expended. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 11-1000-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	360,756	350,469	426,810
00.02 Reimbursable program.....	5,414	5,500	4,500
10.00 Total obligations.....	366,170	355,969	431,310
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-5,414	-5,500	-4,500
17.00 Recovery of prior year obligations.....	-1		
21.40 Unobligated balance available, start of year.....	-1,427	-31	
24.40 Unobligated balance available end of year.....	31		
25.00 Unobligated balance lapsing.....	808		
39.00 Budget authority.....	360,167	350,438	426,810
<b>Budget authority:</b>			
40.00 Appropriation.....	360,167	340,600	426,810
44.20 Supplemental for civilian pay raises.....		2,175	
44.40 Supplemental for retirement contribution (P.L. 99-335).....		5,488	
46.20 Transfer in for civilian pay raises.....		2,175	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	360,756	350,469	426,810
72.40 Obligated balance, start of year.....	120,123	118,065	105,570
74.40 Obligated balance, end of year.....	-118,065	-105,570	-128,503
77.00 Adjustments in expired accounts.....	-10,347		
78.00 Adjustments in unexpired accounts.....	-1		
89.00 Outlays.....	352,466	362,964	403,877
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	352,466	353,669	403,334
91.20 Outlays from civilian pay raise supplemental.....		4,130	220
91.40 Outlays from retirement contribution supplemental.....		5,165	323

Note.—Includes \$500 thousand in 1988 for activities previously financed from: Operating Expenses of the Agency for International Development, Office of Inspector General: 1986 (\$500 thousand), 1987 (\$500 thousand).

These funds cover the appropriated dollar costs of managing Agency for International Development (AID) programs, including salaries and other expenses of direct hire personnel. AID currently maintains resident staff in more than 70 foreign countries as well as a headquarters staff in Washington which supports field programs and manages regional and worldwide activities.

In 1986 and 1987 Congress authorized the Agency to fund selected overseas Operating Expense costs from other accounts. Shown below are total Operating Expense costs by year and funding source (dollars in thousands):

FUNDING SOURCE	1986 actual			1987 est.			1988 est.		
Operating expenses, AID	360,167	350,438	426,810						
Functional development assistance	12,208	21,689							
Economic support fund	3,157	14,915							
Sahel development program	800	1,961							
Reimbursements	5,414	5,500	4,500						
<b>Total funding</b>	<b>381,746</b>	<b>394,503</b>	<b>431,310</b>						

Object Classification (in thousands of dollars)

Identification code	11-1000-0-1-151			1986 actual			1987 est.			1988 est.		
Direct obligation:												
Personnel compensation:												
11.1	Full-time permanent	146,751	156,159	161,393								
11.3	Other than full-time permanent	7,539	7,848	7,964								
11.5	Other personnel compensation	12,773	13,759	14,194								
11.8	Special personal services payments	14,698	21,980	22,051								
11.9	<b>Total personnel compensation</b>	<b>181,761</b>	<b>199,746</b>	<b>205,602</b>								
12.1	Personnel benefits: Civilian	25,118	33,018	50,284								
13.0	Benefits for former personnel	320	421	423								
21.0	Travel and transportation of persons	16,492	11,810	19,874								
22.0	Transportation of things	10,277	9,140	11,833								
23.1	Rental payments to GSA	9,330	13,133	15,679								
23.3	Communications, utilities, and miscellaneous charges	23,538	16,273	27,603								
24.0	Printing and reproduction	1,624	1,109	1,417								
25.0	Other services	62,926	54,098	67,130								
26.0	Supplies and materials	8,395	920	8,049								
31.0	Equipment	17,372	7,721	13,832								
32.0	Lands and structures	1,027	500	2,500								
41.0	Grants, subsidies, and contributions	2,500	2,500	2,500								
42.0	Insurance claims and indemnities	76	80	84								
99.0	Subtotal, direct obligations	360,756	350,469	426,810								
99.0	Reimbursable obligations	5,414	5,500	4,500								
99.9	<b>Total obligations</b>	<b>366,170</b>	<b>355,969</b>	<b>431,310</b>								

Personnel Summary

Total number of full-time permanent positions	4,602	4,588	4,588
Total compensable workyears:			
Full-time equivalent employment	4,675	4,825	4,825
Full-time equivalent of overtime and holiday hours	70	70	70

Note.—Personnel Summary data relates to total AID direct hire employment, whether funded from the Operating Expense appropriation or from other funding sources such as the Housing Investment Guaranty program, Inspector General, Operating Expense Account, or overseas trust funds, etc.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, **[\$45,492,000]** **\$35,132,000**. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

Program and Financing (in thousands of dollars)

Identification code	11-1036-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Government contributions to the fund (object class 13.0)	43,122	45,492	35,132
<b>Financing:</b>				
40.00	Budget authority (appropriation)	43,122	45,492	35,132
Relation of obligations to outlays:				
71.00	Obligations incurred, net	43,122	45,492	35,132
90.00	Outlays	43,122	45,492	35,132

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	43,122	45,492	35,132
Outlays	43,122	45,492	35,132
Proposed for later transmittal under proposed legislation:			
Budget authority			— 820
Outlays			— 820
<b>Total:</b>			
Budget authority	43,122	45,492	34,312
Outlays	43,122	45,492	34,312

The appropriation requested is to finance the 1988 installment of the unfunded liability created by the addition of AID Foreign Service personnel to the foreign service retirement system and by subsequent salary increases and changes in legislation affecting benefits.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	11-1036-2-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 13.0)			— 820
<b>Financing:</b>				
40.00	Budget authority (appropriation)			— 820
Relation of obligations to outlays:				
71.00	Obligations incurred, net			— 820
90.00	Outlays			— 820

This schedule reflects changes in the payment to the foreign service retirement and disability fund consistent with legislative proposals pertaining to the civil service retirement and disability fund.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, **[\$21,000,000]**, which sum shall be available only for the operating expenses of the Office of the Inspector General notwithstanding sections 451 or 614 of the Foreign Assistance Act of 1961 or any other provision of law: *Provided*, That up to three percent of the amount made available under the paragraph "Operating expenses of the Agency for International Development" may be transferred to and merged and consolidated with amounts made available under this paragraph: *Provided further*, That the full-time equivalent staff years for the Office of the Inspector General for the fiscal year 1987 shall not be less than one hundred and ninety-three: *Provided further*, That except as may be required by an emergency evacuation affecting the United States diplomatic missions of which they are a component element, none of the funds in this Act, or any other Act, may be used to relocate the overseas Regional Offices of the Inspector General to another country] **\$22,687,000**, to remain available until expended.

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
General and special funds—Continued

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, OFFICE OF INSPECTOR GENERAL—Continued

(Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	11-1007-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	19,784	21,424	22,687
<b>Financing:</b>				
25.00	Unobligated balance lapsing	361		
39.00	<b>Budget authority</b>	<b>20,145</b>	<b>21,424</b>	<b>22,678</b>
<b>Budget authority:</b>				
40.00	Appropriation	20,145	21,000	22,687
44.20	Supplemental for civilian pay raises		103	
44.40	Supplemental for retirement contributions (P.L. 99-335)		218	
46.20	Transfer in for civilian pay raises		103	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	19,784	21,424	22,678
72.40	Obligated balance, start of year		6,074	7,972
74.40	Obligated balance, end of year	-6,074	-7,972	-8,451
89.00	<b>Outlays</b>	<b>13,711</b>	<b>19,526</b>	<b>22,208</b>
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals	13,711	19,125	22,185
91.20	Outlays from civilian pay raise supplemental		196	10
91.40	Outlays from retirement contribution supplemental		205	13

Note.—Excludes \$500 thousand in 1988 for activities transferred to: Operating Expenses, Agency for International Development. Comparable amounts for 1986 (\$500 thousand) and 1987 (\$500 thousand) are included above.

The funds cover the costs of operations of the Office of the Inspector General, Agency for International Development, and include salaries, expenses, and support costs of the Inspector General's personnel as well as costs associated with providing for the physical security of agency personnel at overseas missions.

In 1986 and 1987 Congress authorized the Agency to fund selected costs of Operating Expenses of the Office of the Inspector General from other accounts. Shown below are the total Inspector General Operating Expense costs by year and funding source (dollars in thousands):

FUNDING SOURCE

	1986 actual	1987 est.	1988 est.
Operating expenses of the Inspector General	20,145	21,424	22,687
Functional development assistance	654	750	
Economic support fund	231		
<b>Total funding</b>	<b>21,030</b>	<b>22,174</b>	<b>22,687</b>

Object Classification (in thousands of dollars)

Identification code	11-1007-0-1-151	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	7,574	7,897	8,202
11.3	Other than full-time permanent	313	315	328
11.5	Other personnel compensation	492	578	599
11.8	Special personal services payments	511	821	750
11.9	<b>Total personnel compensation</b>	<b>8,890</b>	<b>9,611</b>	<b>9,879</b>
12.1	Personnel benefits: Civilian	1,497	1,847	2,696
21.0	Travel and transportation of persons	1,074	1,286	1,985
22.0	Transportation of things	499	523	510
23.1	Rental payments to GSA	456	450	475
23.3	Communications, utilities, and miscellaneous charges	1,300	1,676	1,718
24.0	Printing and reproduction	10	108	120

25.0	Other services	4,393	4,571	3,994
26.0	Supplies and materials	381	375	350
31.0	Equipment	1,284	974	957
91.0	Unvouchered		3	3
99.9	<b>Total obligations</b>	<b>19,784</b>	<b>21,424</b>	<b>22,687</b>

Personnel Summary

Total number of full-time permanent positions	185	184	184
Total compensable workyears: Full-time equivalent employment	175	193	193

MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	11-9911-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		142	
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-4		
21.40	Unobligated balance available, start of year	-138	-142	
24.40	Unobligated balance available, end of year	142		
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		142	
72.40	Obligated balance, start of year	5,717	4,466	3,449
74.40	Obligated balance, end of year	-4,466	-3,449	-2,668
77.00	Adjustments in expired accounts	-22		
78.00	Adjustments in unexpired accounts	-4		
90.00	<b>Outlays</b>	<b>1,225</b>	<b>1,159</b>	<b>781</b>
<b>Distribution of outlays by account:</b>				
	Disaster relief assistance	1,187	1,124	758
	Assistance to Portugal and Portuguese colonies	47	35	23
	African development program	-9		

Status of Direct Loans (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	224,092	233,747	226,832
1251	Repayments: Repayments and prepayments	-6,160	-6,915	-5,404
1264	Adjustments: Other adjustments, net	15,815		
1290	Outstanding, end of year	233,747	226,832	221,428

This consolidated account includes outlays from several bilateral development assistance accounts, most of which will no longer have active programs in 1987. Included are disaster relief assistance programs, a prototype desalting plant operated by the Israelis, the foreign assistance contingency fund and Africa bilateral grant programs which are now carried out under the Sahel development program.

TRADE CREDIT INSURANCE PROGRAM

During fiscal year [1987] 1988, total commitments to guarantee or insure loans for the "Trade Credit Insurance Program" may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed [\$275,000,000 of contingent liability for loan principal] \$200,000,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, Section 101(f).)

The Trade Credit Insurance Program is a secondary guarantee program designed to promote recovery of the private export sector in Central America. Given startup and implementation difficulties in the program, which are being addressed, and continuation of the weak financial position of the Central American economies,

which limits their access to the Export-Import Bank's regular credit programs, new authority of \$200 million to commit to guarantee or insure loans is sought for 1988.

**Public enterprise funds:**

**HOUSING AND OTHER CREDIT GUARANTY PROGRAMS**

During the fiscal year [1987] 1988 [total] commitments to guarantee loans [shall not exceed \$145,464,000 of contingent liability for loan principal] may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$100,000,000. Provided, [That the President shall enter into commitments to guarantee such loans in the full amount provided by this paragraph, subject only to the availability of qualified applicants for such guarantees: Provided further,] That pursuant to section 223(e)(2) of the Foreign Assistance Act of 1961, as amended, borrowing authority provided therein may be exercised in such amounts as may be necessary to retain an adequate level of contingency reserves for the fiscal year [1987] 1988. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 72-4340-0-3-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administrative expenses .....	5,800	6,427	6,025
00.02 Contractual services .....	370	475	475
00.03 Claim payments .....	2,608	2,418	2,063
00.04 Acquired security on collateral .....	39,095	48,779	50,566
00.05 Interest on borrowing .....		444	1,212
10.00 Total obligations .....	47,873	58,543	60,341
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-193	-240	-200
14.00 Non-Federal sources .....	-29,333	-45,750	-49,410
17.00 Recovery of prior year obligations .....	-318	-368	-310
21.98 Unobligated balance available, start of year: Fund balance .....	-42,636	-24,607	-22,422
24.98 Unobligated balance available, end of year: Fund balance .....	24,607	22,422	34,001
67.10 Budget authority (authority to borrow) (98 Stat. 1884, 1903) (permanent, indefinite) .....		10,000	22,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	18,347	12,553	10,731
72.98 Obligated balance, start of year: Fund balance .....	-6,491	-8,262	-7,537
74.98 Obligated balance, end of year: Fund balance .....	8,262	7,537	11,410
78.00 Adjustments in unexpired accounts .....	-318	-368	-310
90.00 Outlays .....	19,800	11,460	14,294

**Status of Direct Loans (in thousands of dollars)**

Identification code 72-4340-0-3-151	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			
1132 Obligations exempt from limitation: Defaulted guaranteed loan claims .....	39,095	48,779	50,566
1150 Total direct loan obligations .....	39,095	48,779	50,566
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	47,852	69,275	81,823
1232 Disbursements: Disbursements for guarantee loan claims .....	39,095	48,779	50,566
1251 Repayments: Repayments and prepayments .....	-17,672	-36,231	-30,989
1290 Outstanding, end of year .....	69,275	81,823	101,400

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 72-4340-0-3-151	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....	145,464	145,464	100,000
2150 Total guaranteed loan commitments .....	145,464	145,464	100,000

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	1,175,631	1,215,893	1,262,893
2231 Disbursements: Disbursements of new guaranteed loans .....	65,514	75,000	75,000
2251 Repayments: Repayments and prepayments .....	-19,444	-21,000	-23,000
2261 Adjustments: Terminations for default that result in direct loans .....	-5,808	-7,000	-8,500
2290 Outstanding, end of year .....	1,215,893	1,262,893	1,306,393

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	1,215,893	1,262,893	1,306,393
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The Housing guaranty program extends guaranties to assist developing countries in formulating and executing sound housing and community development policies that meet the needs of lower income groups. Activities to be carried out will emphasize: (1) sites and services and core housing projects providing homesites and shelter for poor families; (2) slum upgrading projects designed to conserve and improve existing shelter; (3) low-income shelter projects designed for demonstration or institution building purposes; and (4) project-related community facilities and services. The request for borrowing authority in 1988 is to replenish the Housing Guaranty reserve, depleted as a result of increased loan reschedulings.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
Revenue: Fee income .....	11,497	13,900	13,500
<b>Expense:</b>			
General administrative expenses .....	5,669	5,685	5,425
Contractual services .....	367	475	475
Interest on borrowing .....		444	1,212
Total expenses .....	6,036	6,604	7,112
Total operating income .....	5,461	7,296	6,388
Nonoperating loss: Net loss from subrogated claims payment .....	-2,432	-2,418	-2,063
Non-receipt fee losses .....	-21	-18	-17
Net gain or loss (-) for year .....	3,008	4,860	4,308

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	33,345	13,345	11,785	9,975
U.S. securities (par): Public debt securities .....	2,800	3,000	3,100	3,300
Accounts receivable (net) .....	9,249	11,786	16,752	14,830
Other assets (net) .....	48,351	69,780	82,320	101,900
Total assets .....	93,745	97,911	113,957	130,005
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and funded accrued liabilities .....	1,857	2,764	3,950	3,690
Debt issued under borrowing authority from Treasury .....			10,000	22,000
Total liabilities .....	1,857	2,764	13,950	25,690
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	42,636	24,607	16,437	915
Undisbursed obligations .....	901	760	1,250	1,500

AGENCY FOR INTERNATIONAL DEVELOPMENT—Continued  
Public enterprise funds—Continued  
HOUSING AND OTHER CREDIT GUARANTY PROGRAMS—Continued  
Financial Condition (in thousands of dollars)—Continued

	1985 actual	1986 actual	1987 est.	1988 est.
Invested capital .....	48,351	69,780	82,320	101,900
Total Government equity .....	91,888	95,147	100,007	104,315
<b>Analysis of changes in Government equity:</b>				
Retained income or deficit (—):				
Opening balance .....	91,888	95,147	110,007	
Transactions:				
Net gain or operating loss (—) .....	3,008	4,860	4,308	
Prior year accrued and expense .....	58			
Increase in credit guaranty reserve .....	193			
Total Government equity (end of year) .....	95,147	100,007	104,315	

Object Classification (in thousands of dollars)				
Identification code 72-4340-0-3-151	1986 actual	1987 est.	1988 est.	
<b>Personnel compensation:</b>				
11.1 Full-time permanent .....	2,105	2,435	2,330	
11.3 Other than full-time permanent .....	49	25	27	
11.5 Other personnel compensation .....	104	169	136	
11.8 Special personal services payments .....	344	469	259	
11.9 Total personnel compensation .....	2,602	3,098	2,752	
12.1 Personnel benefits: Civilian .....	460	513	518	
21.0 Travel and transportation of persons .....	497	639	565	
22.0 Transportation of things .....	103	62	88	
23.1 Rental payments to GSA .....	61	145	149	
23.2 Rental payments to others .....	263	327	317	
23.3 Communications, utilities, and miscellaneous charges .....	254	306	293	
24.0 Printing and reproduction .....	21	67	65	
25.0 Other services .....	1,729	1,633	1,595	
26.0 Supplies and materials .....	30	47	82	
31.0 Equipment .....	150	65	76	
33.0 Investments and loans .....	39,095	48,779	50,566	
42.0 Insurance claims and indemnities .....	2,608	2,418	2,063	
43.0 Interest on borrowing .....		444	1,212	
99.9 Total obligations .....	47,873	58,543	60,341	

Personnel Summary

Total number of full-time permanent positions .....	52	52	52
Total compensable workyears: Full-time equivalent employment .....	50	50	50

PRIVATE SECTOR REVOLVING FUND  
[(INCLUDING TRANSFERS OF FUNDS)]

For necessary expenses to carry out the provisions of section 108 of the Foreign Assistance Act of 1961, as amended, not to exceed **[\$15,553,000]** \$12,000,000, to be derived by transfer from funds appropriated to carry out the provisions of chapter 1 of part I of such Act, to remain available until expended. During fiscal year **[1987]** 1988, obligations for assistance from amounts in the revolving fund account under section 108 shall not exceed **[\$15,553,000]** \$16,000,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 72-4341-0-3-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	15,456	15,553	16,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	—490	—553	—3,500
17.00 Recovery of prior year obligations .....	—1,000	—877	—500

21.98 Unobligated balance available, start of year: Fund balance .....	—89	—1,123	
24.98 Unobligated balance available, end of year: Fund balance .....	1,123		
25.00 Unobligated balance lapsing .....	1,000		
39.00 Budget authority .....	16,000	13,000	12,000
<b>Budget authority:</b>			
42.00 Transferred from other accounts .....	15,000	13,000	12,000
43.00 Appropriation (adjusted) .....	15,000	13,000	12,000
50.00 Reappropriation .....	1,000		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	14,966	15,000	12,500
72.98 Obligated balance, start of year: Fund balance .....	27,364	33,689	34,261
74.98 Obligated balance, end of year: Fund balance .....	—33,689	—34,261	—32,249
78.00 Adjustments in unexpired accounts .....	—1,000	—877	—500
90.00 Outlays .....	7,640	13,551	14,012

Status of Direct Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....	15,456	15,553	16,000
1150 Total direct loan obligations .....	15,456	15,553	16,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	3,106	10,746	24,544
1231 Disbursements: Direct loan disbursements .....	7,640	14,351	17,645
1251 Repayments: Repayments and prepayments .....		—553	—3,500
1290 Outstanding, end of year .....	10,746	24,544	38,389

The private sector revolving fund expands the AID private sector initiative through new financing mechanisms and support of business activities. For example, loans are made to local private sector firms and credit institutions in developing countries. A capitalization totaling \$60 million is intended to make the fund totally self-sustaining. Repayments of appropriated funds will be made from fees, interest payments, and other reflows. Repayment of appropriated funds to the Treasury will begin once the revolving fund reaches \$100 million in assets.

Revenue and Expenses (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (—):</b>			
Revenue .....	490	1,938	5,275
Expense .....			
Net operating income .....	490	1,938	5,275

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury .....	27,364	33,689	37,575	40,307
Cumulative write off .....			—513	—1,810
U.S. securities (par): Public debt securities .....		552	385	2,277
Loans receivable (net) .....	3,106	12,897	24,897	41,795
Total assets .....	30,470	47,138	62,344	82,569
<b>Government equity:</b>				
<b>Unexpended balances:</b>				
Unobligated balance .....		552	3,863	8,878
Undelivered orders .....	27,364	33,689	25,097	41,942
Invested capital .....	3,106	12,897	33,384	31,749
Total Government equity .....	30,470	47,138	62,344	82,569
<b>Analysis of changes in Government equity:</b>				
Total Government equity (start of year) .....	30,470	47,138	62,344	

<b>Paid-in capital:</b>			
Opening balance.....	30,411	45,411	58,411
Transactions: Appropriation transfers.....	15,000	13,000	12,000
Closing balance.....	45,411	58,411	70,411
<b>Retained income or deficit (—):</b>			
Opening balance.....	89	1,727	3,933
Transactions:			
Recovery.....	1,148	268	2,950
Net operating income gain or loss (—).....	490	1,938	5,275
Closing balance.....	1,727	3,933	12,158
<b>Total Government equity (end of year).....</b>	<b>47,138</b>	<b>62,344</b>	<b>82,569</b>

**DEVELOPMENT LOANS—REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code 11-4103-0-3-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	—22		
21.40 Unobligated balance available, start of year.....	—537		
22.40 Unobligated balance transferred, net.....	559		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance.....	2,528	85	
74.98 Obligated balance, end of year: Fund balance.....	—85		
78.00 Adjustments in unexpired accounts.....	—22		
90.00 Outlays.....	2,422	85	

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	8,738,405	8,494,238	8,160,388
1231 Disbursements: Direct loan disbursements.....	140		
1251 Repayments: Repayments and prepayments.....	—294,213	—333,850	—327,750
1261 Adjustments:			
Capitalized interest.....	48,828		
1264 Other adjustments, net.....	1,078		
1290 Outstanding, end of year.....	8,494,238	8,160,388	7,832,638

Under this revolving fund, development loans were made to friendly developing countries to promote their economic growth and development. Since 1974, budget authority for both loans and grants for development assistance has been provided under the functional development assistance program.

**Intragovernmental funds:**

**ADVANCE ACQUISITION OF PROPERTY—REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code 72-4590-0-4-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Wages and salaries.....	491	70	70
00.02 Other administrative expenses.....	174	115	115
00.03 Other operating expenses.....	2,583	1,900	1,900
10.00 Total obligations.....	3,248	2,085	2,085
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	—3,378	—2,085	—2,085
21.98 Unobligated balance available, start of year: Fund balance.....	—6,156	—6,286	—6,286
24.98 Unobligated balance available, end of year: Fund balance.....	6,286	6,286	6,286
39.00 <b>Budget authority</b> .....			

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	—130		
72.98 Obligated balance, start of year: Fund balance.....	865	598	598
74.98 Obligated balance, end of year: Fund balance.....	—598	—598	—598
90.00 Outlays.....	137		

Section 608 of the Foreign Assistance Act of 1961 created a revolving fund to finance the acquisition and rehabilitation at minimal cost of U.S. Government-owned excess property for purchase by friendly countries and eligible organizations, for use in conjunction with economic development programs. Excess property includes heavy construction equipment, vehicles, heavy machinery, electrical generating equipment, and medical equipment and supplies. The program is self-financed from service fees and reimbursements by equipment purchasers ultimately funded from development assistance appropriations to the Agency for International Development.

**Object Classification (in thousands of dollars)**

Identification code 72-4590-0-4-151	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	451	55	55
12.1 Personnel benefits: Civilian.....	40	15	15
21.0 Travel and transportation of persons.....	14	4	4
22.0 Transportation of things.....	764	500	500
23.3 Communications, utilities, and miscellaneous charges.....	41	10	10
24.0 Printing and reproduction.....	3	1	1
25.0 Other services.....	1,005	900	900
26.0 Supplies and materials.....	930	600	600
99.9 Total obligations.....	3,248	2,085	2,085

**Personnel Summary**

Total number of full-time permanent positions.....	11	1	1
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**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 72-9971-0-7-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	10,476	21,354	5,000
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	—653		
21.40 Unobligated balance available, start of year.....	—12,373	6,354	
24.40 Unobligated balance available, end of year.....	6,354		
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>3,804</b>	<b>15,000</b>	<b>5,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	9,823	21,354	5,000
72.40 Obligated balance, start of year.....	6,075	8,882	17,273
74.40 Obligated balance, end of year.....	—8,882	—17,273	—17,273
90.00 Outlays.....	7,016	12,963	5,000
<b>Distribution of budget authority by account:</b>			
Technical assistance.....	2,901	15,000	5,000
Gifts and donations.....	903		
<b>Distribution of outlays by account:</b>			
Technical assistance.....	6,958	12,833	4,950
Gifts and donations.....	58	130	50

MISCELLANEOUS TRUST FUNDS—Continued

Funds advanced by foreign countries are used to pay for procurement in the United States of nonmilitary materials or services for programs in those countries in accordance with bilateral agreements.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
72-9971-0-7-151			
25.0 Other services .....	8,203	10,677	2,500
31.0 Equipment .....	2,273	10,677	2,500
99.9 Total obligations .....	10,476	21,354	5,000

TRADE AND DEVELOPMENT PROGRAM

Federal Funds

General and special funds:

TRADE AND DEVELOPMENT PROGRAM

For necessary expenses to carry out the provisions of section 661, \$20,000,000, to remain available until expended. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Law 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-1001-0-1-151			
<b>Program by activities:</b>			
10.00 Total obligations .....	18,196	21,500	20,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-716	-880	
21.40 Unobligated balance available, start of year .....	-20	-620	
24.40 Unobligated balance available, end of year .....	620		
25.00 Unobligated balance lapsing .....	7		
40.00 Budget authority (appropriation) .....	18,087	20,000	20,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	18,196	21,500	20,000
72.40 Obligated balance, start of year .....	25,478	28,288	32,264
74.40 Obligated balance, end of year .....	-28,288	-32,264	-33,632
77.00 Adjustments in expired accounts .....	-82		
78.00 Adjustments in unexpired accounts .....	-716	-880	
90.00 Outlays .....	14,588	16,644	18,632

These funds cover the costs of the U.S. Trade and Development Program (TDP), including program costs of grants for feasibility studies and other project planning services, and those of managing the TDP programs, such as salaries and expenses of direct hire personnel. TDP finances such planning services for major development projects in the developing world to foster economic development and enhance the use of U.S. technology, goods, and services in project implementation. TDP activities also help to assure access to natural resources of interest to the United States.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-1001-0-1-151			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	524	685	737
11.3 Other than full-time permanent .....	17	34	35
11.5 Other personnel compensation .....	15	17	18
11.8 Special personal services payments .....	283	366	369
11.9 Total personnel compensation .....	839	1,102	1,159

12.1 Personnel benefits: Civilian .....	55	76	81
21.0 Travel and transportation of persons .....	135	150	160
22.0 Transportation of things .....	6	3	6
23.1 Rental payments to GSA .....	109	158	158
23.2 Rental payments to others .....	50	53	55
23.3 Communications, utilities, and miscellaneous charges .....	31	34	37
24.0 Printing and reproduction .....	1	12	13
25.0 Other services .....	471	523	539
26.0 Supplies and materials .....	6	7	8
31.0 Equipment .....	25	22	24
41.0 Grants, subsidies, and contributions .....	16,468	19,360	17,760
99.9 Total obligations .....	18,196	21,500	20,000

Personnel Summary

Total number of full-time permanent positions .....	13	16	16
Total compensable workyears: Full-time equivalent employment .....	12	15	15

PEACE CORPS

Federal Funds

General and special funds:

PEACE CORPS OPERATING EXPENSES

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), \$130,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated in this paragraph shall be used to pay for abortions. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-0100-0-1-151			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Volunteer operations .....	74,479	78,404	76,297
00.02 Recruitment and development education .....	9,936	10,265	10,958
00.03 Program development and support .....	39,634	42,091	43,427
00.91 Total direct program .....	124,049	130,760	130,682
01.01 Reimbursable program .....	1,290	3,000	2,085
10.00 Total obligations .....	125,339	133,760	132,767
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-913	-2,800	-1,983
14.00 Non-Federal sources .....	-336	-200	-102
21.40 Unobligated balance available, start of year .....	-91		
25.00 Unobligated balance lapsing .....	412		
39.00 Budget authority .....	124,410	130,760	130,682
<b>Budget authority:</b>			
40.00 Appropriation .....	124,410	130,000	130,682
44.20 Supplemental for civilian pay raises .....		324	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		436	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	124,090	130,760	130,682
72.40 Obligated balance, start of year .....	39,693	30,198	28,998
74.40 Obligated balance, end of year .....	-30,198	-28,998	-25,557
77.00 Adjustments in expired accounts .....	-2,587		
89.00 Outlays .....	130,998	131,960	134,123
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	130,998	131,251	134,072
91.20 Outlays from civilian pay raise supplemental .....		302	22
91.40 Outlays from retirement contribution supplemental .....		407	29

Peace Corps operating expenses provide direct and indirect support for over 5,000 Americans engaged in voluntary services in over 60 countries worldwide. The volunteers help fill the trained manpower needs of de-

veloping countries and encourage self-sustaining development of skilled manpower. The Peace Corps promotes mutual understanding between the peoples of the developing world and the United States and focuses the attention of the American people on the concepts of volunteerism and self-help at the grassroots level.

**Volunteer operations.**—The financial resources associated with this budget activity provide for the placement, training and direct support of Peace Corps Volunteers overseas. These resources will fund approximately 4,500 volunteer years of service worldwide in 1988.

**Recruitment and development education.**—This activity provides for volunteer recruitment and selection, development education, and related activities of the Peace Corps. In 1988, approximately 2,900 trainees qualified to enter Peace Corps service will be selected.

**Program development and support.**—This activity funds the administrative expenses and general overhead costs associated with the Peace Corps program, including reimbursements to the Department of State for administrative support overseas.

**Object Classification (in thousands of dollars)**

Identification code 11-0100-0-1-151	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	22,610	26,157	26,544
11.3 Other than full-time permanent .....	3,213	3,225	3,238
11.5 Other personnel compensation .....	170	174	179
11.8 Special personal services payments .....	2,145	2,152	2,162
11.8 Trainees and volunteers .....	14,745	14,351	13,386
11.9 Total personnel compensation .....	42,883	46,059	45,509
12.1 Personnel benefits .....	21,414	23,517	24,541
13.0 Benefits for former personnel .....	398	400	400
21.0 Travel and transportation of persons .....	14,098	14,361	14,371
22.0 Transportation of things .....	1,197	1,200	1,207
23.1 Rental payments to GSA .....	2,135	2,908	3,138
23.2 Rental payments to others .....	3,338	3,342	3,342
23.3 Communications, utilities, and miscellaneous charges .....	3,789	3,805	3,817
24.0 Printing and reproduction .....	680	675	675
25.0 Other services .....	25,176	25,325	25,359
26.0 Supplies and materials .....	6,599	6,603	6,553
31.0 Equipment .....	2,286	2,507	1,712
42.0 Insurance claims and indemnities .....	56	58	58
99.0 Subtotal, direct obligations .....	124,049	130,760	130,682
99.0 Reimbursable obligations .....	1,290	3,000	2,085
99.9 Total obligations .....	125,339	133,760	132,767

**Personnel Summary**

Total number of full-time permanent positions .....	882	915	915
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	1,013	1,039	1,039
Full-time equivalent of overtime and holiday hours .....	6	6	6

**Trust Funds**

**PEACE CORPS MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 11-9972-0-7-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	116	300	300
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-345	-482	-482

24.40 Unobligated balance available, end of year .....	482	482	482
60.00 <b>Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>253</b>	<b>300</b>	<b>300</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	116	300	300
72.40 Obligated balance, start of year .....	-260	-260	-260
74.40 Obligated balance, end of year .....	260	260	260
90.00 Outlays .....	116	300	300
<b>Distribution of budget authority by account: Gifts and donations</b>			
	253	300	300
<b>Distribution of outlays by account:</b>			
Gifts and donations .....	205	300	300
U.S. dollars advanced from foreign governments .....	-88		

Miscellaneous contributions received by gift, devise, bequest, or from foreign governments are used in furtherance of the program, as authorized by 22 U.S.C. 2509(a)(3) (75 Stat. 612, as amended).

**Object Classification (in thousands of dollars)**

Identification code 11-9972-0-7-151	1986 actual	1987 est.	1988 est.
25.0 Other services .....	17	45	45
26.0 Supplies and materials .....	99	255	255
99.9 Total obligations .....	116	300	300

**OVERSEAS PRIVATE INVESTMENT CORPORATION**

**Federal Funds**

**Public enterprise funds:**

**OVERSEAS PRIVATE INVESTMENT CORPORATION**

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed \$35,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year.

During the fiscal year [1987] 1988 and within the resources and authority available, gross obligations for the amount of direct loans shall not exceed [\$23,000,000] \$15,000,000.

During the fiscal year [1987] 1988, [total] commitments to guarantee loans [shall not exceed \$200,000,000 of contingent liability for loan principal] may be made only to the extent that the total loan principal subject to an OPIC guarantee, any part of which is to be guaranteed, shall not exceed \$150,000,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

**Program and Financing (in thousands of dollars)**

Identification code 71-4030-0-3-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Insurance program:</b>			
00.01 Personnel costs .....	1,142	1,195	1,209
00.02 Other administrative costs .....	107	160	150
00.03 Insurance reserves (payments of claims) ..	2,121	6,499	5,468
<b>Finance program:</b>			
00.10 Personnel costs .....	1,055	1,152	1,404
00.11 Other administrative costs .....	178	162	300
00.12 Investment encouragement fund (investment survey costs) .....	56		
00.13 Guaranty reserves .....	36,034	50,000	39,500
<b>Program support:</b>			
00.20 Personnel costs .....	4,015	3,398	3,450
00.21 Other administrative costs .....	5,089	4,290	3,798

OVERSEAS PRIVATE INVESTMENT CORPORATION—Continued  
Public enterprise funds—Continued

## OVERSEAS PRIVATE INVESTMENT CORPORATION—Continued

## Program and Financing (in thousands of dollars)—Continued

Identification code	71-4030-0-3-151	1986 actual	1987 est.	1988 est.
00.22	Investment encouragement fund.....	147		
00.91	Total operating expenses.....	49,944	66,856	55,279
Capital investment:				
01.01	Finance program: Direct investment fund (loans).....	13,637	23,000	15,000
01.02	Program support: Purchases of equipment and realty.....	567	243	289
01.91	Total capital investment.....	14,204	23,243	15,289
10.00	Total obligations.....	64,148	90,099	70,568
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-70,876	-64,332	-66,495
14.00	Non-Federal sources.....	-56,148	-50,672	-52,778
17.00	Recovery of prior year obligations.....	-39,469	-29,404	-23,750
Unobligated balance available, start of year: Fund balance:				
21.98	Treasury balance.....	133,201	136,046	178,103
21.98	U.S. securities (par).....	-928,930	-1,029,235	-1,125,000
Unobligated balance available, end of year: Fund balance:				
24.98	Treasury balance.....	-136,046	-178,103	-201,298
24.98	U.S. securities (par).....	1,029,235	1,125,000	1,220,000
31.00	Redemption of Debt.....	4,885	601	650
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-62,876	-24,905	-48,705
72.98	Obligated balance, start of year: Fund balance....	140,479	138,238	182,053
74.98	Obligated balance, end of year: Fund balance....	-138,238	-182,053	-202,521
78.00	Adjustments in unexpired accounts.....	-39,469	-29,404	-23,750
90.00	Outlays.....	-100,104	-98,126	-92,923

## Status of Direct Loans (in thousands of dollars)

Identification code	71-4030-0-3-151	1986 actual	1987 est.	1988 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans to the public.....	13,637	23,000	15,000
1150	Total direct loan obligations.....	13,637	23,000	15,000
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	41,995	40,906	42,707
1231	Disbursements: Direct loan disbursements.....	9,911	6,900	8,752
1251	Repayments: Repayments and prepayments.....	-9,569	-5,099	-5,352
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-1,431		
1290	Outstanding, end of year.....	40,906	42,707	46,107

<sup>1</sup> Write-offs of direct loan balances.

## Status of Guaranteed Loans (in thousands of dollars)

Identification code	71-4030-0-3-151	1986 actual	1987 est.	1988 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders...	136,372	200,000	150,000
2150	Total guaranteed loan commitments.....	136,372	200,000	150,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	222,887	268,214	313,214
2231	Disbursements of new guaranteed loans.....	80,584	80,000	80,000
2250	Repayments and prepayments.....	-35,257	-35,000	-35,000
2290	Outstanding, end of year.....	268,214	313,214	358,214

## MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	268,214	313,214	358,214
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The Overseas Private Investment Corporation encourages the participation of United States private capital and skills in the economic and social development of less developed friendly countries. Its primary programs are: (1) political risk insurance against losses due to expropriation, inconvertibility, and war damage; and (2) investment financing through loans and guaranteed loans. The Corporation operates on a self-sustaining basis. The Administration is analyzing how some functions of the Corporation could be privatized. It will explore ways by which to make OPIC's insurance program truly complementary to the private insurance market through such means as moving OPIC towards a role of insurer of last resort. Accordingly, the Administration will evaluate the levels of some OPIC insurance coverage, OPIC operations in countries where the private insurance sector may now be competitive, and changes in OPIC's insurance premiums and maturity coverages. OPIC will also be used more in concert with other government agencies as an effective instrument in achieving investment policy reform in developing countries.

## INSURANCE PROGRAM ACTIVITY

(In millions of dollars)

	1986 actual	1987 est.	1988 est.
1. Face amount of contracts outstanding, start of year:			
Old authorities.....	1,044	819	630
New authority.....	10,231	8,759	9,299
Total.....	11,275	9,578	9,929
2. Face amount of contracts issued during year:			
New authority.....	1,198	2,751	2,862
3. Face amount of contracts canceled or reduced:			
Old authorities.....	-225	-189	-175
New authority.....	-2,670	-2,211	-2,325
Total.....	-2,895	-2,400	-2,500
4. Face amount of contracts outstanding, end of year:			
Old authorities.....	819	630	455
New authority.....	8,759	9,299	9,836
Total.....	9,578	9,929	10,291

## STATUS OF INSURANCE AUTHORITY

(In millions of dollars)

	1986 actual	1987 est.	1988 est.
Contingent liabilities:			
1. Authority available for issuance, start of year.....	2,419	3,213	3,102
2. Authority used for issuance.....	-519	-1,191	-1,239
3. Authority recovered from terminations/reductions.....	1,313	1,080	1,125
4. Authority available for issuance, end of year.....	3,213	3,102	2,988

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income:			
Insurance program:			
Revenue.....	36,610	34,916	35,926
Expense.....	-3,370	-7,854	-6,827
Net operating income of insurance program.....	33,240	27,062	29,099
Finance program:			
Revenue.....	9,969	10,657	11,500
Expense.....	-4,231	-4,714	-4,704
Net operating income of finance program.....	5,738	5,943	6,796
Program support: Expense.....	-8,912	-8,008	-7,568
Net operating income, total.....	30,066	24,997	28,327

<b>Nonoperating income:</b>			
Interest income on U.S. Treasury securities .....	70,877	64,332	66,495
Net income for the year .....	100,943	89,329	94,822

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	7,278	2,190	3,950	1,223
U.S. securities (par): Public debt securities .....	928,930	1,029,235	1,125,000	1,220,000
Accounts receivable (net) .....	4,745	10,501	6,151	4,681
Advances made .....	41	37	40	40
Loans receivable (net) .....	30,468	33,215	32,217	35,267
Realty and equipment (net) .....	1,934	2,114	2,037	2,006
Assets acquired in claims settlements .....	37,243	42,146	40,000	39,000
<b>Total assets .....</b>	<b>1,010,639</b>	<b>1,119,438</b>	<b>1,209,395</b>	<b>1,302,217</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities .....	8,114	16,690	17,000	16,000
Advances received .....	18,136	17,675	18,000	17,000
Other liabilities .....	266	7		
<b>Total liabilities .....</b>	<b>26,516</b>	<b>34,372</b>	<b>35,000</b>	<b>33,000</b>
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	795,729	893,189	946,897	1,018,702
Undelivered orders .....	155,992	156,548	193,244	213,242
Invested capital .....	32,402	35,329	34,254	37,273
<b>Total Government equity .....</b>	<b>984,123</b>	<b>1,085,066</b>	<b>1,174,395</b>	<b>1,269,217</b>
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance .....	298,183	298,183	298,183	298,183
Closing balance .....	298,183	298,183	298,183	298,183
Retained income:				
Opening balance .....	685,940	786,883	876,212	876,212
Transactions:				
Net operating income .....	30,066	24,997	28,327	28,327
Net nonoperating income .....	70,877	64,332	66,495	66,495
Closing balance .....	786,883	876,212	971,034	971,034
<b>Total Government equity (end of year) .....</b>	<b>1,085,066</b>	<b>1,174,395</b>	<b>1,269,217</b>	<b>1,269,217</b>

**Object Classification (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Identification code 71-4030-0-3-151			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	4,812	4,481	4,529
11.3 Other than full-time permanent .....	456	402	424
11.5 Other personnel compensation .....	316	287	303
<b>Total personnel compensation .....</b>	<b>5,584</b>	<b>5,170</b>	<b>5,256</b>
12.1 Personnel benefits: Civilian .....	628	575	807
21.0 Travel and transportation of persons .....	459	565	591
23.2 Rental payments to others .....	1,581	1,648	1,731
23.3 Communications, utilities, and miscellaneous charges .....	437	201	302
24.0 Printing and reproduction .....	152	175	163
25.0 Other services .....	2,496	1,834	1,276
26.0 Supplies and materials .....	249	189	185
31.0 Equipment .....	567	243	289
33.0 Investments and loans .....	13,637	23,000	15,000
41.0 Grants, subsidies, and contributions .....	203		
42.0 Insurance claims and indemnities .....	2,121	6,499	5,468
43.0 Guarantee reserve .....	36,034	50,000	39,500
<b>99.9 Total obligations .....</b>	<b>64,148</b>	<b>90,099</b>	<b>70,568</b>

**Personnel Summary**

Total number of full-time permanent positions .....	135	130	125
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	136	130	125
Full-time equivalent of overtime and holiday hours .....	2	1	1

**INTER-AMERICAN FOUNDATION  
Federal Funds**

**Public enterprise funds:**

**INTER-AMERICAN FOUNDATION**

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, **[\$11,800,000] \$11,300,000.** (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

**Program and Financing (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Identification code 11-4031-0-3-151			
<b>Program by activities:</b>			
00.01 Social and economic development programs .....	22,009	22,000	22,000
00.02 Program support services .....	4,678	4,800	5,000
<b>10.00 Total obligations (object class 41.0) .....</b>	<b>26,687</b>	<b>26,800</b>	<b>27,000</b>
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-13,687	-17,000	-14,888
17.00 Recovery of prior year obligations .....	-1,286		
21.98 Unobligated balance available, start of year: Fund balance .....	-9,097	-8,149	-10,149
24.98 Unobligated balance available, end of year: Fund balance .....	8,149	10,149	9,337
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	688		
<b>40.00 Budget authority (appropriation) .....</b>	<b>11,454</b>	<b>11,800</b>	<b>11,300</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	13,000	9,800	12,112
72.98 Obligated balance, start of year: Fund balance .....	28,904	28,243	27,151
74.98 Obligated balance, end of year: Fund balance .....	-28,243	-27,151	27,703
78.00 Adjustments in unexpired accounts .....	-1,286		
<b>90.00 Outlays .....</b>	<b>12,375</b>	<b>10,892</b>	<b>11,560</b>

Established by the 1969 Foreign Assistance Act, the Inter-American Foundation supports social processes in Latin America and the Caribbean with a direct impact on the lives of people at the lowest economic levels. In addition to appropriations and private gifts, the Foundation is funded by annual transfers from the Social Progress Trust Fund administered by the Inter-American Development Bank.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Social and economic development programs:</b>			
Revenue .....	13,687	17,000	14,888
Expense .....	-21,261	-23,405	-21,478
<b>Net operating profit or loss, social and economic development programs .....</b>	<b>-7,574</b>	<b>-6,405</b>	<b>-6,590</b>
<b>Program support services: Expense .....</b>	<b>-4,801</b>	<b>-4,487</b>	<b>-4,970</b>
<b>Net operating loss, program support services .....</b>	<b>-4,801</b>	<b>-4,487</b>	<b>-4,970</b>
<b>Net operating loss for the year .....</b>	<b>-12,375</b>	<b>-10,892</b>	<b>-11,560</b>

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	38,001	36,392	37,300	37,040
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Undisbursed obligations .....	28,904	28,243	27,151	27,703

**INTER-AMERICAN FOUNDATION—Continued**  
**Public enterprise funds—Continued**  
**INTER-AMERICAN FOUNDATION—Continued**  
**Financial Condition (in thousands of dollars)—Continued**

	1985 actual	1986 actual	1987 est.	1988 est.
Unobligated loan balance.....	9,097	8,149	10,149	9,337
Total Government equity.....	38,001	36,392	37,300	37,040
<b>Analysis of changes in Government equity:</b>				
<b>Non-interest-bearing capital:</b>				
Opening balance.....	137,400	148,854	160,654	160,654
Transactions: Appropriation.....	11,454	11,800	11,800	11,300
Closing balance.....	148,854	160,654	160,654	171,954
<b>Retained earnings:</b>				
Opening balance.....	-99,400	-112,463	-123,355	-123,355
Net operating loss for year.....	-26,062	-27,892	-26,448	-26,448
Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	-688			
Net operational income for year.....	13,687	17,000	14,888	14,888
Closing balance.....	-112,463	-123,355	-123,355	-134,915
Total Government equity (end of year).....	36,391	37,299	37,039	37,039

**Object Classification (in thousands of dollars)**

Identification code 11-4031-0-3-151	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,457	2,620	2,620
11.3 Other than full-time permanent.....	106	65	65
11.5 Other personnel compensation.....	27	35	43
11.9 Total personnel compensation.....	2,590	2,720	2,728
12.1 Personnel benefits: Civilian.....	286	361	513
21.0 Travel and transportation of persons.....	433	474	512
23.2 Rental payments to others.....	514	445	500
23.3 Communications, utilities, and miscellaneous charges.....	195	281	290
24.0 Printing and reproduction.....	124	197	200
25.0 Other services.....	3,002	3,128	3,322
26.0 Supplies and materials.....	68	93	88
31.0 Equipment.....	171	40	40
41.0 Grants, subsidies, and contributions.....	19,304	19,061	18,807
99.9 Total obligations.....	26,687	26,800	27,000

**Personnel Summary**

Total number of full-time permanent positions.....	67	67	67
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	66	67	67
Full-time equivalent of overtime and holiday hours.....	1	1	1

**Trust Funds**

**GIFTS AND CONTRIBUTIONS, INTER-AMERICAN FOUNDATION**

**Program and Financing (in thousands of dollars)**

Identification code 11-8243-0-7-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Social and economic development programs (total obligations) (object class 41.0).....	6	5	
<b>Financing:</b>			
21.40 Unobligated balance, available start of year.....	-5	-5	
24.40 Unobligated balance, available end of year.....	5		
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>5</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	6	5	
90.00 Outlays.....	5	5	

Miscellaneous contributed funds received by gift, devise, bequest, grant, or otherwise are used in furtherance of the Foundation's program (22 U.S.C. 290f(e)(9)).

**AFRICAN DEVELOPMENT FOUNDATION**  
**Federal Funds**

**General and special funds:**

**AFRICAN DEVELOPMENT FOUNDATION**

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, **[\$6,500,000]** \$6,754,000, to remain available until expended, notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 11-0700-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Development projects.....	3,442	3,939	4,012
00.02 Project review and monitoring.....	1,080	1,271	1,298
00.03 Management and administration.....	1,473	1,404	1,444
10.00 Total obligations.....	5,995	6,614	6,754
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,289		
39.00 <b>Budget authority.....</b>	<b>3,706</b>	<b>6,614</b>	<b>6,754</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation.....</b>	<b>3,706</b>	<b>6,500</b>	<b>6,754</b>
44.20 <b>Supplemental for civilian pay raises.....</b>	<b>15</b>		
44.40 <b>Supplemental for retirement contributions (P.L. 99-335).....</b>	<b>99</b>		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,995	6,614	6,754
72.40 Obligated balance, start of year.....	2,657	4,744	6,103
74.40 Obligated balance, end of year.....	-4,744	-6,103	-6,765
77.40 Adjustments in expired accounts.....	50		
89.00 Outlays.....	3,958	5,255	6,092
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	3,958	5,141	6,092
91.20 Outlays from civilian pay raise supplemental.....		15	
91.40 Outlays from retirement contribution supplemental.....		99	

Established in 1980, the African Development Foundation became operational in 1984. The Foundation provides financial support directly to local, self-help development initiatives of Africans. The Foundation places special emphasis on projects that involve substantial participation by Africa's poor. Projects are carefully monitored and evaluated and the results are shared with appropriate domestic and international audiences.

**Object Classification (in thousands of dollars)**

Identification code 11-0700-0-1-151	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent positions.....	1,005	1,100	1,131
11.3 Other than full-time permanent.....	22	23	24
11.5 Other personnel compensation.....	13	14	14
11.9 Total personnel compensation.....	1,040	1,137	1,169
12.1 Civilian personnel.....	137	246	250
21.0 Travel and transportation of persons.....	407	338	332
22.0 Transportation of things.....	2	6	6
23.2 Rental payments to others.....	273	230	230

23.3	Communications, utilities, and miscellaneous charges .....	185	175	185
24.0	Printing and reproduction .....	51	50	50
25.0	Other services .....	322	420	445
26.0	Supplies and materials .....	16	15	15
31.0	Equipment .....	120	57	60
41.0	Grants, subsidies and contributions .....	3,442	3,939	4,012
99.9	Total obligations .....	5,995	6,614	6,754

**INTERNATIONAL COMMODITY AGREEMENTS**

*Federal Funds*

**General and special funds:**

**CONTRIBUTIONS TO INTERNATIONAL BUFFER STOCKS**

**Program and Financing (in thousands of dollars)**

Identification code	11-0043-0-1-155	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0) .....	-28		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-37,558	-37,586	-37,586
24.40	Unobligated balance available, end of year .....	37,586	37,586	37,586
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-28		
90.00	Outlays .....	-28		

U.S. participation in the International Natural Rubber Agreement includes a contribution for the Agreement's buffer stock, which will trade on world markets to stabilize rubber prices and encourage adequate production. Upon termination of the Agreement, the U.S. share of the remaining assets would be refunded.

**INTERNATIONAL MONETARY PROGRAMS**

*Federal Funds*

**General and special funds:**

**UNITED STATES QUOTA, INTERNATIONAL MONETARY FUND**

**Program and Financing (in thousands of dollars)**

Identification code	11-0003-0-1-155	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Valuation adjustment on IMF quota .....	1,458,391		
00.02	Adjustment in reserve position .....	429,784		
10.00	Total obligations (object class 33.0) .....	1,888,175		
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-2,759,898		
21.40	Unobligated balance available, start of year .....	-9,898,391	-9,681,542	-9,681,542
24.40	Unobligated balance available, end of year .....	9,681,542	9,681,542	9,681,542
25.00	Unobligated balance lapsing .....	1,088,572		
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,888,175		
72.40	Obligated balance, start of year .....	8,540,891	10,641,830	10,641,830
73.40	Obligated balances transferred, net .....	1,514,271		
74.40	Obligated balance, end of year .....	-10,641,830	-10,641,830	-10,641,830
78.00	Adjustments in unexpired accounts .....	-2,759,898		
90.00	Outlays .....	-1,458,391		

As of September 30, 1986 the current dollar value of the U.S. quota denominated in Special Drawing Rights (SDR), the IMF's unit of account, was \$21,742 million.

Use by the IMF of the quota commitment does not result in net budget outlays because the United States receives an increase in its international monetary reserves corresponding to any transfer of dollars to the IMF under the U.S. quota subscription. The United States can use these reserves automatically to meet a balance of payments financing need.

**MAINTENANCE OF VALUE ADJUSTMENT, INTERNATIONAL MONETARY FUND**

**Program and Financing (in thousands of dollars)**

Identification code	11-0004-0-1-155	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Valuation adjustment on IMF quota (total obligations) (object class 33.0) .....	1,514,271		
<b>Financing:</b>				
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b> .....	1,514,271		
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,514,271		
73.40	Obligated balance transferred, net .....	-1,514,271		
90.00	Outlays .....			

Members of the IMF are obligated to maintain the value of their currency, held by the IMF, in terms of the SDR—the unit of account of the IMF. When the dollar appreciates (depreciates) against the SDR, the cost of maintaining these holdings decreases (increases), and an appropriate adjustment is made in the U.S. account with the IMF. In fiscal year 1986, the maintenance of value adjustment resulted in an increase in the dollar value of IMF dollars holdings equivalent to \$1,514 million. Budget authority is provided for the maintenance of value adjustment, but this adjustment does not result in any immediate cash transfers to the IMF.

**SUPPLEMENTARY FINANCING FACILITY, INTERNATIONAL MONETARY FUND**

**Program and Financing (in thousands of dollars)**

Identification code	11-0002-0-1-155	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	15,722		
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,043		
21.40	Unobligated balance available, start of year .....	-1,763,756	-1,749,077	-1,749,077
24.40	Unobligated balance available, end of year .....	1,749,077	1,749,077	1,749,077
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	14,679		
72.40	Obligated balance, start of year .....	1,043		
90.00	Outlays .....	15,722		

General and special funds—Continued

SUPPLEMENTARY FINANCING FACILITY, INTERNATIONAL MONETARY FUND—Continued

The Supplementary Financing Facility was created to augment temporarily the ability of the IMF to assist member countries with serious balance of payments problems, thereby allowing these countries time to implement required policy measures without resorting to abrupt and harmful restrictions on trade and payments. The United States and other countries agreed to finance the facility by making available to the IMF lines of credit totalling 7,784 Special Drawing Rights (about \$9.4 billion at the September 30, 1986 exchange rate) of which the U.S. commitment was 1,450 million SDR (but not to exceed \$1,831 million appropriated). As of September 30, 1986, U.S. claims on the IMF under the Supplementary Financing Facility had declined to SDR 866 million (\$1,051 million) as a consequence of repayments by the IMF.

GENERAL ARRANGEMENTS TO BORROW, LOANS TO INTERNATIONAL MONETARY FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-0074-0-1-155			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-4,245,771	-4,245,771	-4,245,771
24.40 Unobligated balance available, end of year.....	4,245,771	4,245,771	4,245,771
39.00 <b>Budget authority</b> .....			
<b>Relation of applications to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 <b>Outlays</b> .....			

The General Arrangements to Borrow (GAB) were established in 1962 by 10 industrial countries, including the United States, as a means of supplementing the IMF's resources when needed to forestall or cope with an impairment of the international monetary system. Each participant agreed to provide specific amounts of its currency to help finance drawings from the IMF by another GAB participant. GAB members agreed in early 1983 to increase their financial commitments to the GAB and to allow the IMF, in certain strictly defined circumstances, to activate the GAB to provide financing for any IMF member. Total GAB commitments were increased from SDR 6.3 billion to SDR 17 billion, with the U.S. share rising from \$2.0 billion to SDR 4.250 billion, approximately \$5.2 billion at the September 30, 1986 exchange rate. Financing extended by the United States under the GAB does not result in any net budget outlays because the United States receives an increase in its international reserve assets corresponding to any transfer to the IMF under the U.S. credit line.

During 1986, no calls were made on the U.S. commitment under the GAB, and no U.S. loans were outstanding at the end of the fiscal year.

MILITARY SALES PROGRAMS

Federal Funds

Public enterprise funds:

SPECIAL DEFENSE ACQUISITION FUND

(LIMITATION ON OBLIGATIONS)

Not to exceed **[\$315,820,000]** \$350,000,000 may be obligated pursuant to section 51(c)(2) of the Arms Export Control Act for the purposes of the Special Defense Acquisition Fund **[during fiscal year 1987]**, to remain available for obligation until September 30, 1989. (Foreign Assistance and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-4116-0-3-155			
<b>Program by activities:</b>			
10.00 Purchases of defense items (total obligations) (object class 31.0).....	290,214	315,820	350,000
<b>Financing:</b>			
Offsetting collections from trust funds:			
13.00 Collections credited under Public Law 97-113.....	-100,000	-70,000	
13.00 Collections from foreign military sales trust fund.....	-155,530	-260,000	-280,000
17.00 Recovery of prior year obligations.....	-9,114		
21.98 Unobligated balance available, start of year: Fund balance.....	-265,933	-240,363	-254,543
24.98 Unobligated balance available, end of year: Fund balance.....	240,363	254,543	184,543
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	34,684	-14,180	70,000
72.98 Obligated balance, start of year: Fund balance.....	523,355	566,157	625,205
74.98 Obligated balance, end of year: Fund balance.....	-566,157	-625,205	-696,695
78.00 Adjustments in unexpired accounts.....	-9,114		
90.00 <b>Outlays</b> .....	-17,232	-73,228	-1,490

This revolving fund finances the acquisition of defense articles and defense services in anticipation of their transfer to foreign countries and international organizations. The fund enhances the ability of the United States to respond to urgent requirements of allied and friendly governments for military equipment while minimizing the adverse impact on U.S. forces due to diversions from production or U.S. military stocks. The account is capitalized by foreign military sales receipts from the use of United States Government assets and recoupment of nonrecurring research, development, and production costs. Estimates of sales used in this budget are (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Estimates of new orders (sales).....	247,123	285,000	225,000

Trust Funds

FOREIGN MILITARY SALES TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-8242-0-7-155			
<b>Program by activities:</b>			
Orders to DOD accounts:			
00.01 Military personnel.....	102,333	131,153	129,126
00.02 Operations and maintenance.....	526,539	674,817	664,390
Procurement:			
00.03 Army.....	-14,536		
00.04 Navy.....	205,386	263,223	259,156
00.05 Air Force.....	188,164	205,172	202,002
00.06 Research, development, test, and evaluation.....	77,826	99,739	98,198
00.07 Special defense acquisition fund.....	255,530	330,000	280,000
00.08 Other.....	887,300	1,137,175	1,119,605

Orders by the fund (direct citation):				
00.20	Procurement.....	4,286,107	5,433,147	5,330,270
00.21	Construction.....	431,003	300,000	300,000
00.22	Other.....	745,604	751,575	754,254
10.00	Total obligations.....	7,691,256	9,326,000	9,137,000
Financing:				
39.00	Budget authority.....	7,691,256	9,326,000	9,137,000
Budget authority:				
60.00	Appropriation (receipts from foreign govern- ments) (permanent, indefinite).....	10,725,341	8,914,000	8,896,000
60.49	Portion applied to liquidate contract authority.....	-10,725,341	-8,914,000	-8,896,000
63.00	Appropriation (adjusted).....			
69.10	Contract authority (82 Stat. 1323) (permanent, indefinite).....	7,691,256	9,326,000	9,137,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	7,691,256	9,326,000	9,137,000
	Obligated balance, start of year:			
72.40	Appropriation.....	5,490,910	6,506,916	6,006,916
72.49	Contract authority.....	14,587,701	11,553,616	11,965,616
	Obligated balance, end of year:			
74.40	Appropriation.....	-6,506,916	-6,006,916	-5,806,916
74.49	Contract authority.....	-11,553,616	-11,965,616	-12,206,616
90.00	Outlays.....	9,709,335	9,414,000	9,096,000

**Status of Unfunded Contract Authority (in thousands of dollars)**

Unfunded balance, start of year.....	14,587,701	11,553,616	11,965,616
Contract authority.....	7,691,256	9,326,000	9,137,000
Appropriation to liquidate contract authority.....	-10,725,341	-8,914,000	-8,896,000
Unfunded balance, end of year.....	11,553,616	11,965,616	12,206,616

This trust fund facilitates government-to-government sales of defense articles, defense services, and design and construction services. Estimates of sales used in this budget are (in billions of dollars):

	1986 actual	1987 est.	1988 est.
Estimates of new orders (sales).....	7.1	9.0	9.3

Orders placed through this trust fund can be combined with procurement for U.S. military departments. The savings are shared by the United States and foreign governments. The net impact of foreign military sales on the budget is (in billions of dollars):

	1986 actual	1987 est.	1988 est.
Obligations of the fund.....	7.7	9.3	9.1
Receipts from foreign governments (appropriation).....	-10.7	-8.9	-8.9
Net budget authority.....	-3.0	0.4	0.2
Payments from the fund (outlays).....	9.7	9.4	9.1
Receipts from foreign governments (appropriation).....	-10.7	-8.9	-8.9
Net outlays.....	-1.0	0.5	0.2

**Object Classification (in thousands of dollars)**

Identification code 11-8242-0-7-155	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	4,076	4,943	4,843
23.3 Communications, utilities, and miscellaneous charges.....	5,853	7,097	6,953
24.0 Printing and reproduction.....	3,915	4,747	4,651
25.0 Other services.....	4,241,819	5,367,073	5,252,123
26.0 Supplies and materials.....	769,126	932,600	913,700
31.0 Equipment.....	2,230,464	2,704,540	2,649,730
32.0 Lands and structures.....	436,003	305,000	305,000
99.9 Total obligations.....	7,691,256	9,326,000	9,137,000

**SPECIAL ASSISTANCE FOR CENTRAL AMERICA**  
*Federal Funds*

**General and special funds:**

**ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE**

【SEC. 206. (a)(1) The Congress hereby approves the provision of assistance for the Nicaraguan democratic resistance in accordance with the provisions of this title.

(2) There are hereby transferred to the President for the purposes of this section \$100,000,000 of unobligated funds from such accounts for which appropriations were made by the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), as the President shall designate.

(b) Notwithstanding the Impoundment Control Act of 1974, not more than 40 percent of the funds transferred under subsection (a) may be available for obligation or expenditure in accordance with this title upon the date of its enactment; not more than an additional 20 percent of such funds may be so available no earlier than October 15, 1986, and 15 days after the transmittal to the Congress of the determination required by section 11(c); and not more than the remaining 40 percent may be so available no earlier than February 15, 1987, and 15 days after the transmittal to the Congress of the determination required by section 11(e).

(c) Funds transferred under subsection (a) shall remain available for the same periods of time, but not to exceed September 30, 1987, as such funds would have been available under the Department of Defense Appropriations Act, 1986 (as contained in Public Law 99-190), but for the enactment of this title.】

*For necessary expenses to carry out Assistance for the Nicaraguan Democratic Resistance, pursuant to the provisions of section 722(p) of Title VII of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), \$105,000,000. Further: for the foregoing purposes, \$110,000,000, to become available for obligation on October 1, 1988.*

**FUNDS FOR HUMANITARIAN ASSISTANCE**

【SEC. 208. (a) Of the amounts 【transferred under section 6(a)】 made available, \$30,000,000 in each such fiscal year shall be available only for the provision of humanitarian assistance to the Nicaraguan democratic resistance. 【(b) Of the \$30,000,000 made available above, 【only for purposes of subsection (a)】 \$3,000,000 shall be available in each such fiscal year only for strengthening programs and activities of the Nicaraguan democratic resistance for the observance and advancement of human rights.

**【APPLICATION OF EXISTING LAWS】**

【SEC. 209. (a) Except as otherwise provided in this title, funds transferred under section 6(a) shall be available for the purposes described in section 105(a) of the Intelligence Authorization Act for Fiscal Year 1986, and all the requirements, terms, and conditions of such section and sections 101 and 102 of such Act, section 502 of the National Security Act of 1947, and section 106 of the Supplemental Appropriations Act, 1985 (Public Law 99-88), shall be deemed to have been met for such use of such funds.

(b) The use of funds made available under this title is subject to all applicable provisions of law and established procedures relating to the oversight by the Congress of operations of departments and agencies.

(c) Nothing in this title shall be construed as permitting the President to furnish additional assistance to the Nicaraguan democratic resistance from funds other than the funds transferred under section 6(a) or otherwise specifically authorized by the Congress for assistance to the Nicaraguan democratic resistance.

(d) No limitation or restriction contained in section 10 of Public Law 91-672, section 8109 of the Department of Defense Appropriations Act, 1986, section 502 of the National Security Act of 1947, or any other provision of law shall apply to the transfer or use of funds transferred to the President under this title.】 *(Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(k).)*

**Program and Financing (in thousands of dollars)**

Identification code 11-1090-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
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**Program by activities:**

10.00 Total obligations (object class 41.0).....		100,000	105,000	110,000
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General and special funds—Continued

ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE—  
Continued

[(APPLICATION OF EXISTING LAWS)]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	11-1090-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
<b>Financing:</b>					
22.40	Unobligated balance transferred, net .....		-100,000		
40.00	<b>Budget authority (appropriation)</b> .....			105,000	110,000
Relation of obligations to outlays:					
71.00	Obligations incurred, net .....		100,000	105,000	110,000
90.00	Outlays .....		100,000	105,000	110,000

In accordance with section 206 of the Military Construction Appropriations section of the Continuing Resolution (Public Laws 99-500 and 99-591) and under the general direction of the Secretary of State, these funds currently provide military support and humanitarian assistance to the Nicaraguan democratic resistance. Funds will be requested for 1988 and 1989 to continue this support.

PROMOTION OF SECURITY AND STABILITY IN CENTRAL AMERICA

Note.—Language providing the authority for this transfer appears under the Economic Support Fund display as section 205(d)(1) of Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(k).

Program and Financing (in thousands of dollars)

Identification code	11-1091-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		2,000	
<b>Financing:</b>				
22.40	Unobligated balance transferred, net .....		-2,000	
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		2,000	
90.00	Outlays .....		2,000	

In accordance with the Military Construction Appropriations section of the Continuing Resolution (Public Laws 99-500 and 99-591), these funds were transferred to the President from the old account "Assistance for Implementation of a Contadora Agreement." These funds are intended to facilitate the participation of Costa Rica, El Salvador, Guatemala and Honduras in regional meetings and negotiations to promote peace, stability, and security in Central America.

HUMANITARIAN ASSISTANCE FOR THE NICARAGUAN DEMOCRATIC RESISTANCE

Program and Financing (in thousands of dollars)

Identification code	11-0062-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	26,998		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-26,998		
39.00	<b>Budget authority</b> .....			

Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	26,998	
72.40	Obligated balance, start of year .....	2	179
74.40	Obligated balance, end of year .....	-179	
90.00	Outlays .....	26,821	179

In accordance with the Foreign Assistance Act of 1961 as amended and under the general direction of the Secretary of State, these funds provided food, clothing, and medicine to the Nicaraguan democratic resistance.

TITLE V—GENERAL PROVISIONS

SEC. 501. None of the funds appropriated in this Act (other than funds appropriated for "International organizations and programs") shall be used to finance the construction of any new flood control, reclamation, or other water or related land resource project or program which has not met the standards and criteria used in determining the feasibility of flood control, reclamation, and other water and related land resource programs and projects proposed for construction within the United States of America under the principles, standards and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.) or Acts amendatory or supplementary thereto.

SEC. 502. Except for the appropriations entitled "International disaster assistance", and "United States emergency refugee and migration assistance fund" not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

SEC. 503. None of the funds appropriated in this Act nor any of the counterpart funds generated as a result of assistance hereunder or any prior Act shall be used to pay pensions, annuities, retirement pay, or adjusted service compensation for any person heretofore or hereafter serving in the armed forces of any recipient country.

SEC. 504. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used for making payments on any contract for procurement to which the United States is a party entered into after the date of enactment of this Act which does not contain a provision authorizing the termination of such contract for the convenience of the United States.

SEC. 505. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

SEC. 506. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

SEC. 507. Of the funds appropriated or made available pursuant to this Act, not to exceed \$110,000 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

SEC. 508. Of the funds appropriated or made available pursuant to this Act, not to exceed \$10,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

SEC. 509. Of the funds appropriated or made available pursuant to this Act, not to exceed \$100,000 shall be for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the total funds made available by this Act under the headings "Military assistance" and "Foreign military credit sales", not to exceed \$2,500 shall be available for entertainment expenses and not to exceed \$70,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International military education and training", not to exceed \$125,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed \$2,500 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not

to exceed a total of \$4,000 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Program", not to exceed \$2,000 shall be available for representation and entertainment allowances:

Sec. [510] 509. None of the funds appropriated or made available (other than funds for "International organizations and programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used to finance the export of nuclear equipment, fuel, or technology.

Sec. [511] 510. Funds appropriated by this Act may not be obligated or expended to provide assistance to any country for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights.

Sec. [512] 511. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, or Syria.

[Sec. 513. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree.]

[Sec. 514. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated without the written prior approval of the Appropriations Committees of both Houses of the Congress.]

Sec. [515] 512. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the paragraphs under the heading "Agency for International Development" are, if deobligated, hereby continued available for the same period as the respective appropriations in such paragraphs or until September 30, [1987] 1988, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds.

[Sec. 516. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress.]

Sec. [517] 513. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of the "Development Fund for Africa", chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act.

Sec. [518] 514. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act.

Sec. [519] 515. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States governor or representative cannot upon request obtain the amounts and the names of borrowers for all loans of the international financial institution, including loans to employees of the institution, or the compensation and related benefits of employees of the institution.

Sec. [520] 516. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States governor or representative cannot upon request obtain any document developed by the management of the international financial institution.

Sec. [521] 517. None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at

the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

Sec. [522] 518. The Secretary of the Treasury shall instruct the United States executive directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production of any commodity for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

Sec. [523] 519. [None of the funds] *Funds* made available under this Act for "Agriculture, rural development and nutrition, Development Assistance", "Population, Development Assistance", "Child Survival Fund", "Health, Development Assistance", "Education and human resources development, Development Assistance", "Energy and selected development activities, Development Assistance", "Science and technology, Development Assistance", "*Development Fund for Africa*", "International organizations and programs", "American schools and hospitals abroad", ["Sahel development program"], "Trade and development program", "International narcotics control", "Economic support fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Anti-terrorism assistance", "Military assistance", "International military education and training", "Foreign military credit sales", "Inter-American Foundation", "African Development Foundation", "Peace Corps", or "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings for the current fiscal year [unless] *fifteen days after notice is given* to the Appropriations Committees of both Houses of Congress [are previously notified fifteen days in advance]. *This section shall not apply to (a) the reprogramming of less than \$25,000 for use under Chapter 8 of Part I, or under Chapter 5 of Part II of the Foreign Assistance Act of 1961, as amended, for a country for which a program under such chapters for the current fiscal year was justified to Congress, and (b) the reprogramming for an activity, program, or project under Chapter 1 of Part I of the Foreign Assistance Act of 1961, as amended, of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year.*

Sec. [524] 520. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

Sec. [525] 521. None of the funds appropriated under this Act may be used to lobby for abortion.

Sec. [526] 522. None of the funds appropriated or otherwise made available under this Act may be available for any country during any three-month period beginning on or after October 1, [1986] 1987, immediately following a certification by the President to the Congress that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse and Prevention Control Act of 1971 (21 U.S.C. 812)) which are cultivated, produced, or processed illicitly, in whole or in part, in such country, or transported through such country from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully.

Sec. [527] 523. Notwithstanding any other provision of law or this Act, none of the funds provided for "International organizations and

programs” shall be available for the United States proportionate share for any programs for the Palestine Liberation Organization, the Southwest African Peoples Organization, Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended.

SEC. [528] 524. (a) Not later than January 31 of each year, or at the time of the transmittal by the President to the Congress of the annual presentation materials on foreign assistance, whichever is earlier, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report which assesses, with respect to each foreign country, the degree of support by the government of each such country during the preceding twelve-month period for the foreign policy of the United States. Such report shall include, with respect to each such country which is a member of the United Nations, information to be compiled and supplied by the Permanent Representative of the United States to the United Nations, consisting of a comparison of the overall voting practices in the principal bodies of the United Nations during the preceding twelve-month period of such country and the United States, with special note of the voting and speaking records of such country on issues of major importance to the United States in the General Assembly and the Security Council, and shall also include a report on actions with regard to the United States in important related documents such as the Non-Aligned Communiqué. A full compilation of the information supplied by the Permanent Representative of the United States to the United Nations for inclusion in such report shall be provided as an addendum to such report.

(b) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to a country which the President finds, based on the contents of the report required to be transmitted under subsection (a), is engaged in a consistent pattern of opposition to the foreign policy of the United States.

(c) The report required by subsection (a) of this section shall be in the identical format as the “Report to Congress on Voting Practices in the United Nations” which was submitted pursuant to Public Law 99-190 and Public Law 98-164 on June 6, 1986.

【SEC. 529. Notwithstanding any other provision of law, Israel may utilize any loan which is or was made available under the Arms Export Control Act and for which repayment is or was forgiven before utilizing any other loan made available under the Arms Export Control Act.】

【SEC. 530. In reaffirmation of the 1975 memorandum of agreement between the United States and Israel, in accordance with section 1302 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), no employee of or individual acting on behalf of the United States Government shall recognize or negotiate with the Palestine Liberation Organization or representatives thereof, so long as the Palestine Liberation Organization does not recognize Israel’s right to exist, does not accept Security Council Resolutions 242 and 338, and does not renounce the use of terrorism.】

【SEC. 531. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic support fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.】

SEC. [532] 525. None of the funds made available in this Act shall be restricted for obligation or disbursement solely as a result of the policies of any multilateral institution.

SEC. [533] 526. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent act unless such act specifically so directs.

【SEC. 534. The Secretary of the Treasury and the Secretary of State are directed to submit to the Committees on Appropriations by February 1, 1987, a report on the domestic economic policies of those

nations receiving economic assistance, either directly or indirectly from the United States including, where appropriate, an analysis of the foreign assistance programs conducted by these recipient nations.】

【SEC. 535. None of the funds appropriated or otherwise made available pursuant to this Act for “Economic support fund” or for “Foreign military credit sales” shall be obligated or expended for Lebanon except as provided through the regular notification procedures of the Committees on Appropriations.】

【SEC. 536. Of the funds made available by this Act for Jamaica and Peru, not more than 50 per centum of the funds made available for each country shall be obligated unless the President determines and reports to the Congress that the Governments of these countries are sufficiently responsive to the United States Government concerns on drug control and that the added expenditures of the funds for that country are in the national interest of the United States: *Provided*, That this provision shall not be applicable to funds made available to carry out section 481 of the Foreign Assistance Act of 1961: *Provided further*, That assistance may be provided to Bolivia for fiscal year 1987, under chapter 2 (relating to grant military assistance), chapter 4 (relating to the economic support fund), and chapter 5 (relating to international military education and training) of part II of the Foreign Assistance Act of 1961, and under chapter 2 of the Arms Export Control Act (relating to foreign military sales financing), only in accordance with the provisions of section 611 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) as amended by section 2011 of H.R. 5484 as passed by the Senate on September 30, 1986.】

【SEC. 537. None of the funds available in this Act may be used to make available to El Salvador any helicopters or other aircraft, and licenses may not be issued under section 38 of the Arms Export Control Act for the export to El Salvador of any such aircraft, unless the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate are notified at least fifteen days in advance in accordance with the procedures applicable to notifications.】

【SEC. 538. Funds provided in this Act for Guatemala may not be provided to the Government of Guatemala for use in its rural resettlement program, except through the regular notification procedures of the Committees on Appropriations.】

【SEC. 539. (a) The Secretary of the Treasury shall instruct the United States Executive Directors of the Multilateral Development Banks to—】

【(1) vigorously promote a commitment of these institutions to—】

【(A) add professionally trained staff with experience in ecology and related areas to undertake environmental review of projects, and strengthen existing staff exercising environmental responsibilities;】

【(B) develop and implement management plans to ensure systematic and thorough environmental review of all projects and activities affecting the ecology and natural resources of borrowing countries, including—】

【(i) creation of a line unit to carry out such reviews as part of the normal project cycle.】

【(ii) appointment of an environmental advisor to the Presidents of the Multilateral Development Banks,】

【(iii) institution of a regular program of monitoring all ongoing projects to ensure that contract conditions and general bank policies to protect the environment and indigenous peoples are fully complied with;】

【(C) create career and other institutional incentives for all professionally trained bank staff to incorporate environmental and natural resources concerns into project planning and country programming activities;】

【(2) vigorously promote changes in these institutions in their preparation of projects and country programs that will prompt staff and encourage borrower countries to—】

【(A) actively and regularly involve environmental and health ministers, or comparable representatives, at the national, regional and local level, in the preparation of environmentally sensitive projects and in bank-supported country program planning and strategy sessions;】

【(B) actively and regularly seek the participation of non-governmental indigenous peoples and conservation organiza-

tions in the host countries at all stages of project planning and strategy sessions;]

[(C) fully inform local communities and appropriate non-governmental organizations with interests in local development projects of all project planning sufficiently in advance of project appraisal to allow informed participation of local communities and non-governmental organizations that may be adversely affected by them;]

[(3) establish a regular integrated multidisciplinary planning process to conduct land use capability analyses in reviewing potential loans. Such plans shall include, but not be limited to, a review of ongoing or other potential resource utilization efforts in and adjacent to the project area;]

[(4) vigorously promote a commitment of these institutions to develop and implement plans for the rehabilitation and management of the ecological resources of borrower nations on a sustained basis. Special attention shall be paid to soil conservation, wildlife, wetlands, estuaries, croplands, grasslands, forests, and fisheries, including—]

[(A) long-term programs of research designed to manage ecosystems properly;]

[(B) provision of adequate extension workers, park rangers, social forestry experts, and other appropriate personnel; and]

[(C) improved programs of training in environmental science and land-use planning;]

[(5) vigorously promote a commitment of these institutions to increase the proportion of their programs supporting environmentally beneficial projects and project components, such as technical assistance for environmental ministries and institutions, resource rehabilitation projects and project components, protection of indigenous peoples, and appropriate light capital technology projects. Other examples of such projects include small scale mixed farming and multiple cropping, agroforestry, programs to promote kitchen gardens, watershed management and rehabilitation, high yield wood lots, integrated pest management systems, dune stabilization programs, programs to improve energy efficiency, energy efficient technologies such as small scale hydro projects, rural solar energy systems, and rural and mobile telecommunications systems, and improved efficiency and management of irrigation systems. ]

[(6) place an increased emphasis on upgrading the efficient use of energy and other resources by borrower nations. Such efforts shall include, but not be limited to—]

[(A) significantly increasing the proportion of energy project lending for energy efficiency improvements, and decentralized small scale facilities such as solar, wind, or biomass generating facilities; and]

[(B) conducting an analysis of the comparative costs of any new energy generating facilities with the cost of increasing the energy efficiency in the project service area;]

[(7) seek a commitment of these institutions to fund projects to protect and preserve crucial wetland systems and to avoid expenditures for projects designed to convert major wetland systems. Development proposals which may affect these areas should be the subject of detailed impact assessments so as to avoid detrimental impacts to fisheries, wildlife and other important resources. ]

[(8) vigorously promote the establishment within the Economic Development Institute of the World Bank of a component which provides training in environmental and natural resources planning and program development;]

[(9) regularly raise, at meetings of the Boards of Directors of these institutions, the issue of their progress in improving their environmental performance, with specific focus on the measures set forth above; and]

[(10) require at least a four week project review period between the time when staff recommendations are presented to the board and board action on any projects. ]

[(b) The Secretaries of Treasury and State, and the Administrator of the Agency for International Development, shall ensure and coordinate a thorough evaluation within the United States Government of the potential environmental problems, and the adequacy of measures to address these problems, associated with all proposed loans for projects involving large impoundments of rivers in tropical countries; penetration roads into relatively undeveloped areas; and agricultural and rural development programs. The potential environmental problems to be addressed in such evaluations shall include those relating

to deterioration of water quality; siltation; spread of waterborne diseases; forced resettlement; deforestation; threats to the land, health and culture of indigenous peoples; wetlands disruption; topsoil management, water logging and salinization in irrigation projects; and pesticide misuse and resistance. ]

[(c) The Secretary of the Treasury and the Secretary of State shall regularly undertake and continue diplomatic and other initiatives, in addition to those mentioned in subsection (a)(5), to discuss measures to improve the environmental performance of the Multilateral Development Banks with the representatives to these institutions and with ministries from which they receive their instructions, of borrower and donor nations. In particular, joint efforts shall be undertaken with borrowers and donors to ensure cooperative implementation of the reforms described above. ]

[(d) The Secretary of the Treasury and the Secretary of State shall propose formally that the Boards of Governors of each Multilateral Development Bank hold a special meeting within the next twelve months, focused specifically on environmental performance and better implementation of multilateral development policies designed to protect the environment and indigenous peoples. ]

[(e) The Secretary of the Treasury shall prepare and submit to the Committees on Appropriations by January 15, 1987, and annually thereafter, a report documenting the progress the Multilateral Development Banks have made in implementing the environmental reform measures described in paragraphs one through eight of subsection (a). ]

[(f) In the report of the Secretary of the Treasury required by subsection (e), regarding the implementation of staffing measures suggested in subsection (a)(1)(A), the Secretary of the Treasury shall specifically discuss the progress of the International Bank for Reconstruction and Development in upgrading and adding environmentally trained professionals to each of its six regional offices to review projects for their prospective ecological impacts. ]

[(g) The Administrator of the Agency for International Development in conjunction with the Secretaries of Treasury and State shall—]

[(1) instruct overseas missions of the Agency for International Development and embassies of the United States to analyze the impacts of Multilateral Development Bank projects proposed to be undertaken in the host country well in advance of a project's approval by the relevant institution. Such reviews shall address the economic viability of the project; adverse impacts on the environment, natural resources, and indigenous peoples; and recommendations as to measures, including alternatives, that could eliminate or mitigate adverse impacts. If not classified under the national security system of classification, such information shall be made available to the public;]

[(2) in preparation of reviews required by subsection (g)(1), compile a list of categories of projects likely to have adverse impacts on the environment, natural resources, or indigenous peoples. The list shall be developed in consultation with interested members of the public and made available to the Committee on Appropriations by December 31, 1986 and semiannually thereafter; and]

[(3) study the feasibility of creating a cooperative "early warning system" for projects of concern with other interested donors. ]

[(h) If a review required by subsection (g)(1) identifies adverse impacts to the environment, natural resources, or indigenous peoples, the Secretary of the Treasury shall instruct the United States Executive Director of the Multilateral Development Bank to seek changes to the project necessary to eliminate or mitigate those impacts. ]

[(i) The Administrator of the Agency for International Development shall appoint a Committee on Health and the Environment to examine opportunities for assisting countries in the proper use of agricultural and industrial chemicals and processes and alternatives such as integrated pest management. The committee shall be broadly representative of industry, agriculture, labor, health and environmental interests and shall report its preliminary findings to Congress before hearings on the fiscal year 1988 budget. ]

SEC. [540] 527. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo steriliza-

tions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations. The Congress reaffirms its commitments to Population, Development Assistance and to the need for informed voluntary family planning.

【Sec. 541. Not less than \$30,000,000 of the aggregate amount of funds appropriated by this Act to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961 and chapter 4 of part II of that Act, shall be available for the provision of food, medicine, or other humanitarian assistance to the Afghan people, notwithstanding any other provision of law.】

【Sec. 542. None of the funds provided in this Act shall be available for the Sudan if the President determines that the Sudan is acting in a manner that would endanger the stability of the region, or the Camp David peace process.】

【Sec. 543. The President shall make available to the Cambodian non-Communist resistance forces not less than \$1,500,000 nor more than \$5,000,000 of the funds appropriated by this Act for “Military assistance” and for the “Economic support fund”, notwithstanding any other provision of law: *Provided*, That funds appropriated by this Act for this purpose shall be obligated in accordance with the provisions of section 906 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83).】

Sec. 【544】 528. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

【Sec. 545. Of the amounts made available by this Act for military assistance and financing for El Salvador under chapters 2 and 5 of part II of the Foreign Assistance Act of 1961 and under the Arms Export Control Act, \$5,000,000 may not be expended until the President reports, following the conclusion of the Appeals process in the case of Captain Avila, to the Committees on Appropriations that the Government of El Salvador has (1) substantially concluded all investigative action with respect to those responsible for the January 1981 deaths of the two United States land reform consultants Michael Hammer and Mark Pearlman and the Salvadoran Land Reform Institute Director Jose Rodolfo Viera, and (2) pursued all legal avenues to bring to trial and obtain a verdict of those who ordered and carried out the January 1981 murders.】

【Sec. 546. It is the sense of the Congress that all countries receiving United States foreign assistance under the “Economic support fund”, “Foreign Military Credit Sales”, “Military Assistance” program, “International military education and training”, Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), development assistance programs, or trade promotion programs should fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations. Further, where resettlement to other countries is the appropriate solution, such resettlement should be expedited in cooperation with the country of asylum without respect to race, sex, religion, or national origin.】

【Sec. 547. (a) The Congress finds that—】

【(1) the United Nations Children’s Fund (UNICEF) reports that four million children die annually because they have not been immunized against the six major childhood diseases: polio, measles, whooping cough, diphtheria, tetanus, and tuberculosis;】

【(2) at present less than 20 percent of children in the developing world are fully immunized against these diseases;】

【(3) each year more than five million additional children are permanently disabled and suffer diminished capacities to contribute to the economic, social and political development of their countries because they have not been immunized;】

【(4) ten million additional childhood deaths from immunizable and potentially immunizable diseases could be averted annually by the development of techniques in biotechnology for new and cost-effective vaccines;】

【(5) the World Health Assembly, the Executive Board of the

United Nations Children’s Fund, and the United Nations General Assembly are calling upon the nations of the world to commit the resources necessary to meet the challenge of universal access to childhood immunization by 1990;】

【(6) the United States, through the Centers for Disease Control and the Agency for International Development, joined in a global effort by providing political and technical leadership that made possible the eradication of smallpox during the 1970’s;】

【(7) the development of national immunization systems that can both be sustained and also serve as a model for a wide range of primary health care actions is a desired outcome of our foreign assistance policy;】

【(8) the United States Centers for Disease Control headquartered in Atlanta is uniquely qualified to provide technical assistance for a worldwide immunization and eradication effort and is universally respected;】

【(9) at the 1984 Bellagio Conference it was determined that the goal of universal childhood immunization by 1990 is indeed achievable;】

【(10) the Congress, through authorizations and appropriations for international health research and primary health care activities and the establishment of the Child Survival Fund, has played a vital role in providing for the well-being of the world’s children;】

【(11) the Congress has expressed its expectation that the Agency for International Development will set as a goal the immunization by 1990 of at least 80 percent of all the children in those countries in which the Agency has a program; and】

【(12) the United States private sector and public at large have responded generously to appeals for support for national immunization campaigns in developing countries.】

【(b)(1) The Congress calls upon the President to direct the Agency for International Development, working through the Centers for Disease Control and other appropriate Federal agencies, to work in a global effort to provide enhanced support toward achieving the goal of universal access to childhood immunization by 1990 by—】

【(A) assisting in the delivery, distribution, and use of vaccines, including—】

【(i) the building of locally sustainable systems and technical capacities in developing countries to reach, by the appropriate age, not less than 80 percent of their annually projected target population with the full schedule of required immunizations, and】

【(ii) the development of a sufficient network of indigenous professionals and institutions with responsibility for developing, monitoring, and assessing immunization programs and continually adapting strategies to reach the goal of preventing immunizable diseases; and】

【(B) performing, supporting, and encouraging research and development activities, both in the public and private sector, that will be targeted at developing new vaccines and at modifying and improving existing vaccines to make them more appropriate for use in developing countries.】

【(2) In support of this global effort, the President should appeal to the people of the United States and the United States private sector to support public and private efforts to provide the resources necessary to achieve universal access to childhood immunization by 1990.】

Sec. 【548】 529. None of the funds appropriated in this Act shall be made available for any costs associated with the Government of Ethiopia’s forced resettlement or villagization programs.

【Sec. 549. None of the funds appropriated in this Act shall be obligated or expended for Sudan or Liberia except as provided through the regular notification procedures of the Committees on Appropriations.】

Sec. 【550】 530. For the purpose of this Act, “program, project, and activity” shall be defined [at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic support fund; Military Assistance; and Foreign military credit sales, “program, project, and activity” shall also be considered to include country, regional, and central program level funding within each such account; for the functional development assistance accounts of the Agency for International Development “program, project, and activity” shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the Executive Branch in accordance with a report,

to be provided to the Committees on Appropriations within thirty days of enactment of a Foreign Assistance and Related Programs Appropriations Act or of enactment of a continuing resolution containing funding for these programs for the balance of the fiscal year 1987, as required by Section 653(a) of the Foreign Assistance Act of 1961, as amended, whichever is the more recent action.] *as the aggregate of funds made available for each title of this Act.*

**Sec. 551. 531.** Of the funds made available by this Act and appropriated for the "Child Survival Fund" and "Health, Development Assistance", up to an additional \$4,150,000 may be used to reimburse the U.S. Public Health Service or the Centers for Disease Control for the full cost of up to an additional thirty Public Health Service employees specifically for the purpose of carrying out [immunization activities of the Child Survival Fund.] *child survival activities.*

**[Sec. 552.** Earmarks, limitations, and ceilings on programs, projects, and activities for fiscal year 1987 shall be treated as follows: (1) earmarks, limitations, and ceilings shall be as designated in this Act; (2) earmarks, limitations, and ceilings, in other legislation which pertain to foreign assistance programs funded by this Act, shall be reduced proportionately by a percentage equal to the percentage decrease in funds available in each account for countries other than Israel, Egypt, and Pakistan from fiscal year 1986 post sequestration funding levels to fiscal year 1987 appropriation levels; and (3) nothing in this section shall preclude the application of sequestration action in fiscal year 1987, if it occurs, from applying to all earmarks, limitations, and ceilings in this Act and in applying to earmarks, limitations, and ceilings in corresponding authorizations legislation.]

**[Sec. 553.** If any funds appropriated by this Act for "Economic support fund", "Military assistance", "International military education and training", or "Foreign military credit sales" are not used for assistance for the country for which those funds were allocated because that country has not taken adequate steps to halt illicit drug production or trafficking (including any funds withheld pursuant to section 481(h) of the Foreign Assistance Act of 1961 or section 611 or 612 of the International Security and Development Cooperation Act of 1985), those funds shall be used for additional assistance for those countries which have met their illicit drug eradication targets or have otherwise taken significant steps to halt illicit drug production or trafficking, as follows:]

**[(1)** Except as provided in paragraph (2), those funds shall be transferred to the "International Narcotics Control" account in order to provide additional narcotics control assistance to those countries. Such transfers may be made without regard to the 20-percent increase limitation contained in section 610(a) of the Foreign Assistance Act of 1961. Such transfers shall be subject to the regular notification procedures of the Committees on Appropriations.]

**[(2)** Any of those funds—

**[(A)** which the President determines (and reports to the Congress) should not be used for additional narcotics control assistance for those countries because the additional assistance could not be used effectively in halting illicit drug production or trafficking,]

**[(B)** whose transfer pursuant to paragraph (1) is not approved by the Appropriation Committees, or]

**[(C)** which are appropriated for "Foreign military credit sales",]

**[shall be reprogrammed within the account for which they were appropriated (subject to regular reprogramming procedures of the Committees on Appropriations) in order to provide additional economic or military assistance (as the case may be) to those countries.]**

**[Sec. 554.** The Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to work with the representatives, and with the ministries from which they receive their instructions, of other donor nations to the Inter-American Development Bank, to develop a coordinated economic development program for the assistance activities of the Bank for Haiti. Such program should be developed in cooperation with the Department of State and the Agency for International Development to ensure that the bilateral economic assistance programs of the United States for Haiti are effectively coordinated with the activities of the Inter-American Development Bank.]

**[Sec. 555.** (a) Section 49 of the Bretton Woods Agreements Act (22 U.S.C. 286gg) is amended by adding at the end the following new subsection:]

**["(d)** For purposes of this section, the term 'multilateral development banks' means the International Bank for Reconstruction and Development, the Inter-American Development Bank, the African Development Bank, and the Asian Development Bank.".]

**[(b)** Section 49(a)(1) of the Bretton Woods Agreements Act (22 U.S.C. 286gg(a)(1)) is amended—

**[(1)** by inserting before "the Fund" the first place it appears the following: "each of the multilateral development banks (in this section referred to as the 'banks') and of";]

**[(2)** by inserting "each of the banks and of" before "the Fund" the second place it appears;]

**[(3)** by inserting "banks and of the" before "Fund" the third place it appears; and]

**[(4)** by striking "Fund" the fourth place it appears.]

**[(c)** Section 49(a)(3) of the Bretton Woods Agreements Act (22 U.S.C. 286gg(a)(3)) is amended—

**[(1)** by inserting "each of the banks and of" before "the Fund" the first place it appears; and]

**[(2)** by striking "Fund" the second place it appears and inserting "their".]

**[(d)** Section 49(a)(1) of the Bretton Woods Agreements Act (22 U.S.C. 286gg(b)(1)) is amended—

**[(1)** by inserting "each of the banks and of" before "the Fund" the first place it appears;]

**[(2)** by inserting "the banks and by" before "the Fund" the second place it appears; and]

**[(3)** by inserting "the banks and" before "the Fund" the third place it appears.]

**[(e)** Section 49(c) of the Bretton Woods Agreements Act (22 U.S.C. 286gg(c)) is amended by inserting "bank and" before "Fund" each place it appears.]

**[(f)** Sections 49(c) (1) and (2) of the Bretton Woods Agreements Act (22 U.S.C. 286gg(c)) is amended by inserting after the word "for" the first time it appears "loans or".]

**[Sec. 556.** Section 901(d) of the International Security and Development Cooperation Act of 1985 is hereby repealed.]

**[Sec. 557.** (a) It is the sense of Congress that pursuant to Section 701 of the International Institutions Act of 1977, the United States Government should oppose all loans to Chile from multilateral development institutions, except for those for basic human needs, until—

**[(1)** the Government of Chile has ended its practice and pattern of gross abuse of internationally recognized human rights;]

**[(2)** significant steps have been taken by the Government of Chile to restore democracy, including—

**[(A)** the implementation of political reforms which are essential to the development of democracy, such as the legalization of political parties, the enactment of election laws, the establishment of freedom of speech and the press, and the fair and prompt administration of justice; and]

**[(B)** a precise and reasonable timetable has been established for the transition to democracy.]

**[(b)** None of the funds made available by this Act for the "Economic support fund" or for Title III shall be obligated or expended for Chile.]

**[Sec. 558.** None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided*, That this section shall not prohibit:]

**[(1)** activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or]

**[(2)** research activities intended primarily to benefit American producers.]

**[Sec. 559.** None of the funds provided in this Act to the Agency for International Development, other than funds made available to carry out Caribbean Basin Initiative programs under the Tariff Schedules of the United States, 19 U.S.C. 1202, Schedule 8, Part I, Subpart B, Item 807.00, shall be obligated or expended—

**[(1)** to procure directly feasibility studies or prefeasibility studies for, or project profiles of potential investment in, the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-

sensitive articles as defined by section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)); or】

【(2) to assist directly in the establishment of facilities specifically designed for the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined in section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)).】

【SEC. 560. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, or Syria unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.】

*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*

Sec. 【146】 532. Such amounts as may be necessary of the Polish

currencies held by the United States which have been generated by the sale to Poland of surplus United States dairy products shall be available for 【construction and renovation projects to be undertaken in Poland under the auspices of the Charitable Commission of the Polish Catholic Episcopate】 *restoration and construction of, and the provision of equipment and furnishings for, facilities, including schools, nursing homes and orphanages, for the benefit of handicapped and orphaned 【children】 persons, and for necessary administrative expenses.* Such currencies may be utilized without regard to the requirements of section 1306 of title 31, United States Code 【or any other provision of law】. (*Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 146.*)

【SEC. 149. Notwithstanding any other provision of law or this joint resolution, assistance to Bolivia shall be provided in accordance with the provisions of the Anti-Drug Abuse Act of 1986, as passed by the Senate on September 30, 1986.】 (*Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 149.*)

# DEPARTMENT OF AGRICULTURE

## OFFICE OF THE SECRETARY

### *Federal Funds*

#### General and special funds:

#### PRODUCTION, PROCESSING AND MARKETING OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, including not to exceed \$75,000 for employment under 5 U.S.C. 3109, **[\$1,623,000] \$5,903,000**: *Provided*, That not to exceed \$8,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION】

【For necessary expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, \$455,000.】

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AND PUBLIC AFFAIRS】

【For necessary expenses of the Office of the Assistant Secretary for Governmental and Public Affairs to carry out the programs funded in this Act, \$318,000.】

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR ECONOMICS】

【For necessary expenses of the Office of the Assistant Secretary for Economics to carry out the programs funded in this Act, \$448,000.】

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR SCIENCE AND EDUCATION】

【For necessary salaries and expenses of the Office of the Assistant Secretary for Science and Education to administer the laws enacted by the Congress for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and National Agricultural Library, \$350,000.】

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND INSPECTION SERVICES】

【For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Inspection Services to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Federal Grain Inspection Service, Agricultural Cooperative Service, Agricultural Marketing Service (including Office of Transportation) and Packers and Stockyards Administration, \$327,000.】

#### 【OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS】

【For necessary salaries and expenses of the Office of the Under Secretary for International Affairs and Commodity Programs to administer the laws enacted by Congress for the Agricultural Stabilization and Conservation Service, Office of International Cooperation and Development, Foreign Agricultural Service, and the Commodity Credit Corporation, \$473,000.】

#### 【OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT】

【For necessary salaries and expenses of the Office of the Under Secretary for Small Community and Rural Development to administer programs under the laws enacted by the Congress for the Farmers Home Administration, Rural Electrification Administration, Federal Crop Insurance Corporation, and rural development activities of the Department of Agriculture, \$394,000.】

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT】

【For necessary salaries and expenses of the Office of the Assistant Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Soil Conservation Service, \$363,000.】

#### 【OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES】

【For necessary salaries and expenses of the Office of the Assistant Secretary for Food and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service and the Human Nutrition Information Service, \$330,000.】 (*7 U.S.C. 2201-2202; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

#### Program and Financing (in thousands of dollars)

Identification code	12-0115-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Office of the Secretary and Deputy Secretary.....	1,654	1,683	1,889
00.02	Administration.....	455	470	528
00.03	Governmental and public affairs.....	316	331	371
00.04	Economics.....	443	461	512
00.05	Science and education.....	342	363	406
00.06	Marketing and inspection services.....	319	340	380
00.07	International affairs and community programs.....	456	489	549
00.08	Small community and rural development.....	404	410	466
00.09	Natural resources and environment.....	358	376	419
00.10	Food and consumer services.....	324	343	383
00.91	Total direct program.....	5,071	5,266	5,903
01.01	Reimbursable program.....	1,112	1,009	936
10.00	Total obligations.....	6,183	6,275	6,839
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,112	-1,009	-936
25.00	Unobligated balance lapsing.....	303	.....	.....
39.00	<b>Budget authority.....</b>	<b>5,374</b>	<b>5,266</b>	<b>5,903</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	5,452	5,081	5,903
41.00	Transferred to other accounts.....	-373	.....	.....
42.00	Transferred from other accounts.....	295	.....	.....
43.00	<b>Appropriation (adjusted).....</b>	<b>5,374</b>	<b>5,081</b>	<b>5,903</b>
<b>Transfers in for:</b>				
46.20	Civilian pay raises.....	.....	96	.....
46.40	Retirement contributions (P.L. 99-335).....	.....	89	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	5,071	5,266	5,903
72.10	Receivables in excess of obligations, start of year.....	-418	-906	-902
74.10	Receivables in excess of obligations, end of year.....	906	902	897
77.00	Adjustments in expired accounts.....	133	.....	.....
89.00	<b>Outlays.....</b>	<b>5,692</b>	<b>5,262</b>	<b>5,898</b>
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals.....	5,692	5,081	5,894
91.20	Outlays from civilian pay raise supplemental.....	.....	94	2
91.40	Outlays from retirement contribution supplemental.....	.....	87	2

The Office of the Secretary covers the overall planning, coordination, and administration of the Department's programs. This includes the Secretary, Deputy Secretary, Under Secretaries, Assistant Secretaries, and their immediate staffs, who provide top policy guidance for the Department; maintain relationships with agricultural organizations and others in the development of farm programs; and provide liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

General and special funds—Continued

OFFICE OF THE SECRETARY—Continued

OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES—Continued

Object Classification (in thousands of dollars)

Identification code	12-0115-0-1-352	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	3,356	3,696	4,132
11.5	Other personnel compensation .....	47	22	24
11.9	Total personnel compensation .....	3,403	3,718	4,156
12.1	Personnel benefits: Civilian .....	392	503	770
21.0	Travel and transportation of persons .....	141	121	135
22.0	Transportation of things .....	1	1	2
23.3	Communications, utilities, and miscellaneous charges .....	529	408	343
24.0	Printing and reproduction .....	170	144	140
25.0	Other services .....	334	276	267
26.0	Supplies and materials .....	87	79	75
31.0	Equipment .....	14	16	15
99.0	Subtotal, direct obligations .....	5,071	5,266	5,903
99.0	Reimbursable obligations .....	1,112	1,009	936
99.9	Total obligations .....	6,183	6,275	6,839

Personnel Summary

Total number of full-time permanent positions .....	89	94	93
Total compensable workyears:			
Full-time equivalent employment .....	89	94	93
Full-time equivalent of overtime and holiday hours .....	1	4	4

Trust Funds

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code	12-8203-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	-6	135	124
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-84	-109	-74
24.40	Unobligated balance available, end of year .....	109	74	51
60.00	<b>Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>18</b>	<b>101</b>	<b>101</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-6	135	124
72.40	Obligated balance, start of year .....	88	86	120
74.40	Obligated balance, end of year .....	-86	-120	-143
90.00	Outlays .....	-5	101	101

The Secretary is authorized to accept and administer gifts and bequests of real and personal property to facilitate the work of the Department. Property and the proceeds thereof are used in accordance with the terms of the gift or bequest (7 U.S.C. 2269).

DEPARTMENTAL ADMINISTRATION

Federal Funds

General and special funds:

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Budget and Program Analysis, **[\$3,611,000] \$4,284,000**; for Personnel, Finance and Management, Operations, Information Resources Management, Advocacy and Enterprise, **[and] Administrative Law Judges and Judicial Officer, [\$17,616,000] \$20,845,000**, and in addition, for payment of the USDA share of the National Communications System, **\$110,000**; for identification and assessment of, and

response action to Department of Agriculture hazardous substance sites, except expenses of the Commodity Credit Corporation, **\$15,000,000**; making a total of **[\$21,227,000] \$40,239,000** for Departmental Administration to provide for necessary expenses for management support services to offices of the Department of Agriculture and for general administration and emergency preparedness of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: *Provided*, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558: *Provided further*, That funds made available under this head for hazardous waste management may be transferred to any bureau of the Department for such purposes as required under 42 U.S.C. 9607g and 42 U.S.C. 6969. (7 U.S.C. 2201, 2202, 2231, 2235; 42 U.S.C. 2000d; 42 U.S.C. 6901 et seq., 42 U.S.C. 9601, et seq.; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-0120-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Budget and program analysis .....	3,561	3,763	4,284
00.02	Personnel .....	2,621	5,002	5,708
00.03	Finance and management .....	2,534	3,570	3,768
00.04	Operations .....	2,406	2,426	2,701
00.05	Information resources management .....	3,883	3,738	4,547
00.06	Advocacy and enterprise .....	2,387	2,842	3,179
00.07	Administrative law judges and judicial officer .....	802	885	942
00.08	National communications system .....			110
00.09	Hazardous waste management .....			15,000
00.91	Total direct program .....	18,194	22,226	40,239
01.01	Reimbursable program .....	10,015	3,829	3,671
10.00	Total obligations .....	28,209	26,055	43,910
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-10,015	-3,829	-3,671
25.00	Unobligated balance lapsing .....	156		
39.00	<b>Budget authority .....</b>	<b>18,350</b>	<b>22,226</b>	<b>40,239</b>
Budget authority:				
40.00	Appropriation .....	18,191	21,227	40,239
42.00	Transferred from other accounts .....	159		
43.00	<b>Appropriation (adjusted) .....</b>	<b>18,350</b>	<b>21,227</b>	<b>40,239</b>
Transfers in for:				
46.20	Civilian pay raises .....		541	
46.40	Retirement contributions (P.L. 99-335) .....		458	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	18,194	22,226	40,239
72.40	Obligated balance, start of year .....	10,741	7,900	7,900
74.40	Obligated balance, end of year .....	-7,900	-7,900	-7,900
77.00	Adjustments in expired accounts .....	3,505		
89.00	Outlays .....	24,540	22,226	40,239
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals .....	24,540	21,227	40,239
91.20	Outlays from civilian pay raise supplemental .....		541	
91.40	Outlays from retirement contribution supplemental .....		458	

**Budget and program analysis.**—This activity provides direction and administration of the Department's budgetary functions including development, presentation, execution, control, reporting and adjusting fund and manpower resources; evaluates program and legislative proposals for program, budget and related resource implications; develops and maintains a mission-oriented program structure which defines Department missions, goals and objectives for the purpose of establishing

long- and short-range program planning and to aid the Secretary and other departmental and agency officials in making management decisions regarding the Department's programs and resources. The office analyzes program and resource issues and alternatives, and prepares summaries of pertinent data to aid departmental policy officials and agency program managers in the decisionmaking process.

**Personnel.**—This activity provides general liaison, direction, leadership coordination and monitoring of the personnel management program in the Department. Department policies and procedures relating to all personnel functions are promulgated, and operational services are provided to the Office of the Secretary, Office of the General Counsel, Office of Governmental and Public Affairs, Office of Budget and Program Analysis, and those agencies under Departmental administration reporting to the Assistant Secretary for Administration.

**Finance and management.**—This activity provides Departmental leadership, development and evaluation of programs in finance, accounting, Federal assistance, occupational safety and health, productivity and management improvements. The Director serves as the Department's finance officer, management improvement officer and comptroller of the Working Capital Fund. Finance and Management also provides budget, accounting and fiscal services for the Departmental staff offices, Office of the General Counsel, Office of Governmental and Public Affairs, and the Office of the Secretary.

**Operations.**—This activity provides staff and support services in the management of real and personal property, procurement, contracts, supplies, motor vehicles and internal energy conservation to the USDA agencies, including those in the Washington, D.C., complex.

**Information resources management.**—This activity designs, implements and revises systems, processes, work methods and techniques to improve the management of information resources and the operational effectiveness of USDA. The Director serves as the Department's clearance officer for statistical reporting and information collection. This activity also provides telecommunications and ADP services to USDA agencies and staff offices, including the Washington Computer Center, Fort Collins Computer Center, and Kansas City Computer Center.

**Advocacy and enterprise.**—This activity provides leadership, direction and coordination for the Department's programs for civil rights, which include program delivery, compliance and equal employment opportunity, and for efforts to further participation of minority colleges and universities in Departmental programs. It provides oversight of all procurement activities to assure maximum participation of small and disadvantaged business in the process and directs and monitors agency compliance in promoting full and open competition in procurement.

**Administrative law judges and judicial officer.**—The administrative law judges hold hearings on new regulations and orders and on disciplinary complaints filed by the Department or on some petitions filed by private parties. Final administrative decisions in regulatory proceedings are rendered by the Judicial Officer.

**National communications system.**—This item provides funding for USDA's proportional share of the communications system being developed as part of the National Security and Emergency Preparedness Program. Participation in the NCS is required under National Security Directive 201 of December 1985.

**Hazardous waste management.**—Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act the Department has the responsibility to meet the same standards regarding the storage and disposition of hazardous wastes as private businesses. Since the focus of attention on this matter has revealed that the Department may have substantial commitments to meet, a central fund has been established so that resources may be allocated to agencies according to priority based on objective criteria.

## Object Classification (in thousands of dollars)

Identification code 12-0120-0-1-352	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	13,386	15,480	16,644
11.3 Other than full-time permanent .....	150	255	261
11.5 Other personnel compensation .....	429	292	290
11.9 Total personnel compensation .....	13,965	16,027	17,195
12.1 Personnel benefits: Civilian .....	1,484	2,237	3,469
13.0 Benefits for former personnel .....	29	49	52
21.0 Travel and transportation of persons .....	201	203	241
22.0 Transportation of things .....	4	10	10
23.2 Rental payments to others .....	9	11	12
23.3 Communications, utilities, and miscellaneous charges .....	655	1,061	1,112
24.0 Printing and reproduction .....	258	416	401
25.0 Other services .....	1,101	1,678	17,218
26.0 Supplies and materials .....	268	314	335
31.0 Equipment .....	220	153	124
41.0 Grants, subsidies, and contributions .....		67	70
99.0 Subtotal, direct obligations .....	18,194	22,226	40,239
99.0 Reimbursable obligations .....	10,015	3,829	3,671
99.9 Total obligations .....	28,209	26,055	43,910

## Personnel Summary

Total number of full-time permanent positions .....	513	503	506
Total compensable workyears:			
Full-time equivalent employment .....	504	516	516
Full-time equivalent of overtime and holiday hours .....	2	6	6

## RENTAL PAYMENTS (USDA)

## (INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Department of Agriculture which are included in this Act, **[\$48,728,000] \$56,407,000**. *Provided*, That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for space rental and related costs to or from this account.

## BUILDING OPERATIONS AND MAINTENANCE

For the operation, maintenance, and repair of the Washington, D.C. Agriculture building complex pursuant to the delegation of authority from the Administrator of General Services authorized by 40 U.S.C. 486, **[\$18,039,000] \$18,424,000**; and in addition, for one-time purchase of systems furniture, \$3,245,000. (*7 U.S.C. 2201, 2202, 2203; Agricul-*

General and special funds—Continued

BUILDING OPERATIONS AND MAINTENANCE—Continued

ture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a.)

Program and Financing (in thousands of dollars)

Identification code 12-0117-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Rental payments to GSA.....	48,728	48,728	56,407
00.02 Building operations and maintenance.....	16,919	18,239	21,669
00.91 Total direct program.....	65,647	66,967	78,076
01.01 Reimbursable program.....	1,089	1,029	1,029
10.00 Total obligations.....	66,736	67,996	79,105
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-1,089	-1,029	-1,029
22.40 Unobligated balance transferred, net.....		-200	
25.00 Unobligated balance lapsing.....	13		
39.00 Budget authority.....	65,660	66,767	78,076
Budget authority:			
40.00 Appropriation.....	67,780	66,767	78,076
41.00 Transferred to other accounts.....	-2,120		
43.00 Appropriation (adjusted).....	65,660	66,767	78,076
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	65,647	66,967	78,076
72.10 Receivables in excess of obligations, start of year.....	-469	1,751	1,949
74.10 Receivables in excess of obligations, end of year.....	-1,751	-1,949	-1,949
77.00 Adjustments in expired accounts.....	17		
90.00 Outlays.....	63,444	66,769	78,076
Distribution of budget authority by account:			
Building operations and maintenance.....	16,932	18,039	21,669
Rental payments and building operations.....	48,728	48,728	56,407
Distribution of outlays by account:			
Building operations and maintenance.....	14,716	18,041	21,669
Rental payments and building operations.....	48,728	48,728	56,407

This annual account finances the General Services Administration's fees for rental of space and related services. The appropriation covers all fees for all regular appropriated accounts within the Department of Agriculture with the exception of the Forest Service.

This account also finances the operation and maintenance of seven buildings in the Headquarters area. In fiscal year 1985, GSA delegated responsibility for operating and maintaining five office buildings to USDA. The delegation was expanded to include two warehouses in fiscal year 1987.

Object Classification (in thousands of dollars)

Identification code 12-0117-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	1,248	1,856	2,120
11.5 Other personnel compensation.....	107	125	125
11.9 Total personnel compensation.....	1,355	1,981	2,245
12.1 Personnel benefits: Civilian.....	157	370	401
13.0 Benefits for former personnel.....	3	3	3
21.0 Travel and transportation of persons.....	5	4	4
22.0 Transportation of things.....	5		
23.1 Rental payments to GSA.....	48,724	48,728	56,407
23.3 Communications, utilities, and miscellaneous charges.....	3,969	5,083	5,412
24.0 Printing and reproduction.....	9	41	43
25.0 Other services.....	10,950	10,465	10,006
26.0 Supplies and materials.....	147	75	80
31.0 Equipment.....	135	10	3,255
32.0 Land and structures.....	187	207	220

43.0 Interest and dividends.....	1		
99.0 Total, direct obligations.....	65,647	66,967	78,076
99.0 Reimbursable obligations.....	1,089	1,029	1,029
99.9 Total obligations.....	66,736	67,996	79,105

Personnel Summary

Total number of full-time permanent positions.....	41	57	57
Total compensable workyears:			
Full-time equivalent employment.....	41	58	58
Full-time equivalent of overtime and holiday hours.....	2	2	2

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of Advisory Committees of the Department of Agriculture which are included in this Act, \$1,308,000: *Provided*, That no other funds in this Act shall be available to the Department of Agriculture for support of activities of Advisory Committees. (7 U.S.C. 2233; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-0118-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	1,039	1,308	1,308
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	219		
40.00 Budget authority (appropriation).....	1,258	1,308	1,308
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,039	1,308	1,308
72.40 Obligated balance, start of year.....	404	937	404
74.40 Obligated balance, end of year.....	-404	-404	-404
77.00 Adjustments in expired accounts.....			-533
90.00 Outlays.....	763	1,308	1,308

The Federal Advisory Committee Act (Public Law 92-463) was passed in 1972 to recognize a means by which committees and similar groups provide expert advice to officers of the Federal Government. This account provides for direction and financial support of all authorized Department of Agriculture advisory committee activities other than those included in the Forest Service or financed by other than appropriated funds.

Object Classification (in thousands of dollars)

Identification code 12-0118-0-1-352	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	470	464	382
12.1 Personnel benefits: Civilian.....	47	48	42
21.0 Travel and transportation of persons.....	316	498	544
22.0 Transportation of things.....	4	3	4
23.3 Communications, utilities, and miscellaneous charges.....	5	11	13
24.0 Printing and reproduction.....	10	27	35
25.0 Other services.....	178	242	270
26.0 Supplies and materials.....	7	10	11
31.0 Equipment.....	2	5	7
99.9 Total obligations.....	1,039	1,308	1,308

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	14	14	14
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**Intragovernmental funds:**

**WORKING CAPITAL FUND**

An amount of **[\$5,708,000]** *\$6,000,000* is hereby appropriated to the Departmental Working Capital Fund to increase the Government's equity in this fund and to provide for the purchase of automated data processing, data communication, and other related equipment necessary for the provision of Departmental centralized services to the agencies. (7 U.S.C. 2235; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	12-4609-0-4-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Supply and other central services.....	6,029	8,974	9,156
00.02	Reproduction services.....	2,827	3,540	3,691
00.03	Video and film, photographic, and other visual information services.....	2,743	2,866	3,005
00.04	National Finance Center.....	45,695	51,661	52,709
00.05	ADP systems.....	38,729	49,700	50,872
00.91	Total operating expenses.....	96,023	116,741	119,433
Purchase of equipment:				
01.01	Supply and other central services.....	74	239	284
01.02	Reproduction services.....	46	34	111
01.03	Video and film, photographic and other visual information services.....	127	134	128
01.04	National Finance Center.....	3,281	7,057	12,026
01.05	ADP systems.....	9,355	7,239	4,702
01.91	Total purchase of equipment.....	12,883	14,703	17,251
10.00	Total obligations.....	108,906	131,444	136,684
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-97,768	-124,957	-129,869
14.00	Non-Federal sources.....	-630	-779	-815
17.00	Recovery of prior year obligations.....	-1,672		
21.98	Unobligated balance available, start of year: Fund balance.....	-8,086	-5,214	-5,214
24.98	Unobligated balance available, end of year: Fund balance.....	5,214	5,214	5,214
40.00	Budget authority (appropriation).....	5,964	5,708	6,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,508	5,708	6,000
72.98	Obligated balance, start of year: Fund balance.....	2,246	6,558	6,558
74.98	Obligated balance, end of year: Fund balance.....	-6,558	-6,558	-6,558
77.00	Adjustments in expired accounts.....	-36		
78.00	Adjustments in unexpired accounts.....	-1,672		
90.00	Outlays.....	4,487	5,708	6,000

This fund finances by advances or reimbursements certain central services in the Department of Agriculture, including duplicating and other visual information services, art and graphics, video and film services, supply, centralized accounting systems, centralized automated data processing systems for payroll, personnel, and related services, voucher payments services, and ADP systems. The capital consists of \$400 thousand appropriated (7 U.S.C. 2235), and accumulated earnings of \$1,143 thousand as of September 30, 1986. Earnings are kept at a low level through adjustments in rates charged for services to maintain as nearly as possible the nonprofit nature of the fund. The 1988 budget includes an appropriation request of \$6 million for capital equipment acquisition.

**Object Classification (in thousands of dollars)**

Identification code	12-4609-0-4-352	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	31,258	34,775	34,910
11.3	Other than full-time permanent.....	1,629	1,763	1,822
11.5	Other personnel compensation.....	2,342	2,524	2,608
11.9	Total personnel compensation.....	35,229	39,062	39,340
12.1	Personnel benefits: Civilian.....	4,551	5,153	5,829
13.0	Benefits for former personnel.....	105	87	88
21.0	Travel and transportation of persons.....	518	887	865
22.0	Transportation of things.....	172	249	215
23.1	Rental payments to GSA.....	2,733	3,437	3,612
23.2	Rental payments to others.....	20,326	25,302	23,491
23.3	Communications, utilities, and miscellaneous charges.....	4,787	5,010	5,122
24.0	Printing and reproduction.....	1,065	1,156	1,118
25.0	Other services.....	17,516	22,940	23,266
26.0	Supplies and materials.....	4,494	5,779	5,461
31.0	Equipment.....	13,218	15,022	17,557
43.0	Interest and dividends.....	8		
92.0	Depreciation.....	4,184	7,360	10,720
99.9	Total obligations.....	108,906	131,444	136,684

**Personnel Summary**

Total number of full-time permanent positions.....	1,326	1,289	1,289
Total compensable workyears:			
Full-time equivalent employment.....	1,439	1,404	1,404
Full-time equivalent of overtime and holiday hours.....	58	91	91

**OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS**

*Federal Funds*

**General and special funds:**

**OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS**

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, and for the dissemination of agricultural information and the coordination of information, work and programs authorized by Congress in the Department, **[\$7,293,000]** *\$7,799,000*, of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins [and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301]: *Provided*, That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

For necessary expenses for liaison with the Congress on legislative matters, **[\$465,000]** *\$516,000*.

For necessary expenses for programs involving intergovernmental affairs and liaison within the executive branch, **[\$440,000]** *\$481,000*. (7 U.S.C. 2201, 2202, 2231, 2235; 42 U.S.C. 2000d; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	12-0130-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Public affairs.....	6,058	7,505	7,799
00.02	Congressional relations.....	462	485	516
00.03	Intergovernmental affairs.....	434	458	481
00.91	Total direct program.....	6,954	8,448	8,796
01.01	Reimbursable program.....	1,556	165	56
10.00	Total obligations.....	8,510	8,613	8,852
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,556	-165	-56

General and special funds—Continued

OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-0130-0-1-352	1986 actual	1987 est.	1988 est.
25.00	Unobligated balance lapsing .....	389		
39.00	<b>Budget authority</b> .....	<b>7,343</b>	<b>8,448</b>	<b>8,796</b>
Budget authority:				
40.00	Appropriation .....	7,343	8,198	8,796
Transfers in for:				
46.20	Civilian pay raises .....		124	
46.40	Retirement contributions (P.L. 99-335) .....		126	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	6,954	8,448	8,796
72.40	Obligated balance, start of year .....	1,611	1,195	1,356
74.40	Obligated balance, end of year .....	-1,195	-1,356	-1,363
77.00	Adjustments in expired accounts .....	115		
89.00	<b>Outlays</b> .....	<b>7,485</b>	<b>8,287</b>	<b>8,789</b>
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals .....	7,485	8,042	8,784
91.20	Outlays from civilian pay raise supplemental .....		122	2
91.40	Outlays from retirement contribution supplemental .....		123	3

**Public affairs.**—This activity provides general direction, leadership, and coordination of the Department's information program. The major objective is to provide a balanced and useful information program that reports on USDA's research, action, and regulatory activities using all communications media in order to enable the general public and the agricultural industry to have a better understanding of agriculture's services to farmers and to society.

**Congressional relations.**—This activity includes responsibility for maintaining liaison with the Congress and the White House on legislative matters of concern to the Department and for the coordination of all Congressional matters except congressional appropriation.

**Intergovernmental affairs.**—This activity provides for overall direction and coordination in the development and implementation of policies and procedures applicable to the Department's intra- and intergovernmental relations.

Object Classification (in thousands of dollars)

Identification code	12-0130-0-1-352	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	4,463	5,010	5,360
11.3	Other than full-time permanent .....	81	76	80
11.5	Other personnel compensation .....	178	131	140
11.9	Total personnel compensation .....	4,722	5,217	5,580
12.1	Personnel benefits: Civilian .....	506	696	1,035
13.0	Benefits for former personnel .....	4	4	5
21.0	Travel and transportation of persons .....	66	141	95
22.0	Transportation of things .....	12	14	15
23.3	Communications, utilities, and miscellaneous charges .....	480	514	450
24.0	Printing and reproduction .....	446	826	750
25.0	Other services .....	514	826	721
26.0	Supplies and materials .....	105	109	75
31.0	Equipment .....	99	101	70
99.0	Subtotal, direct obligations .....	6,954	8,448	8,796
99.0	Reimbursable obligations .....	1,556	165	56
99.9	<b>Total obligations</b> .....	<b>8,510</b>	<b>8,613</b>	<b>8,852</b>

Personnel Summary

Total number of full-time permanent positions .....	141	143	146
Total compensable workyears:			
Full-time equivalent employment .....	137	139	139
Full-time equivalent of overtime and holiday hours .....	1	4	4

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

General and special funds:

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), [ \$44,461,000 ] \$50,418,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(8) of the Inspector General Act of 1978 (Public Law 95-452), and including a sum not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed \$75,000 for certain confidential operational expenses including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98. (7 U.S.C. 450b, 2201, 2202, 2220, 2270; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-0900-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	42,906	45,882	50,418
01.01	Reimbursable program .....	902		
10.00	<b>Total obligations</b> .....	<b>43,808</b>	<b>45,882</b>	<b>50,418</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-902		
22.40	Unobligated balance transferred, net .....		-799	
25.00	Unobligated balance lapsing .....	1,590		
39.00	<b>Budget authority</b> .....	<b>44,496</b>	<b>45,083</b>	<b>50,418</b>
Budget authority:				
40.00	Appropriation .....	28,572	44,461	50,418
42.00	Transferred from other accounts .....	15,924		
43.00	<b>Appropriation (adjusted)</b> .....	<b>44,496</b>	<b>44,461</b>	<b>50,418</b>
46.40	Transfer in for retirement contributions (P.L. 99-335) .....		622	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	42,906	45,882	50,418
72.40	Obligated balance, start of year .....	6,055	5,830	5,868
74.40	Obligated balance, end of year .....	-5,830	-5,868	-5,868
77.00	Adjustments in expired accounts .....	-78		
89.00	<b>Outlays</b> .....	<b>43,054</b>	<b>45,844</b>	<b>50,418</b>
Outlays:				
90.00	Outlays, excluding retirement contribution supplemental .....	43,054	45,222	50,418
91.40	Outlays from retirement contribution supplemental .....		622	

The Office keeps the Secretary and the Congress informed about fraud, other serious problems, abuses and deficiencies in Department programs and operations, recommends corrective action, and reports on the progress made in correcting the problems. It reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact these laws have on the Department's programs and the prevention and detection of fraud and abuse in such programs. The Office provides policy direction and conducts, supervises, and coordinates all audits and investigations. The office supervises

and coordinates other activities in the Department and between the Department and other Federal, State and local government agencies whose purposes are to (a) promote economy and efficiency, (b) prevent and detect fraud and abuse, and (c) identify and prosecute people involved in fraud or abuse.

**Object Classification (in thousands of dollars)**

Identification code	12-0900-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	26,678	28,036	28,540
11.3	Other than full-time permanent .....	110	170	250
11.5	Other personnel compensation .....	1,275	838	1,288
11.9	Total personnel compensation .....	28,063	29,044	30,078
12.1	Personnel benefits: Civilian .....	3,830	4,643	6,755
13.0	Benefits for former personnel .....	61	44	44
21.0	Travel and transportation of persons .....	4,203	5,000	5,400
22.0	Transportation of things .....	104	197	243
23.2	Rental payments to others .....	75	80	80
23.3	Communications, utilities, and miscellaneous charges .....	1,825	1,929	2,324
24.0	Printing and reproduction .....	59	108	158
25.0	Other services .....	3,378	3,432	3,716
26.0	Supplies and materials .....	505	535	650
31.0	Equipment .....	802	870	970
43.0	Interest and dividends .....	1		
99.0	Subtotal, direct obligations .....	42,906	45,882	50,418
99.0	Reimbursable obligations .....	902		
99.9	Total obligations .....	43,808	45,882	50,418

**Personnel Summary**

Total number of full-time permanent positions .....	860	830	860
Total compensable workyears:			
Full-time equivalent employment .....	820	850	880
Full-time equivalent of overtime and holiday hours .....	24	25	

**OFFICE OF THE GENERAL COUNSEL**

*Federal Funds*

**General and special funds:**

**OFFICE OF THE GENERAL COUNSEL**

For necessary expenses of the Office of the General Counsel, **[\$17,131,000] \$19,903,000.** (7 U.S.C. 2201, 2202, 2214a; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	12-2300-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	15,043	17,745	19,903
01.01	Reimbursable program .....	1,757	32	
10.00	Total obligations .....	16,800	17,777	19,903
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,757	-32	
25.00	Unobligated balance lapsing .....	52		
39.00	<b>Budget authority .....</b>	<b>15,095</b>	<b>17,745</b>	<b>19,903</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	14,309	17,131	19,903
42.00	Transferred from other accounts .....	786		
43.00	<b>Appropriation (adjusted) .....</b>	<b>15,095</b>	<b>17,131</b>	<b>19,903</b>
<b>Transfers in for:</b>				
46.20	Civilian pay raises .....		375	
46.40	Retirement contributions (P.L. 99-335) .....		239	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	15,043	17,745	19,903
72.40	Obligated balance, start of year .....	149	478	656

74.40	Obligated balance, end of year .....	-478	-656	-856
77.00	Adjustments in expired accounts .....	145		
89.00	<b>Outlays .....</b>	<b>14,859</b>	<b>17,567</b>	<b>19,703</b>
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals .....	14,859	16,953	19,703
91.20	Outlays from civilian pay raise supplemental .....		375	
91.40	Outlays from retirement contribution supplemental .....		239	

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel and services to the Secretary and all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; nonlitigation debt collection proceedings; state water rights adjudications; proceedings before the Environmental Protection Agency, Interstate Commerce Commission, Federal Maritime Administration and International Trade Commission; and, in conjunction with the Department of Justice, in judicial proceedings and litigation. All attorneys and related support personnel of the Department are under the supervision of the General Counsel.

**Object Classification (in thousands of dollars)**

Identification code	12-2300-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	11,670	13,596	14,690
11.3	Other than full-time permanent .....	246	252	275
11.5	Other personnel compensation .....	20	25	25
11.9	Total personnel compensation .....	11,936	13,873	14,990
12.1	Personnel benefits: Civilian .....	1,402	1,796	2,696
13.0	Benefits for former employees .....	3	5	5
21.0	Travel and transportation of persons .....	180	210	250
22.0	Transportation of things .....	4	5	30
23.3	Communications, utilities, and miscellaneous charges .....	737	900	940
24.0	Printing and reproduction .....	25	28	32
25.0	Other services .....	363	405	410
26.0	Supplies and materials .....	374	423	450
31.0	Equipment .....	18	100	100
43.0	Interest and dividends .....	1		
99.0	Subtotal, direct obligations .....	15,043	17,745	19,903
99.0	Reimbursable obligations .....	1,757	32	
99.9	Total obligations .....	16,800	17,777	19,903

**Personnel Summary**

Total number of full-time permanent positions .....	342	374	397
Total compensable workyears:			
Full-time equivalent employment .....	347	363	385
Full-time equivalent of overtime and holiday hours .....	1	3	3

**AGRICULTURAL RESEARCH SERVICE**

*Federal Funds*

**General and special funds:**

**AGRICULTURAL RESEARCH SERVICE**

**(INCLUDING TRANSFERS OF FUNDS)**

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, **[\$497,664,000] \$535,114,000.** Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

available for employment under 5 U.S.C. 3109: *Provided further*, That funds appropriated herein can be used to provide financial assistance to the organizers of national and international conferences, if such conferences are in support of agency programs: *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further*, That uniform allowances for each uniformed employee of the Agricultural Research Service shall not be in excess of \$400 annually: *Provided further*, That of the appropriations hereunder not less than \$10,526,600 shall be available to conduct marketing research: *Provided further*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed \$150,000, except for headhouses connecting greenhouses which shall each be limited to \$500,000, and except for ten buildings to be constructed or improved at a cost not to exceed \$275,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building or \$150,000 whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to a total of \$250,000 for facilities at Beltsville, Maryland: *Provided further*, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a) *Provided further*, That the limitation on purchase of land shall not apply to the purchase of land at Fresno, California, or to an option to purchase land at Florence, South Carolina, for a term of not to exceed one year: *Provided further*, That not to exceed \$190,000 of this appropriation may be transferred to and merged with the appropriation for the Office of the Assistant Secretary for Science and Education for the scientific review of international issues involving agricultural chemicals and food additives: *Provided further*, That this appropriation shall be available for transfer of all necessary equipment and germplasm to fully equip the National Small Grains Germplasm Facility in Aberdeen, Idaho.]

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at Federal research installations in the field, \$2,000,000. (7 U.S.C. 328, 427, 427i, 1281 note, 1621, 2201, 2204, 2225, 2250, 3101 note; 10 U.S.C. 2306; 16 U.S.C. 590(a)-590(b), 590(k); 18 U.S.C. 1114; 19 U.S.C. 1306(a), 1306(c); 20 U.S.C. 191-194; 21 U.S.C. 113a, 114c, 114e-131; 42 U.S.C. 1476(e), 1483; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-1400-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Research on soil and water conservation.....	59,229	60,067	62,002
00.02	Research on plant productivity.....	183,878	195,094	208,675
00.03	Research on animal productivity.....	87,221	90,993	96,265
00.04	Research on commodity conversion and delivery.....	88,653	102,287	105,601
00.05	Human nutrition research.....	37,511	40,611	41,060
00.06	Integration of agricultural systems.....	7,806	11,655	12,008
00.07	Repair and maintenance of facilities.....	9,256	10,552	10,552
00.08	Contingencies.....	951	951	951
00.09	Construction of facilities.....	10	1,179	.....
00.91	Total direct program.....	474,515	513,389	537,114
01.01	Reimbursable program.....	16,513	20,000	20,000
10.00	Total obligations.....	491,028	533,389	557,114
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-13,664	-16,573	-16,573
14.00	Non-Federal sources.....	-2,849	-3,427	-3,427
21.40	Unobligated balance available, start of year.....	-1,189	-1,179	.....
24.40	Unobligated balance available, end of year.....	1,179	.....	.....
25.00	Unobligated balance lapsing.....	3,867	.....	.....
39.00	Budget authority.....	478,372	512,210	537,114

Budget authority:				
40.00	Appropriation.....	478,531	499,664	537,114
41.00	Transferred to other accounts.....	-159	.....	.....
43.00	Appropriation (adjusted).....	478,372	499,664	537,114
Transfers in for:				
46.10	Wage-board pay raises.....	.....	512	.....
46.20	Civilian pay raises.....	.....	7,287	.....
46.40	Retirement contributions (P.L. 99-335).....	.....	4,747	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	474,515	513,389	537,114
72.40	Obligated balance, start of year.....	120,208	110,843	114,519
74.40	Obligated balance, end of year.....	-110,843	-114,519	-120,005
77.00	Adjustments in expired accounts.....	151	.....	.....
89.00	Outlays.....	484,032	509,713	531,628
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	484,032	498,526	530,269
91.10	Outlays from wage-board pay raise supplemental.....	.....	485	27
91.20	Outlays from civilian pay raise supplemental.....	.....	6,904	383
91.40	Outlays from retirement contribution supplemental.....	.....	3,798	949

Note.—Excludes \$430 thousand in 1988 for activities transferred to: Cooperative State Research Service for the office of Grants and Program Systems. Comparable amounts for 1986 (\$341 thousand) and 1987 (\$397 thousand) are included above.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	478,372	512,210	537,114
Outlays.....	484,032	509,713	531,628
Proposed for later transmittal under proposed legislation:			
Budget authority.....	.....	.....	-500
Outlays.....	.....	.....	-500
Total:			
Budget authority.....	478,372	512,210	536,614
Outlays.....	484,032	509,713	531,128

The Agricultural Research Service conducts research to provide the means for a safer, more economical, and more abundant supply of agricultural products for the Nation. The Service uses coordinated, interdisciplinary approaches to perform basic and applied research on soil and water conservation, plant and animal productivity, commodity conversion and delivery, human nutrition, and integrated agricultural systems. The 1988 budget proposes an increase to enhance plant germplasm and for animal productivity research to reduce production costs and improve product quality.

**Research on soil and water conservation.**—Research is conducted to improve soil and water management, irrigation, and conservation practices; to protect natural resources from harmful effects of soil, air, and water pollutants and to minimize certain agricultural pollution problems; and to determine the relation of soil types and water to plant, animal, and human nutrition.

**Research on plant productivity.**—Research is conducted to increase plant productivity by improving plant varieties, developing new crop resources, and improving crop production practices, including methods to control plant diseases, nematodes, insects, and weeds. The program increase proposed for 1988 is to enhance the germplasm collection, maintenance and evaluation system.

**Research on animal productivity.**—Research is conducted to increase livestock productivity (including poultry) through improved breeding, feeding, and management practices, and to develop methods for controlling diseases, parasites, and insect pests affecting these animals. The increase proposed for 1988 is to reduce the

amount of fat in beef, pork, lamb and poultry while retaining the desired quality and quantity of meat.

**Research on commodity conversion and delivery.**—Research is conducted to develop new and improved foods, feeds, products, and processes for agricultural commodities and to improve the processing, transportation, storage, wholesaling, and retailing of products. Research is also conducted on problems of human health and safety, including means to insure the safety of food and feed supplies, control insect pests of man and his belongings, and reduce the hazards to human life resulting from pesticide residues and other causes.

**Human nutrition research.**—Research is conducted on subjects as human nutritional requirements and the composition and nutritive value of foods, to promote optimum human health through improved nutrition.

**Integration of agricultural systems.**—Research is conducted to develop integrated systems for efficiently producing, processing, and marketing agricultural products and to develop alternative agricultural systems that are less dependent upon nonrenewable resources and that are productive, efficient, and sustainable in the long term.

**Repair and maintenance of facilities.**—Funds are used to restore, upgrade, and maintain Federal facilities to meet OSHA and EPA requirements, provide suitable workspace for in-house research programs, and to retrofit existing structures for better energy utilization.

**Contingencies.**—Funds available to meet urgent needs that develop unexpectedly during the year when such needs cannot be met by redirection of resources from other projects.

**Construction of facilities.**—Unobligated balances will be used for this purpose.

**Advances and reimbursements.**—Agricultural Research Service performs program research activities and services for other USDA, Federal, and non-Federal agencies. These activities and services are paid for on a reimbursable basis.

Object Classification (in thousands of dollars)

Identification code	12-1400-0-1-352	1986 actual	1987 est.	1988 est.
AGRICULTURAL RESEARCH SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	222,694	237,666	241,838
11.3	Other than full-time permanent	12,603	10,558	10,743
11.5	Other personnel compensation	5,205	6,282	6,345
11.9	Total personnel compensation	240,502	254,506	258,926
12.1	Personnel benefits: Civilian	31,498	37,528	52,105
21.0	Travel and transportation of persons	6,479	7,000	7,200
22.0	Transportation of things	1,170	1,224	1,258
23.3	Communications, utilities, and miscellaneous charges	26,818	28,059	28,843
24.0	Printing and reproduction	666	697	717
25.0	Other services	96,454	110,592	113,580
26.0	Supplies and materials	35,011	35,614	37,637
31.0	Equipment	29,372	30,731	31,589
32.0	Lands and structures	2,992	4,310	3,131
41.0	Grants, subsidies, and contributions	3,187	1,759	1,759
99.0	Subtotal, direct obligations	474,149	513,020	536,745
99.0	Reimbursable obligations	16,513	20,000	20,000
ALLOCATION TO FOREST SERVICE				
Personnel compensation:				
11.1	Full-time permanent	1	1	1

11.3	Other than full-time permanent	13	13	13
11.9	Total personnel compensation	14	14	14
12.1	Personnel benefits: Civilian	1	1	1
21.0	Travel and transportation of persons	4	4	4
25.0	Other services	319	322	322
26.0	Supplies and materials	19	19	19
31.0	Equipment	9	9	9
99.0	Subtotal obligations, Forest Service	366	369	369
99.9	Total obligations	491,028	533,389	557,114

Personnel Summary

Direct:				
Total number of full-time permanent positions	6,996	7,117	7,117	
Total compensable workyears:				
Full-time equivalent employment	7,966	8,067	8,067	
Full-time equivalent of overtime and holiday hours	53	53	53	
Reimbursable:				
Total number of full-time permanent positions	138	138	138	
Total compensable workyears: Full-time equivalent employment	138	138	138	

AGRICULTURAL RESEARCH SERVICE

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-1400-2-1-352	1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations (object class 25.0)			-500
Financing:				
40.00	Budget authority (appropriation)			-500
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-500
90.00	Outlays			-500

The proposed legislation would provide for collection of fees to cover the cost of distributing germplasm to commercial, profitmaking and other entities and is estimated to generate as much as \$500 thousand in revenues to the Federal Government.

BUILDINGS AND FACILITIES\*

(INCLUDING TRANSFERS OF FUNDS)

\*See Part II for additional information.

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities and for grants to States and other eligible recipients for such purposes, as necessary to carry out the agricultural research, extension and teaching programs of the Department of Agriculture, where not otherwise provided, **[\$37,400,000] \$1,000,000, to remain available until expended: Provided,** That these funds may be transferred to such other accounts in this Act as may be appropriate to carry out these purposes: **Provided further,** That facilities to house Bonsai collections at the National Arboretum may be constructed with funds accepted under the provisions of Public Law 94-129 (20 U.S.C. 195) and the limitation on construction contained in the Act of August 24, 1912 (40 U.S.C. 68) shall not apply to the construction of such facilities. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

Program and Financing (in thousands of dollars)

Identification code	12-1401-0-1-352	1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations (object class 32.0)	54,943	64,394	8,852
Financing:				
21.40	Unobligated balance available, start of year	-83,747	-34,846	-7,852
24.40	Unobligated balance available, end of year	34,846	7,852	
40.00	Budget authority (appropriation)	6,041	37,400	1,000

General and special funds—Continued

BUILDINGS AND FACILITIES—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1401-0-1-352	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net	54,943	64,394	8,852
72.40	Obligated balance, start of year	12,552	53,638	74,627
74.40	Obligated balance, end of year	-53,638	-74,627	-22,039
90.00	Outlays	13,857	43,405	61,440

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	6,041	37,400	1,000
Outlays	13,857	43,405	61,440
Rescission proposal:			
Budget authority		-28,000	
Outlays		-11,000	-17,000
Total:			
Budget authority	6,041	9,400	1,000
Outlays	13,857	32,405	44,440

This account provides funds for acquisition of land, construction, repair, improvement, extension, alterations, and purchases of fixed equipment or facilities of or used by the Agricultural Research Service. The 1988 request of \$1,000,000 is for planning the National seed storage laboratory, Fort Collins, Colorado.

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code	12-8214-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	3,189	5,000	5,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-1,039	-2,699	-2,699
24.40	Unobligated balance available, end of year	2,699	2,699	2,699
60.00	Budget authority (appropriation) (permanent, indefinite)	4,849	5,000	5,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	3,189	5,000	5,000
72.40	Obligated balance, start of year	179	691	691
74.40	Obligated balance, end of year	-691	-691	-691
90.00	Outlays	2,676	5,000	5,000

Miscellaneous contributed funds received from States, local organizations, individuals, and others are available for work under cooperative agreements on research activities.

Object Classification (in thousands of dollars)

Identification code	12-8214-0-7-352	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent	360	960	960
11.3	Other than full-time permanent	271	288	288
11.5	Other personnel compensation	14	26	26
11.9	Total personnel compensation	645	1,274	1,274
12.1	Personnel benefits: Civilian	37	188	256
21.0	Travel and transportation of persons	119	171	171
23.3	Communications, utilities, and miscellaneous charges	10	14	14
24.0	Printing and reproduction	1	1	1

25.0	Other services	1,701	2,383	2,315
26.0	Supplies and materials	521	747	747
31.0	Equipment	155	222	222
99.9	Total obligations	3,189	5,000	5,000

Personnel Summary

Total number of full-time permanent positions	20	40	40
Total compensable workyears: Full-time equivalent employment	20	40	40

COOPERATIVE STATE RESEARCH SERVICE

Federal Funds

General and special funds:

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including **[\$148,792,000]** \$155,545,000 to carry into effect the provisions of the Hatch Act approved March 2, 1887, as amended by the Act approved August 11, 1955 (7 U.S.C. 361a-361i), and further amended by Public Law 92-318 approved June 23, 1972, and further amended by Public Law 93-471 approved October 26, 1974, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); **[\$12,412,000]** \$12,975,000 for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582a-7), as amended by Public Law 92-318 approved June 23, 1972, including administrative expenses, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); **[\$22,320,000]** \$23,333,000 for payments to the 1890 land-grant colleges, including Tuskegee University, for research under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (Public Law 95-113), as amended, including administration by the United States Department of Agriculture, and penalty mail costs of the 1890 land-grant colleges, including Tuskegee University; **[\$28,037,000]** \$28,037,000 for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i); **[\$40,651,000]** \$44,500,000 for competitive research grants, including administrative expenses; **[\$5,476,000]** for the support of animal health and disease programs authorized by section 1433 of Public Law 95-113, including administrative expenses; \$20,368,000 for grants for research and for construction of facilities to conduct research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended; \$475,000 for rangeland research grants as authorized by subtitle M of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended; \$9,508,000 for grants to upgrade 1890 land-grant college research facilities as authorized by section 1433 of Public Law 97-98, as amended, to remain available until expended; **[\$4,754,000]** \$2,000,000 for higher education [strengthening] grants under section 1417(a) of Public Law 95-113, as amended (7 U.S.C. 3152(a)); **[\$3,000,000]** for grants as authorized by section 1475 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977; \$2,000,000 for grants as authorized by section 1411 of Public Law 99-198, to remain available until expended; **[\$2,630,000]** \$1,917,000 for necessary expenses of Cooperative State Research Service activities, including coordination and program leadership for higher education work of the Department, administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; in all, **[\$300,573,000]** \$240,270,000. *Provided, That no funds shall be available in fiscal year 1988 for payments under the Act of August 30, 1890 and the tenth and eleventh paragraphs under the heading "Emergency Appropriations" of the Act of March 4, 1907 (7 U.S.C. 321 et seq.) (7 U.S.C. 450b, 2201-02, 2220, 2250a; 39 U.S.C. 3202(a)(4), 3206(b); 42 U.S.C. 1891-1893; Public Law 95-113; Public Law 95-547; Public Law 95-592; Public Law 96-294; Public Law 97-98; Public Law 98-284; Public Law 99-198; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)*

**Program and Financing** (in thousands of dollars)

Identification code 12-1500-0-1-352	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Payments under the Hatch Act.....	148,251	148,792	155,545
00.02	Cooperative forestry research.....	12,412	12,412	12,975
00.03	Payments to 1890 colleges and Tuskegee University ...	22,320	22,320	23,333
00.04	Special research grants.....	30,207	52,030	.....
00.05	Competitive research grants.....	42,312	40,651	44,500
00.06	Animal health and disease research.....	5,476	5,476	.....
00.07	Federal administration.....	1,565	2,630	1,917
00.08	1890 research facilities.....	9,508	9,508	.....
00.09	Higher education.....	7,554	7,554	2,000
00.10	Forestry competitive grants.....	6,506	4,500	.....
00.11	Research facilities.....	.....	2,000	.....
00.91	Total direct program.....	286,111	307,873	240,270
01.01	Reimbursable program.....	8,853	4,800	4,800
10.00	Total obligations.....	294,964	312,673	245,070
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-8,853	-4,800	-4,800
21.40	Unobligated balance available, start of year.....	-1,200	.....	.....
25.00	Unobligated balance lapsing.....	541	.....	.....
39.00	<b>Budget authority</b> .....	<b>285,452</b>	<b>307,873</b>	<b>240,270</b>
<b>Budget authority:</b>				
Current:				
40.00	Appropriation.....	276,146	300,573	240,270
42.00	Transferred from other accounts.....	6,506	4,500	.....
43.00	<b>Appropriation (adjusted)</b> .....	<b>282,652</b>	<b>305,073</b>	<b>240,270</b>
Permanent:				
60.00	<b>Appropriation</b> .....	<b>2,800</b>	<b>2,800</b>	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	286,111	307,873	240,270
72.40	Obligated balance, start of year.....	164,409	189,766	212,364
74.40	Obligated balance, end of year.....	-189,766	-212,364	-153,724
77.00	Adjustments in expired accounts.....	-485	.....	.....
90.00	<b>Outlays</b> .....	<b>260,269</b>	<b>285,275</b>	<b>298,910</b>

Note.—Includes \$680 thousand in 1988 for activities of the Office of Grants and Program Systems previously financed from:

(In thousands of dollars)

	1986	1987
Agricultural Research Service.....	341	397
Extension Service.....	193	253
National Agricultural Library.....	7	9

Cooperative State Research Service participates in a nationwide system of agricultural research program planning and coordination between the State institutions and the U.S. Department of Agriculture. It assists in maintaining cooperation among the State institutions, and between the State institutions and their Federal research partners. The Agency administers grants and payments to State institutions to supplement State and local funding for agricultural research and higher education.

**Payments under the Hatch Act.**—Funds under the Hatch Act are allocated on a formula basis to agricultural experiment stations of the land-grant colleges in the 50 States, District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Marianas.

**Cooperative forestry research.**—These funds are allocated by formula to land-grant colleges or agricultural experiment stations in the 50 States, Puerto Rico, Guam, the Virgin Islands, and other State-supported colleges and universities having a forestry school and offering graduate training in forestry sciences.

**Payments to 1890 colleges and Tuskegee University.**—Funds support agricultural research at the 1890 land-grant colleges, including Tuskegee University.

**Special research grants.**—These grants are targeted to localized problems. No funding is proposed in 1988.

**Competitive research grants.**—Research scientists throughout the U.S. scientific community compete for funding under this program. These grants support basic research in biotechnology, plant and animal science, pest science, and human nutrition.

**Animal health and disease research.**—Funds, distributed by formula, support livestock and poultry disease research in colleges of veterinary medicine and in eligible agricultural experiment stations. No funding is proposed in 1988.

**Federal administration.**—A coordinating and review staff assists in maintaining cooperation within and among the States, and between the States and their Federal research partners. This staff also administers research grants and payments to States. Federal administration is funded from a combination of program set-asides from formula and grant programs and from direct appropriation for administration.

**1890 research facilities.**—Funds support the purchase of land and the construction, alteration or renovation of buildings necessary for the conduct of food and agricultural research at colleges eligible to receive funds under the second Morrill Act of 1890, including Tuskegee University. No funding is proposed in 1988.

**Higher education.**—Funding is proposed for Strengthening Grants to support resident instruction at the 1890 colleges, the Tuskegee University, and the University of the District of Columbia. The Morrill-Nelson and graduate training grants programs receive no funding in 1988.

**Forestry competitive grants.**—This program emphasizes basic research in the areas of harvesting, wood utilization and forest biology. No funding is proposed in 1988.

**Research facilities.**—Funds support the construction, acquisition, equipping and remodeling of research facilities at the State agricultural experiment stations and other eligible institutions. No funding is proposed in 1988.

**Reimbursable program.**—Funds support basic and applied agriculture research and activities performed for other USDA, Federal, and non-Federal agencies.

**Object Classification** (in thousands of dollars)

Identification code 12-1500-0-1-352	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	4,194	4,596	4,625
11.3	Other than full-time permanent.....	185	236	238
11.5	Other personnel compensation.....	114	146	146
11.9	Total personnel compensation.....	4,493	4,978	5,009
12.1	Personnel benefits: Civilian.....	531	685	980
13.0	Benefits for former personnel.....	4	4	4
21.0	Travel and transportation of persons.....	653	704	1,079
22.0	Transportation of things.....	36	32	33
23.3	Communications, utilities, and miscellaneous charges... ..	885	778	341
24.0	Printing and reproduction.....	138	168	174
25.0	Other services.....	2,927	2,650	1,347
26.0	Supplies and materials.....	241	144	149
31.0	Equipment.....	323	156	161
41.0	Grants, subsidies, and contributions.....	275,880	297,574	230,993
99.0	<b>Subtotal, direct obligations</b> .....	<b>286,111</b>	<b>307,873</b>	<b>240,270</b>

General and special funds—Continued

COOPERATIVE STATE RESEARCH SERVICE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	12-1500-0-1-352	1986 actual	1987 est.	1988 est.
99.0	Reimbursable obligations .....	8,853	4,800	4,800
99.9	Total obligations .....	294,964	312,673	245,070

Personnel Summary

	1986 actual	1987 est.	1988 est.
<b>Direct:</b>			
Total number of full-time permanent positions .....	148	158	158
Total compensable workyears:			
Full-time equivalent employment .....	130	146	146
Full-time equivalent of overtime and holiday hours .....	1	1	1
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	8	8	8
Total compensable workyears: Full-time equivalent employment .....	8	8	8

EXTENSION SERVICE

Federal Funds

General and special funds:

EXTENSION SERVICE

(INCLUDING TRANSFERS OF FUNDS)

Payments to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962 (7 U.S.C. 341-349), section 506 of the Act of June 23, 1972, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), to be distributed under sections 3(b) and 3(c) of said Act, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, **[\$229,713,000]** *\$237,594,000*; [payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$57,635,000, of which \$38,627,000 shall be derived by transfer from the appropriation "Food Stamp Program" and merged with this appropriation; payments for the urban gardening program under section 3(d) of the Act, \$3,329,000; payments for the pest management program under section 3(d) of the Act, \$7,164,000; payments for the farm safety program under section 3(d) of the Act, \$970,000; payments for the pesticide impact assessment program under section 3(d) of the Act, \$1,633,000; payments for a financial management assistance program under section 3(d) of the Act and section 1440 of Public Law 99-198, \$3,277,000; payments for an integrated reproductive management program under section 3(d) of the Act, \$47,000; payments for the rural development centers under section 3(d) of the Act, \$689,000;] payments for extension work under section 209(c) of Public Law 93-471, **[\$935,000]** *\$970,000*; [payments for carrying out the provisions of the Renewable Resource Extension Act of 1978, \$2,378,000; for special grants for financially stressed farmers and dislocated farmers as authorized by section 1440 of Public Law 99-198, \$1,500,000;] and payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee University, **[\$16,877,000]** *\$18,291,000*; in all, **[\$326,147,000;]** *\$256,855,000*; [of which not less than \$79,400,000 is for Home Economics:] *Provided*, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953, the Act of August 11, 1955, the Act of October 5, 1962, section 506 of the Act of June 23, 1972, section 209(d) of Public Law 93-471, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act, of October 3, 1980 (7 U.S.C. 301n.), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions,

**[\$6,025,000;]** *\$5,732,000* [of which not less than \$2,300,000 is for Home Economics]. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-0502-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Smith-Lever Act, 3(b) and 3(c) .....	229,710	229,713	237,594
Smith-Lever Act, 3(d):				
00.02	Food and nutrition education (EFNEP) .....	57,635	57,635	.....
00.03	Pest management .....	7,164	7,164	.....
00.04	Farm safety .....	970	970	.....
00.05	Pesticide impact assessment .....	1,633	1,633	.....
00.06	Urban gardening .....	3,329	3,329	.....
00.07	Financial management .....	1,427	3,277	.....
00.07	Integrated reproductive management .....	47	47	.....
00.07	Rural development centers .....	689	689	.....
00.08	Payments to the District of Columbia .....	935	935	970
00.09	Payments to 1890 colleges and Tuskegee University ...	16,877	16,877	18,291
00.10	Section 1440 grants .....	.....	1,500	.....
00.11	Renewable Resources Extension Act .....	2,378	2,378	.....
00.12	Federal administration .....	5,192	6,025	5,732
00.91	Total direct program .....	327,986	332,172	262,587
01.01	Reimbursable program .....	6,925	6,700	6,700
10.00	Total obligations .....	334,911	338,872	269,287
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-6,468	-6,205	-6,205
14.00	Non-Federal sources .....	-457	-495	-495
25.00	Unobligated balance lapsing .....	23	.....	.....
39.00	Budget authority .....	328,009	332,172	262,587
Budget authority:				
40.00	Appropriation .....	289,382	293,545	262,587
42.00	Transferred from other accounts .....	38,627	38,627	.....
43.00	Appropriation (adjusted) .....	328,009	332,172	262,587
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	327,986	332,172	262,587
72.40	Obligated balance, start of year .....	71,802	57,349	58,019
74.40	Obligated balance, end of year .....	-57,349	-58,019	-46,816
77.00	Adjustments in expired accounts .....	-2,483	.....	.....
90.00	Outlays .....	339,956	331,502	273,790

Note.—Excludes \$240 thousand in 1988 for activities transferred to Cooperative State Research Service for the Office of Grants and Program Systems. Comparable amounts for 1986 (\$193 thousand) and 1987 (\$253 thousand) are included above.

The Federal Extension Service, States, and localities comprise the Cooperative Extension System. This nationwide system provides out-of-school, applied education in agriculture, home economics, community development, and 4-H youth programs.

Federal funds are distributed primarily by formula to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa, primarily on the basis of population. Funds are used primarily for the employment of State, area, and county extension workers and paraprofessionals who work with individuals, families, community organizations, marketing concerns, and others by providing advice and assistance in the application of improved methods for production, marketing, nutrition, family living, and community development. Work with youth is accomplished largely through the 4-H program. Most of these funds are matched by the States and provide the Federal share of State retirement and penalty mail costs associated with program activities specifically undertaken with these matched funds.

In fiscal year 1988 formula support to land-grant institutions, including maintenance of operations at the 1890 institutions, Tuskegee University, and the District of Columbia is proposed. All earmarked programs are proposed for elimination.

The Extension Service provides leadership and assistance to States, Puerto Rico, Guam, the Virgin Islands, the District of Columbia, American Samoa, Northern Marianas and Micronesia, in developing extension programs, improving teaching methods, efficient use of available resources, evaluation of programs, and administrative services. These responsibilities are funded from a combination of program set-asides for administering payments to States and from direct appropriations for the Federal Extension Administration.

**Object Classification (in thousands of dollars)**

Identification code	12-0502-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	6,706	6,952	6,462
11.3	Other than full-time permanent .....	65	82	82
11.5	Other personnel compensation .....	33	35	35
11.9	Total personnel compensation .....	6,804	7,069	6,579
12.1	Personnel benefits: Civilian .....	788	818	1,155
13.0	Benefits for former personnel .....			294
21.0	Travel and transportation of persons .....	661	650	600
22.0	Transportation of things .....	94	100	89
23.3	Communications, utilities, and miscellaneous charges...	545	550	510
24.0	Printing and reproduction .....	411	415	380
25.0	Other services .....	1,724	1,725	1,535
26.0	Supplies and materials .....	197	200	180
31.0	Equipment .....	199	200	178
41.0	Grants, subsidies, and contributions .....	316,563	320,445	251,087
99.0	Subtotal, direct obligations .....	327,986	332,172	262,587
99.0	Reimbursable obligations .....	6,925	6,700	6,700
99.9	Total obligations .....	334,911	338,872	269,287

**Personnel Summary**

Total number of full-time permanent positions .....	197	197	180
Total compensable workyears:			
Full-time equivalent employment .....	177	177	156
Full-time equivalent of overtime and holiday hours .....	1	1	1

**NATIONAL AGRICULTURAL LIBRARY**

*Federal Funds*

**General and special funds:**

**NATIONAL AGRICULTURAL LIBRARY**

For necessary expenses of the National Agricultural Library, **[\$10,936,000] \$12,356,000: Provided,** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$35,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed \$575,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements. (5 U.S.C. 5946; 7 U.S.C. 450b, 450i, 2201, 2202, 2204, 2206, 2244, 2264, 2265; *Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, Section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	12-0300-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Agricultural information and library services .....	10,487	10,798	12,056

00.02	Repairs and maintenance of facilities .....	300	300	300
00.91	Total direct program .....	10,787	11,098	12,356
01.01	Reimbursable program .....	1,568	1,200	1,200
10.00	Total obligations .....	12,355	12,298	13,556
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,568	-1,200	-1,200
39.00	<b>Budget authority .....</b>	<b>10,787</b>	<b>11,098</b>	<b>12,356</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation .....</b>	<b>10,787</b>	<b>10,936</b>	<b>12,356</b>
<b>Transfers in for:</b>				
46.20	Civilian pay raises .....		65	
46.40	Retirement contributions (P.L. 99-335) .....		97	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	10,787	11,098	12,356
72.40	Obligated balance, start of year .....	4,728	2,675	2,935
74.40	Obligated balance, end of year .....	-2,675	-2,935	-3,306
77.00	Adjustments in expired accounts .....	-1,373		
89.00	Outlays .....	11,467	10,838	11,985
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals .....	11,467	10,681	11,980
91.20	Outlays from civilian pay raise supplemental .....		63	2
91.40	Outlays from retirement contribution supplemental .....		94	3

Note.—Excludes \$10 thousand in 1988 for activities transferred to Cooperative State Research Service for the Office of Grants and Program Systems. Comparable amounts for 1986 (\$7 thousand) and 1987 (\$9 thousand) are included above.

The primary purpose of NAL is to acquire, preserve, and disseminate an exhaustive collection of reliable information in all phases of the agricultural and allied sciences.

*Agricultural information and library services.*—The National Agricultural Library provides a variety of information products and services through: (1) the administration of a unique collection of books, journals, and other information materials about food and agriculture to assure accessibility to their contents; (2) the development and maintenance of cooperative efforts in the library and related information areas, with other Federal agencies and with educational institutions in each State; and (3) an active program of information dissemination. The funds in 1987 will be used to continue NAL's services and cooperative efforts with other libraries.

*Repairs and maintenance of facilities.*—These funds are used for maintaining the library building.

**Object Classification (in thousands of dollars)**

Identification code	12-0300-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	4,870	5,132	5,200
11.3	Other than full-time permanent .....	160	160	170
11.5	Other personnel compensation .....	70	70	80
11.9	Total personnel compensation .....	5,100	5,362	5,450
12.1	Personnel benefits: Civilian .....	556	560	570
21.0	Travel and transportation of persons .....	79	80	80
22.0	Transportation of things .....	14	15	15
23.3	Communications, utilities, and miscellaneous charges...	673	700	700
24.0	Printing and reproduction .....	565	600	600
25.0	Other services .....	1,673	1,681	2,270
26.0	Supplies and materials .....	1,306	1,300	1,871
31.0	Equipment .....	821	800	800
99.0	Subtotal, direct obligations .....	10,787	11,098	12,356
99.0	Reimbursable obligations .....	1,568	1,200	1,200
99.9	Total obligations .....	12,355	12,298	13,556

General and special funds—Continued

NATIONAL AGRICULTURAL LIBRARY—Continued

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	194	194	194
Total compensable workyears:			
Full-time equivalent employment .....	185	190	190
Full-time equivalent of overtime and holiday hours .....	5	5	5
Reimbursable:			
Total number of full-time permanent positions .....	6	6	6
Total compensable workyears: Full-time equivalent employment .....	5	5	5

NATIONAL AGRICULTURAL STATISTICS SERVICE

Federal Funds

General and special funds:

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$56,787,000] \$63,014,000.** *Provided, That* [hereafter, no funds available to the Department of Agriculture shall be available to publish] *no part of the funds herein appropriated shall be available for any expense incident to publishing estimates of apple production for other than the commercial crop: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 411, 411a, 411b, 427, 471, 475, 476, 501, 951, 953, 955-57, 2201, 2202, 2248, 3103, 3311, 3504; 18 U.S.C. 1902, 1905, 2072; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)*

Program and Financing (in thousands of dollars)

Identification code 12-1801-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Crop and livestock estimates .....	50,108	52,218	56,580
00.02 Statistical research and service .....	6,002	6,081	6,434
00.91 Total direct program .....	56,110	58,299	63,014
01.01 Reimbursable program .....	8,421	7,200	7,200
10.00 Total obligations .....	64,531	65,499	70,214
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-7,355	-6,125	-6,125
14.00 Non-Federal sources .....	-1,066	-1,075	-1,075
25.00 Unobligated balance lapsing .....	90		
39.00 Budget authority .....	56,200	58,299	63,014
Budget authority:			
40.00 Appropriation .....	56,200	56,787	63,014
Transfers in for:			
46.20 Civilian pay raises .....		900	
46.40 Retirement contributions (P.L. 99-335) .....		612	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	56,110	58,299	63,014
72.40 Obligated balance, start of year .....	9,793	7,670	7,953
74.40 Obligated balance, end of year .....	-7,670	-7,953	-8,709
77.00 Adjustments in expired accounts .....	24		
89.00 Outlays .....	58,257	58,016	62,258
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals .....	58,257	56,589	62,173
91.20 Outlays from civilian pay raise supplemental .....		855	45
91.40 Outlays from retirement contribution supplemental .....		572	40

**Crop and livestock estimates.**—The Service provides the official National and State estimates of acreage, yield, and production of crops, stocks and value of farm commodities, and numbers of inventory values of livestock items. Data on approximately 120 crops and 45 livestock products are covered in some 300 reports issued each year. Data collected and published on prices paid and received by farmers are basic to computation of parity prices.

The work under this activity is conducted through 44 State offices serving the 50 States; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. Major program modifications in 1988 include: An increase of \$800,000 to provide improved quality on the acreage intentions, mid-year acreage, monthly crop reports, and end-of-year crop acreage and production surveys by using probability procedures; and an increase of \$500,000 to improve Agricultural Statistics Board Methodology.

**Statistical research and service.**—This activity is designed to improve crop and livestock estimating techniques by improving sample survey designs and procedures and by testing new forecasting and estimating techniques, such as the use of satellite data.

Object Classification (in thousands of dollars)

Identification code 12-1801-0-1-352	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	26,799	27,751	28,193
11.3 Other than full-time permanent .....	822	851	864
11.5 Other personnel compensation .....	229	237	242
11.9 Total personnel compensation .....	27,850	28,839	29,299
12.1 Personnel benefits: Civilian .....	4,034	4,727	6,282
13.0 Benefits for former personnel .....	30	16	16
21.0 Travel and transportation of persons .....	975	1,143	1,286
22.0 Transportation of things .....	343	273	306
23.3 Communications, utilities, and miscellaneous charges .....	3,697	3,896	4,368
24.0 Printing and reproduction .....	347	345	387
25.0 Other services .....	17,391	17,292	18,936
26.0 Supplies and materials .....	709	769	886
31.0 Equipment .....	731	999	1,248
42.0 Insurance claims and indemnities .....	1		
43.0 Interest and dividends .....	2		
99.0 Subtotal, direct obligations .....	56,110	58,299	63,014
99.0 Reimbursable obligations .....	8,421	7,200	7,200
99.9 Total obligations .....	64,531	65,499	70,214

Personnel Summary

Total number of full-time permanent positions .....	1,066	1,048	1,056
Total compensable workyears:			
Full-time equivalent employment .....	1,078	1,090	1,098
Full-time equivalent of overtime and holiday hours .....	1	2	2

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 12-8218-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	192	173	150
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....		-23	

24.40	Unobligated balance available, end of year.....	23		
60.00	Budget authority (appropriation) (permanent, indefinite).....	215	150	150
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	192	173	150
72.40	Obligated balance, start of year.....	197	77	77
74.40	Obligated balance, end of year.....	-77	-77	-77
90.00	Outlays.....	312	173	150

Miscellaneous funds received from local organizations, commodity groups, and others are available for dissemination of reports and for crop and livestock survey work under cooperative agreements (7 U.S.C. 450b, 450h).

**Object Classification** (in thousands of dollars)

Identification code	12-8218-0-7-352	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	41	25	25
11.3	Other than full-time permanent.....	2	2	2
11.9	Total personnel compensation.....	43	27	27
12.1	Personnel benefits: Civilian.....	5	3	3
21.0	Travel and transportation of persons.....	1	1	1
23.3	Communications, utilities, and miscellaneous charges.....	42	42	42
24.0	Printing and reproduction.....	63	63	63
25.0	Other services.....	37	36	13
26.0	Supplies and materials.....	1	1	1
99.9	Total obligations.....	192	173	150

**Personnel Summary**

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	2	1	1

**ECONOMIC RESEARCH SERVICE**

*Federal Funds*

**General and special funds:**

**ECONOMIC RESEARCH SERVICE**

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; research relating to the economic and marketing aspects of farmer cooperatives; and for analyses of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products, ~~[\$43,982,000]~~ \$49,045,000, of which not less than \$200,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said Administrator, other agencies or before the courts: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225): *Provided further*, That not less than \$145,000 of the funds contained in this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other

countries to move farm commodities in world trade on a competitive basis. (7 U.S.C. 292, 411, 427, 1441a, 1704, 1761-68, 2201, 2202, 3103, 3291, 3311, 3504; 22 U.S.C. 3101; 42 U.S.C. 1891-93; 44 U.S.C. 3501-11; 50 U.S.C. 2061 et seq., 2251 et seq.; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing** (in thousands of dollars)

Identification code	12-1701-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program.....	44,585	45,424	49,045
01.01	Reimbursable program.....	2,121	1,129	640
10.00	Total obligations.....	46,706	46,553	49,685
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-2,121	-1,129	-640
21.40	Unobligated balance available, start of year.....	-776	-47	
24.40	Unobligated balance available, end of year.....	47		
25.00	Unobligated balance lapsing.....	260		
39.00	<b>Budget authority</b> .....	<b>44,115</b>	<b>45,377</b>	<b>49,045</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	44,045	43,982	49,045
42.00	Transferred from other accounts.....	70		
43.00	<b>Appropriation (adjusted)</b> .....	<b>44,115</b>	<b>43,982</b>	<b>49,045</b>
<b>Transfers in for:</b>				
46.20	Civilian pay raises.....		815	
46.40	Retirement contributions (P.L. 99-335).....		580	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	44,585	45,424	49,045
72.40	Obligated balance, start of year.....	7,933	6,022	6,051
74.40	Obligated balance, end of year.....	-6,022	-6,051	-6,511
77.00	Adjustments in expired accounts.....	-459		
89.00	Outlays.....	46,037	45,395	48,585
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals.....	46,037	44,078	48,507
91.20	Outlays from civilian pay raise supplemental.....		775	40
91.40	Outlays from retirement contribution supplemental.....		542	38

The Economic Research Service performs agricultural economic and other social science research, outlook forecasting, policy analysis, and data collection and management related to U.S. and international agriculture, food, natural resources, and rural America.

**Object Classification** (in thousands of dollars)

Identification code	12-1701-0-1-352	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	27,903	28,722	29,186
11.3	Other than full-time permanent.....	372	384	390
11.5	Other personnel compensation.....	387	398	405
11.9	Total personnel compensation.....	28,662	29,504	29,981
12.1	Personnel benefits: Civilian.....	3,482	4,131	5,715
13.0	Benefits for former personnel.....	242	202	202
21.0	Travel and transportation of persons.....	541	636	658
22.0	Transportation of things.....	85	32	33
23.3	Communications, utilities, and miscellaneous charges.....	805	876	907
24.0	Printing and reproduction.....	369	389	403
25.0	Other services.....	8,816	8,544	9,997
26.0	Supplies and materials.....	428	449	465
31.0	Equipment.....	1,155	661	684
99.0	Subtotal, direct obligations.....	44,585	45,424	49,045
99.0	Reimbursable obligations.....	2,121	1,129	640
99.9	Total obligations.....	46,706	46,553	49,685

**Personnel Summary**

Total number of full-time permanent positions.....	800	803	803
Total compensable workyears: Full-time equivalent employment.....	842	871	871

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 12-8227-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	52	44	33
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-20	-11	
24.40 Unobligated balance available, end of year.....	11		
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>44</b>	<b>33</b>	<b>33</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	52	44	33
72.40 Obligated balance, start of year.....	-5		
90.00 Outlays.....	47	44	33

Miscellaneous funds received from States, local organizations, and others are available for support of economic research and analysis (7 U.S.C. 450b, 450h).

**Object Classification (in thousands of dollars)**

Identification code 12-8227-0-7-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent.....	46	39	29
12.1 Personnel benefits: Civilian.....	5	4	3
99.0 Subtotal, direct obligations.....	51	43	32
99.0 Reimbursable obligations.....	1	1	1
99.9 Total obligations.....	52	44	33

**Personnel Summary**

Total number of full-time positions.....	1	1	1
Total compensable work years: Full-time equivalent employment....	1	1	1

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriations as follows:  
Agriculture: Soil Conservation Service: "River basin surveys and investigations."

**WORLD AGRICULTURAL OUTLOOK BOARD**

**Federal Funds**

**General and special funds:**

**WORLD AGRICULTURAL OUTLOOK BOARD**

For necessary expenses of the World Agricultural Outlook Board to coordinate and review all commodity and aggregate agricultural and food data used to develop outlook and situation material within the Department of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), **[\$1,608,000] \$1,802,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)**

**Program and Financing (in thousands of dollars)**

Identification code 12-2100-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	1,575	1,659	1,802

**Personnel Summary**

Total number of full-time permanent positions.....	30	30	30
Total compensable workyears: Full-time equivalent employment....	27	30	30

01.01 Reimbursable program.....	62	32	33
10.00 Total obligations.....	1,637	1,691	1,835
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-62	-32	-33
25.00 Unobligated balance lapsing.....	23		
39.00 <b>Budget authority.....</b>	<b>1,598</b>	<b>1,659</b>	<b>1,802</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation.....</b>	<b>1,598</b>	<b>1,608</b>	<b>1,802</b>
<b>Transfers in for:</b>			
46.20 <b>Civilian pay raises.....</b>		<b>30</b>	
46.40 <b>Retirement contributions (P.L. 99-335).....</b>		<b>21</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,575	1,659	1,802
72.40 Obligated balance, start of year.....	392	277	213
74.40 Obligated balance, end of year.....	-277	-213	-300
77.00 Adjustments in expired accounts.....	-44		
89.00 Outlays.....	1,646	1,723	1,715
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	1,646	1,674	1,713
91.20 Outlays from civilian pay raise supplemental.....		29	1
91.40 Outlays from retirement contribution supplemental.....		20	1

The World Agricultural Outlook Board (WAOB) was established to provide a single focal point for the Nation's economic intelligence related to domestic and international food and agriculture.

The objectives of the WAOB are to improve the consistency, objectivity, and reliability of outlook and situation material being disseminated to the public and to integrate and coordinate USDA domestic and international economic information assistance.

The WAOB carries out these objectives through daily market surveillance and special analyses of international and domestic agricultural developments, direct participation in the planning of research programs supporting outlook and situation activities, and coordination of all departmental activities relating to weather and climate and remote sensing. The 1988 budget includes an increase of \$72,000 for support of integrated economic/meteorological forecasting system.

**Object Classification (in thousands of dollars)**

Identification code 12-2100-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,057	1,112	1,198
11.3 Other than full-time permanent.....	38	24	24
11.9 Total personnel compensation.....	1,095	1,136	1,222
12.1 Personnel benefits: Civilian.....	117	153	200
21.0 Travel and transportation of persons.....	17	33	33
23.3 Communications, utilities, and miscellaneous charges....	47	52	54
24.0 Printing and reproduction.....	20	24	25
25.0 Other services.....	157	168	174
26.0 Supplies and materials.....	35	25	26
31.0 Equipment.....	87	68	68
99.0 Subtotal, direct obligations.....	1,575	1,659	1,802
99.0 Reimbursable obligations.....	62	32	33
99.9 Total obligations.....	1,637	1,691	1,835

**Personnel Summary**

Total number of full-time permanent positions.....	30	30	30
Total compensable workyears: Full-time equivalent employment....	27	30	30

**FOREIGN AGRICULTURAL SERVICE**

*Federal Funds*

**General and special funds:**

**FOREIGN AGRICULTURAL SERVICE\***

\* See Part II for additional information.

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$110,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$81,109,000] \$85,649,000: Provided,** That not less than \$255,000 of this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis. (7 U.S.C. 1762, 2201-02; 19 U.S.C. 2501; 22 U.S.C. 3963; *Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**GENERAL SALES MANAGER\***

(INCLUDING TRANSFERS OF FUNDS)

\*See Part II for additional information.

Not to exceed **[\$6,027,000] \$7,268,000** may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager who shall work to expand and strengthen sales of United States commodities (including those of the Corporation) in world markets pursuant to existing authority (including that contained in the Corporation's charter), and that such funds shall be used by the General Sales Manager to carry out the above activities. The General Sales Manager shall report directly to the Board of Directors of the Corporation of which the Secretary of Agriculture is a member. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including information relating to the effectiveness of greater reliance by the General Sales Manager upon loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit **[quarterly] annual** reports to the appropriate committees of Congress concerning such developments. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
Identification code 12-2900-0-1-352			
<b>Program by activities:</b>			
Direct program:			
00.01	22,242	22,045	22,723
00.02	11,210	12,158	12,758
00.03	45,972	48,080	50,168
00.91	79,424	82,283	85,649
01.01	3,346	2,913	2,913
10.00	82,770	85,196	88,562
<b>Financing:</b>			
Offsetting collections from:			
11.00	-2,824	-2,392	-2,392
14.00	-522	-521	-521
25.00	51		
39.00	79,475	82,283	85,649
<b>Budget authority:</b>			
40.00	79,475	81,109	85,649
<b>Transfer in for:</b>			
46.20		567	
46.40		607	

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	79,424	82,283	85,649
72.40	Obligated balance, start of year .....	62,557	49,765	49,765
74.40	Obligated balance, end of year .....	-49,765	-49,765	-49,765
77.00	Adjustments in expired accounts .....	-1,324		
89.00	Outlays .....	90,892	82,283	85,649
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals .....	90,892	81,109	85,649
91.20	Outlays from civilian pay raise supplemental .....		567	
91.40	Outlays from retirement contribution supplemental .....		607	

The Foreign Agricultural Service mission is to help American farmers and traders take maximum advantage of increased opportunities to sell U.S. agricultural commodities abroad and to help increase U.S. farm income.

Activities are conducted within three program areas: *Foreign agricultural affairs.*—The Service maintains agricultural counselors, attachés or trade officers at 76 foreign posts to assist overseas development of markets for U.S. farm commodities. They work closely with numerous U.S. agricultural trade groups and maintain significant contacts with foreign governments and traders to promote market access for U.S. farm products. They also file annually about 4,000 comprehensive reports regarding foreign agricultural production, supply, demand, marketing and trade policy developments to keep U.S. agriculture, industry, and Government currently informed.

**PROGRAM STATISTICS**

	1986 actual	1987 est.	1988 est.
Number of countries covered .....	110	110	110
Number of trade and Government visitors .....	25,000	25,000	25,000
Number of posts accessible by telecommunications <sup>1</sup> .....	58	63	68

<sup>1</sup> Global Economic Data Exchange System.

*Foreign market information and access.*—This program forges a link between the Foreign Agricultural Affairs program and the agency's analytical/informational and market development planning/services functions that serve the U.S. agricultural community and Government decisionmakers. The analysis and timely release of periodicals on world commodity conditions allow U.S. farm and trade groups to have ready access to information that can be used as reliable sources to assess short-term changes in world agricultural supply conditions by commodity.

The analyses of world commodity conditions provide the information necessary to develop export marketing strategies that can be used by the Department not only to gain market access but to enhance the long term market development plans for major U.S. commodities.

*Foreign market development.*—This program provides funding support to 47 commodity associations (cooperators), 16 contractors participating in the export incentive program, 24 private firms participating in the Value-Added Product Promotion Program, 4 regional groups (representing 47 State departments of agriculture) and the National Association of State Departments of Agriculture. Under FAS guidance and supervision, these organizations conduct an extensive worldwide market development program on behalf of the U.S. farm sector. In addition, the Service develops and operates a worldwide system of multicommodity promotional programs utilizing product exhibits, trade teams,

**General and special funds—Continued**  
**GENERAL SALES MANAGER—Continued**  
**(INCLUDING TRANSFERS OF FUNDS)—Continued**

trade services, market information programs, and trade referral services to expand overseas markets. Historically, FAS contributes approximately 30 percent of the total annual cost of this program.

**PROGRAM STATISTICS**

	1986 actual	1987 est.	1988 est.
Number of commodity associations and firms actively working with FAS.....	61	60	60
Number of agricultural trade offices (ATO).....	15	15	15
Number of countries covered by ATO's.....	33	33	33
Number of visitors to ATO's.....	7,000	8,000	8,000

**Object Classification (in thousands of dollars)**

Identification code 12-2900-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	23,335	24,384	24,446
11.3 Other than full-time permanent.....	368	340	340
11.5 Other personnel compensation.....	611	592	592
11.9 Total personnel compensation.....	24,314	25,316	25,378
12.1 Personnel benefits: Civilian.....	3,372	4,018	5,534
13.0 Benefits for former personnel.....	61	113	113
21.0 Travel and transportation of persons.....	2,172	2,356	2,360
22.0 Transportation of things.....	931	829	830
23.2 Rental payments to others.....	3,313	3,599	3,599
23.3 Communications, utilities, and miscellaneous charges.....	1,601	1,799	1,809
24.0 Printing and reproduction.....	492	569	574
25.0 Other services.....	41,182	42,043	43,804
26.0 Supplies and materials.....	750	732	735
31.0 Equipment.....	1,233	899	903
42.0 Insurance claims and indemnities.....	3	10	10
99.0 Subtotal, direct obligations.....	79,424	82,283	85,649
99.0 Reimbursable obligations.....	3,346	2,913	2,913
99.9 Total obligations.....	82,770	85,196	88,562

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	702	702	702
Total compensable workyears:			
Full-time equivalent employment.....	696	684	684
Full-time equivalent of overtime and holiday hours.....	2	2	2
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	2	1	1

**SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code 12-2901-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	-74		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-144		
25.00 Unobligated balance lapsing.....	218		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-74		
72.40 Obligated balance, start of year.....	74		
90.00 <b>Outlays</b> .....			

**OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT**

*Federal Funds*

**General and special funds:**

**OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT**

For necessary expenses of the Office of International Cooperation and Development to coordinate, plan, and direct activities involving international development, technical assistance and training, and international scientific and technical cooperation in the Department of Agriculture, including those authorized by the Food and Agriculture Act of 1977 (7 U.S.C. 3291), **[\$5,035,000]** \$3,816,000; and the Office may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392). (7 U.S.C. 427, 450a, 4506b, 1624, 1709, 1727, 1736, 1761, 2201, 2202; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code 12-3200-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 International agricultural development.....	1,857	1,990	300
00.02 International scientific and technical cooperation.....	3,295	3,159	3,516
00.91 Total direct program.....	5,152	5,149	3,816
<b>Reimbursable program:</b>			
01.01 Technical assistance and analyses to aid foreign development.....	25,507	25,704	25,704
01.02 Subsistence, tuitions, and training for foreign nationals in the United States.....	10,288	11,500	11,500
01.03 International research.....	1,098	1,098	1,098
01.91 Total reimbursable program.....	36,893	38,302	38,302
10.00 Total obligations.....	42,045	43,451	42,118
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-36,893	-38,302	-38,302
39.00 <b>Budget authority</b> .....	5,152	5,149	3,816
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	5,152	5,035	3,816
46.40 <b>Transfers in for retirement contributions (P.L. 99-335)</b> .....		114	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,152	5,149	3,816
72.10 Receivables in excess of obligations, start of year.....	-37,656	-23,851	-26,596
74.10 Receivables in excess of obligations, end of year.....	23,851	26,596	26,596
77.00 Adjustments in expired accounts.....	11,060		
89.00 <b>Outlays</b> .....	2,407	7,894	3,816
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental.....	2,407	7,780	3,816
91.40 Outlays from retirement contribution supplemental.....		114	

The mission of the Office of International Cooperation and Development (OICD) is to promote U.S. agriculture and to advance the agriculture of developing countries as parts of a complementary global agricultural system capable of providing ample food and fiber for all people.

*International agricultural development.*—OICD analyzes agricultural policy issues related to USDA's international agricultural development efforts, and supports the Cancun Presidential Agricultural Task Forces and the International Science and Education Council. The Agency also formulates and reviews food aid develop-

ment activities supported by Public Law 480 Titles I and III agreements.

**International scientific and technical cooperation.**—OICD manages the Department's bilateral exchange and cooperative research programs with foreign governments and institutions in order to strengthen the role of science and technology in the ongoing effort to stabilize world food supplies and to increase the efficiency with which world resources are used. Priorities and criteria for these programs are based on domestic research priorities, potential benefits to U.S. agricultural production, and the availability of desired technologies. OICD coordinates USDA's and the U.S. Government's participation in approximately 30 international organizations concerned with food, agriculture and rural development.

**Reimbursable program.**—OICD, utilizing USDA and university expertise, provides technical assistance and training to developing countries at the request of AID and international organizations. OICD manages technical assistance projects in over 50 countries, focusing on land and water management, crop and livestock production and marketing, forestry, pest control, resource conservation and other areas. OICD offers a technical and management training program in agriculture and rural development to participants from foreign countries and designees of international organizations.

**Object Classification (in thousands of dollars)**

Identification code	12-3200-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,920	1,900	1,900
11.3	Other than full-time permanent .....	40	40	40
11.9	Total personnel compensation .....	1,960	1,940	1,940
12.1	Personnel benefits: Civilian .....	234	386	706
21.0	Travel and transportation of persons .....	507	450	90
22.0	Transportation of things .....	24	20	4
23.2	Rental payments to others .....	7	10	10
23.3	Communications, utilities, and miscellaneous charges .....	100	90	50
24.0	Printing and reproduction .....	34	35	6
25.0	Other services .....	2,092	2,073	949
26.0	Supplies and materials .....	17	20	15
31.0	Equipment .....	94	40	30
41.0	Grants, subsidies, and contributions .....	83	85	16
99.0	Subtotal, direct obligations .....	5,152	5,149	3,816
99.0	Reimbursable obligations .....	36,893	38,302	38,302
99.9	Total obligations .....	42,045	43,451	42,118

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	60	60	60
Total compensable workyears: Full-time equivalent employment .....	58	55	55
<b>Reimbursements:</b>			
Total number of full-time permanent positions .....	136	136	136
Total compensable workyears:			
Full-time equivalent employment .....	128	129	130
Full-time equivalent of overtime and holiday hours .....	5	4	4

**[SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)]**

For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(1), (3)), \$2,500,000 *Provided*, That this appropriation

shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further*, That not to exceed \$25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.] (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	12-1404-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Market development research (sec. 104(b)(1)) .....	300	300	.....
00.02	Agricultural and forestry research (sec. 104(b)(3)) .....	4,722	1,700	.....
00.03	Translation and dissemination of scientific publications (sec. 104(b)(3)) .....	500	500	.....
10.00	Total obligations .....	5,522	2,500	.....
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-7,034	-4,366	-4,366
24.40	Unobligated balance available, end of year .....	4,366	4,366	4,366
40.00	Budget authority (appropriation) .....	2,854	2,500	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	5,522	2,500	.....
72.40	Obligated balance, start of year .....	11,742	11,199	7,511
74.40	Obligated balance, end of year .....	-11,199	-7,511	-7,511
90.00	Outlays .....	6,065	6,188	.....

As authorized by the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), as amended, USDA uses foreign currencies to support research on problems of mutual interest to the United States and participating foreign countries. After 1987, special foreign currency programs will be discontinued.

**Object Classification (in thousands of dollars)**

Identification code	12-1404-0-1-352	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent .....	35	35	.....
12.1	Personnel benefits: Civilian .....	3	3	.....
21.0	Travel and transportation of persons .....	237	175	.....
22.0	Transportation of things .....	18	20	.....
23.3	Communications, utilities, and miscellaneous charges .....	32	30	.....
24.0	Printing and reproduction .....	5	5	.....
25.0	Other services .....	475	475	.....
26.0	Supplies and materials .....	22	10	.....
41.0	Grants, subsidies, and contributions .....	4,695	1,747	.....
99.9	Total obligations .....	5,522	2,500	.....

**Personnel Summary**

Total number of full-time permanent positions .....	5	5	.....
Total compensable workyears: Full-time equivalent employment .....	5	5	.....

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	12-8232-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	3,800	5,172	5,188
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-4,927	-3,900	-3,900

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-8232-0-7-352	1986 actual	1987 est.	1988 est.
24.40	Unobligated balance available, end of year.....	3,900	3,900	3,900
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>2,773</b>	<b>5,172</b>	<b>5,188</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,800	5,172	5,188
72.40	Obligated balance, start of year.....	383	1,107	1,107
74.40	Obligated balance, end of year.....	-1,107	-1,107	-1,107
90.00	Outlays.....	3,075	5,172	5,188

Miscellaneous funds are received from the Department of State and from Saudi Arabia and other developing countries for USDA development assistance and international research projects (22 U.S.C. 2392).

Object Classification (in thousands of dollars)

Identification code	12-8232-0-7-352	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent.....	1,150	1,004	1,004
12.1	Personnel benefits: Civilian.....	130	140	156
21.0	Travel and transportation of persons.....	154	150	150
22.0	Transportation of things.....	62	62	62
23.2	Rental payments to others.....	16	16	16
24.0	Printing and reproduction.....	2	6	6
25.0	Other services.....	1,916	3,253	3,253
26.0	Supplies and materials.....	50	50	50
31.0	Equipment.....	14	191	191
41.0	Grants, subsidies, and contributions.....	306	300	300
99.9	<b>Total obligations.....</b>	<b>3,800</b>	<b>5,172</b>	<b>5,188</b>

Personnel Summary

Total number of full-time permanent positions.....	20	16	16
Total compensable workyears: Full-time equivalent employment....	20	16	16

FOREIGN ASSISTANCE PROGRAMS

Facilities and funds of the Commodity Credit Corporation may by law be used in carrying out programs for exporting agricultural commodities.

Included in this category are the following activities carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83d Congress, as amended: Financing sales of agricultural commodities for dollars on credit terms, for convertible foreign currency on credit terms, or for convertible foreign currency for use under section 108 of the Act; furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III); and for dispositions abroad (title II).

No agreements to finance sales under the authority of title I or programs of assistance under title II may be entered into after December 31, 1990.

Federal Funds

General and special funds:

PUBLIC LAW 480

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of

1954, as amended (7 U.S.C. 1691, 1701-1715, 1721-1726, 1727-1727f, 1731-1736g), as follows: (1) financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms pursuant to titles I and III of said Act, or for convertible foreign currency for use under 7 U.S.C. 1708, and for furnishing commodities to carry out the Food for Progress Act of 1985, not more than **[\$834,727,000]** **\$852,000,000**, of which **[\$454,727,000]** **\$429,596,000** is hereby appropriated and the balance derived from proceeds from sales of foreign currencies and dollar loan repayments, repayments on long-term credit sales and carryover balances, and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, not more than **[\$628,344,000]** **\$535,000,000**, of which **[\$628,344,000]** **\$535,000,000**, is hereby appropriated: *Provided*, That not to exceed 15 per centum of the funds made available to carry out any title of this paragraph may be used to carry out any other title of this paragraph. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**[Sec. 301.** Title II of Public Law 99-10 is amended, under the heading "Emergency Reserve for African Famine Relief", by striking out "\$225,000,000" and inserting in lieu thereof "\$525,000,000".]

**[Sec. 302.** Of the funds appropriated under title II of Public Law 99-10, as amended by this Act, \$300,000,000 shall remain available for obligation until September 30, 1987, notwithstanding any other provision of law or this Act.] (*Public Laws 99-500 and 99-591 providing continuing appropriations for the fiscal year 1987, section 101(k).*)

Program and Financing (in thousands of dollars)

Identification code	12-2274-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Financing the sale of agricultural commodities for foreign currencies and for dollars on credit terms (titles I and III).....	862,111	928,927	852,000
00.02	Commodities supplied in connection with dispositions abroad (title II).....	672,260	534,144	535,000
00.91	Total program level funded.....	1,534,371	1,463,071	1,387,000
01.01	Amount financed by balance in CCC and by receipts.....	-159,146	-380,000	-422,404
10.00	Total obligations (object class 25.0).....	1,375,225	1,083,071	964,596
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-356,931		
25.00	Unobligated balance lapsing.....	225,000		
39.00	<b>Budget authority.....</b>	<b>1,243,294</b>	<b>1,083,071</b>	<b>964,596</b>
Budget authority:				
40.00	Appropriation.....	1,243,294	1,383,071	964,596
41.00	Transferred to other accounts.....		-300,000	
43.00	<b>Appropriation (adjusted).....</b>	<b>1,243,294</b>	<b>1,083,071</b>	<b>964,596</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,375,225	1,083,071	964,596
72.40	Obligated balance, start of year.....	430,908	710,809	710,809
74.40	Obligated balance, end of year.....	-710,809	-710,809	-668,405
90.00	Outlays.....	1,095,324	1,083,071	1,007,000

Status of Direct Loans (in thousands of dollars)

Identification code	12-2274-0-1-151	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....			
1131	Obligations exempt from limitation: Direct loans to the public.....	812,594	819,200	749,300
1150	Total direct loan obligations.....	812,594	819,200	749,300
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	10,045,701	10,622,254	11,250,540
1231	Disbursements: Direct loan disbursements.....	772,542	819,200	749,300
1251	Repayments: Repayments and prepayments.....	-236,041	-190,914	-130,341
1261	Adjustments: Capitalized interest.....	40,052		
1290	Outstanding, end of year.....	10,622,254	11,250,540	11,869,499

## RECONCILIATION OF PROGRAM LEVEL TO PROGRAM COSTS FUNDED BY CCC

(In thousands of dollars)

Titles I/III	1986 actual	1987 est.	1988 est.
Gross commodity costs .....	864,456	832,900	764,600
Ocean freight differential and ocean transportation .....	121,255	112,727	102,700
Subtotal.....	985,711	945,627	867,300
Initial payments to exporters .....	-19,533	-16,700	-15,300
Total program level, current year .....	966,178	928,927	852,000
Prior year obligations financed.....	124,620	228,687	228,687
Obligations financed in succeeding year.....	-228,687	-228,687	-228,687
Total program costs, funded.....	862,111	928,927	852,000
<b>Title II</b>			
Commodity costs.....	440,800	338,998	340,000
Ocean and inland transportation .....	310,181	195,146	195,000
Total program level, current year .....	750,981	534,144	535,000
Prior year obligations financed.....	288,637	367,358	367,358
Obligations financed in succeeding year.....	-367,358	-367,358	-367,358
Total program costs, funded.....	672,260	534,144	535,000

*Financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms; for convertible foreign currency for use under section 108; and furnishing commodities to carry out the Food for Progress Act of 1985 (titles I and III).*—The Corporation finances all sales made pursuant to agreements concluded under the authority of title I, and may serve as the purchasing or shipping agent, or both, if the purchaser so requests. Sales are made to friendly countries—as defined in section 103(d) of the act—and must not displace expected commercial sales for cash dollars (secs. 103 (c) and (n)).

Agreements may not be made under title I in any calendar year which call for an appropriation to reimburse the Corporation in excess of \$1.9 billion, plus unused prior years' authorizations.

Whenever practicable, terms of agreements must require payment at time of delivery of not less than 5% of the purchase price in dollars or in currencies convertible to dollars. These initial payments are applied against costs to reduce appropriation requests.

When U.S.-flag vessels are required to ship commodities under this title, the Corporation will pay the difference between U.S.-flag rates and foreign-flag rates. In limited cases, full transportation costs to port of entry or point of entry abroad may be included along with the cost of the commodity in the amount financed by CCC in order to ensure that U.S. food aid would reach the most needy recipients.

*Use of foreign currency (title I).*—Certain U.S. uses of foreign currencies are subject to the appropriation process. The Corporation is reimbursed for the dollar value of currencies so used. Proceeds from sales of foreign currencies and from dollar repayments of foreign currency loans are applied as a reduction in appropriation requests.

*Financing sales of agricultural commodities for dollars or convertible foreign currencies on credit terms (title I).*—Agreements are made with friendly countries for delivery in annual installments for not more than 10 years from the date of the agreement subject to the availability of the commodity.

Credit terms are to be no less favorable than those required by section 122 of the Foreign Assistance Act of 1961, as amended, for loans made under that section.

Repayments under dollar credit agreements are not more than 20 years with a grace period of not more than 2 years on repayment of principal. Convertible foreign currency terms permit repayment of up to 40 years with deferral of principal payments for up to 10 years. As payments are received each year, they are applied against current costs to reduce appropriation requests.

*Financing sales of agricultural commodities for convertible foreign currencies to be used pursuant to section 108 (title I).*—Title I sales may be financed for convertible foreign currencies which are then loaned to financial intermediaries in the recipient country pursuant to agreements whereby the intermediaries would reloan the funds to promote private enterprise institutions. Funds repaid by the financial intermediaries may be used to finance additional private enterprise investment, develop new markets, pay U.S. obligations, or be converted to dollars.

*Furnishing commodities to carry out the Food for Progress Act of 1985 (title I).*—Funds appropriated to carry out title I may be used to furnish commodities to carry out the Food for Progress Act of 1985. Such commodities may be furnished on credit terms or on a grant basis in order to assist countries that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

Total title I agreements made since inception to September 30, 1986, amount to \$15,967.8 million cost value, including ocean freight for shipment on U.S. ships. Major commodities are wheat, cotton, oils, rice, and feed grains. Payments received during the period amount to \$4,200.1 million, of which \$2,586.3 million was applied to principal and \$1,613.8 million to interest.

The following table reflects the composition of the combined appropriations (in thousands of dollars):

## SALES FOR DOLLARS ON CREDIT TERMS

Item:	1986 actual	1987 est.	1988 est.
Expenses of shipments:			
Commodity costs: Long-term credit.....	760,095	816,200	749,300
Ocean freight and freight differential (support of U.S. Merchant Marine): Long-term credit .....	102,016	112,727	102,700
Total expenses of shipments.....	862,111	928,927	852,000
Deduct collections:			
Proceeds from sales and use of currencies and loan repayments (foreign currency) .....	-60,350	-8,700	.....
Payments from foreign governments, including interest, applied to reduce appropriation (long-term credit).....	-378,697	-371,300	-380,000
Total foreign currency.....	-60,350	-8,700	.....
Total long-term credit.....	483,414	557,627	472,000
Total.....	423,064	548,927	472,000
Prior years' costs or funds brought or carried forward:			
1985: Funds: Long-term credit.....	-139,102	.....	.....
1986: Funds: Long-term credit.....	344,014	-344,014	.....
1987: Funds: Long-term credit.....	.....	344,014	-344,014
1988: Funds: Long-term credit.....	.....	.....	301,610
Foreign currency funds applied to long-term credit costs:			
Foreign currency.....	60,350	8,700	.....
Long-term credit.....	-60,350	-8,700	.....
Appropriation or estimate: Long-term credit.....	627,976	548,927	429,596

*Commodities supplied in connection with dispositions abroad (title II).*—Under title II, agricultural commodities are furnished to developing countries to meet famine or other emergency relief needs and to combat

General and special funds—Continued

PUBLIC LAW 480—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

malnutrition. They are furnished through friendly governments, private voluntary agencies, foreign nonprofit voluntary agencies if no such U.S. agency is available, and intergovernmental organizations such as the United Nations World Food Program.

The Corporation is authorized to pay the costs of acquisition, packaging, processing, enrichment, preservation, fortification, transportation, handling, and other incidental costs incurred up to the time of delivery to U.S. ports. The Corporation also pays ocean freight charges, and pays transportation costs to points of entry other than ports in the case of landlocked countries, where carriers to a specific country are unavailable, where ports cannot be used effectively, or where a substantial saving in costs or time can be obtained, and pays general average contributions arising from ocean transport. In addition, transportation costs from designated points of entry or ports of entry abroad to storage and distribution sites and associated storage and distribution costs may be paid for commodities made available to meet urgent and extraordinary relief requirements.

Up to \$7.5 million each year may be used to buy foreign currencies accruing under title I of this act to meet costs directed to community and other self-help activities designed to alleviate the causes of the need for such aid. Such costs may not include personnel and administrative costs of cooperating sponsors, distributing agencies and recipient agencies.

Through September 30, 1986, appropriations totaling \$17,850 million were authorized. Beginning October 1, 1985, no programs of assistance shall be undertaken under this title during any fiscal year which call for an appropriation of more than \$1 billion to reimburse the Corporation. This limitation applies to costs incurred, including its investment in commodities (but only on the basis of a price not greater than the export market price of commodities acquired under a price support program), plus any amount by which programs of assistance undertaken under this title in the preceding fiscal year have called or will call for appropriations in amounts less than authorized during the preceding year. This limitation may be waived if the President determines that a waiver is necessary to undertake programs to meet urgent humanitarian needs. Any incidental sales proceeds and proceeds from loss, damage, and other claims are applied against costs to reflect a reduction in appropriation requests.

The following reflects the composition of the appropriations (in thousands of dollars):

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD

Item:	1986 actual	1987 est.	1988 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied.....	402,526	338,998	340,000
Ocean transportation.....	269,734	195,146	195,000
Total program costs.....	672,260	534,144	535,000
Prior years' costs or funds brought or carried forward:			
1985: Funds.....	-373,037		
1985: Funds deferred to 1986.....	-50,700		
1986: Funds.....	366,795	-366,795	

1987: Funds.....	366,795	-366,795	
1988: Funds.....			366,795
Appropriation or estimate.....	615,318	534,144	535,000

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

(INCLUDING TRANSFERS OF FUNDS)

\*See Part II for additional information.

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.); sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q); sections 1001 to 1004, 1006 to 1008, and 1010 of the Agricultural Act of 1970 as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501 to 1504, 1506 to 1508, and 1510); the Water Bank Act, as amended (16 U.S.C. 1301-1311); the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101); sections 202(c) and 205 of title II of the Colorado River Basin Salinity Control Act of 1974, as amended (43 U.S.C. 1592(c), 1595); sections 401, 402, and 404 to 406 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 to 2205); the United States Warehouse Act, as amended (7 U.S.C. 241-273); and laws pertaining to the Commodity Credit Corporation, not to exceed \$491,856,000, to be derived by transfer from the Commodity Credit Corporation fund: *Provided*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations. (7 U.S.C. 135b, 442-445, 447-449, 450j-1, 608c, 624, 1282, 1421-33, 1441-49, 1691-92, 1701-10, 1721-24, 1731-36f, 1781-87, 1838, 1851-54, 1856-57, 1859; 15 U.S.C. 712a, 713a-4-713a-13, 714-714p; 31 U.S.C. 9101, 9103-9; 40 U.S.C. App. A203, A401-5; 50 U.S.C. App. 1917; Public Law 96-108, 93 Stat. 835; Public Law 96-528, 94 Stat. 3111; Public Law 97-103, 95 Stat. 1467; Public Law 97-370, 96 Stat. 1787; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3300-0-1-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Program formulation and appraisal.....	19,473	20,424	20,102
00.02 Operation of supply adjustment, conservation, and price support programs.....	452,610	474,637	488,943
00.03 Inventory management and merchandising.....	54,208	56,857	58,534
00.04 Warehouse examination.....	5,077	6,020	6,461
10.00 Total obligations.....	531,368	557,938	574,040
<b>Financing:</b>			
Offsetting collections from:			
Federal funds:			
11.00 Commodity Credit Corporation fund.....	-454,884	-510,743	-527,663
11.00 Other.....	-32,280	-28,036	-27,751

14.00	Non-Federal sources.....	-44,006	-19,159	-18,626
39.00	<b>Budget authority</b> .....	<b>198</b>		
Budget authority:				
42.00	Transferred from other accounts.....	198		
43.00	<b>Appropriation (adjusted)</b> .....	<b>198</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	198		
72.40	Obligated balance, start of year.....	24,815	44,651	11,291
74.40	Obligated balance, end of year.....	-44,651	-11,291	-11,291
77.00	Adjustments in expired accounts.....	-5,783		
90.00	Outlays.....	-25,421	33,360	

This account includes funds to cover expenses of programs administered by, and functions assigned to, the Service. The funds consist of transfers from the Commodity Credit Corporation (CCC), user fees, and miscellaneous advances from other sources. This is a consolidated account for administrative expenses of national, commodity, State, and county offices.

*Program formulation and appraisal.*—The supply adjustment, conservation, and commodity support programs, and the management and merchandising of commodities acquired under the support program, have a tremendous impact on the national and (to a lesser extent) the international economy. This activity provides for constant review of the effectiveness of these programs. It also provides for the analysis of data to formulate more effective programs.

*Operation of supply adjustment, conservation, and price support programs.*—This activity includes all functions dealing with the administration of programs carried out through the farmer committee system, including: (a) developing program regulations and procedures; (b) holding meetings with employees and producers to discuss new programs or changes in existing programs; (c) collecting and compiling basic data for individual farms; (d) establishing individual farm allotments, bases, and yields; (e) notifying producers of established allotments, bases, and yields; (f) determining farm marketing quotas; (g) handling appeals; (h) conducting referendums and certifying results; (i) accepting farmer certifications and checking compliance; (j) accepting producer applications for participation in commodity price stabilizing programs; (k) issuing marketing cards so that production from the allotted acreage can be marketed without penalty; (l) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; (m) processing commodity loan and storage facility loan documents and issuing checks; (n) processing disaster, deficiency, and diversion payments and issuing checks and commodity certificates; and (o) monitoring payment limitations.

*Inventory management and merchandising.*—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) processing the redemption of commodity certificates for CCC inventory; and accounting for loans and commodities.

*Warehouse examination.*—This activity provides for the examination of warehouses licensed under the U.S. Warehouse Act and non-licensed warehouses storing CCC-owned or pledged commodities. ASCS examiners perform periodic examinations of the facilities and the

warehouse records to ensure protection of depositors against potential losses of the stored commodities and to ensure compliance with the U.S. Warehouse Act and any CCC storage agreements.

*Automated data processing.*—ASCS has introduced a major new ADP and communications system in support of CCC operations. A benefit cost analysis showed that significant savings and increased productivity could be achieved by using automated equipment. A contract award for the automation equipment occurred in fiscal year 1984; delivery and system implementation began in early 1985. Equipment delivery was completed in FY 1986. Most major program applications are expected to be completed by January 1988. Another major facet of the plan is the establishment of a joint ASCS-FAS data base, which includes information on local production of, and foreign demand for, agricultural commodities. Equipment purchases for these new systems represent a capital investment under the statutory authority of the Commodity Credit Corporation Charter Act.

The fiscal year 1988 budget for salaries and expenses reflects the continuing impact of the 1985 Farm Bill, and the impact of zero funding for regular ASCS conservation programs. The continuing administrative impact of the 1985 farm legislation on ASCS fiscal year 1987 operations is covered by a supplemental request in Part II of the Budget.

Object Classification (in thousands of dollars)

Identification code 12-3300-0-1-351	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	73,758	82,069	84,625
11.3 Other than full-time permanent.....	8,934	10,309	8,034
11.5 Other personnel compensation.....	2,585	3,030	2,704
11.9 Total personnel compensation.....	85,277	95,408	95,363
12.1 Personnel benefits: Civilian.....	11,192	13,276	16,829
13.0 Benefits for former personnel.....	800	999	1,028
21.0 Travel and transportation of persons.....	4,589	4,933	5,233
22.0 Transportation of things.....	1,100	1,043	994
23.1 Rental payments to GSA.....	31	32	33
23.3 Communications, utilities, and miscellaneous charges.....	14,369	20,191	20,766
24.0 Printing and reproduction.....	2,500	2,748	2,832
25.0 Other services.....	15,074	21,348	20,424
26.0 Supplies and materials.....	3,897	4,891	4,500
31.0 Equipment.....	600	958	712
41.0 Grants, subsidies, and contributions.....	391,773	392,029	405,244
42.0 Insurance claims and indemnities.....	106	59	59
43.0 Interest and dividends.....	10	3	3
44.0 Refunds.....	50	20	20
99.9 Total obligations.....	531,368	557,938	574,040

Personnel Summary

Total number of full-time permanent positions.....	2,444	2,642	2,655
Total compensable workyears:			
Full-time equivalent employment.....	2,954	3,255	3,190
Full-time equivalent of overtime and holiday hours.....	67	67	54

RURAL CLEAN WATER PROGRAM\*

\*See Part II for additional information.

Program and Financing (In thousands of dollars)

Identification code 12-3337-0-1-304	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations (object class 41.0).....	14,005		6,000

General and special funds—Continued

RURAL CLEAN WATER PROGRAM—Continued

Program and Financing (In thousands of dollars)—Continued

Identification code	12-3337-0-1-304	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....		-3,370	
21.40	Unobligated balance available, start of year .....	-16,635	-2,630	-6,000
24.40	Unobligated balance available, end of year .....	2,630	6,000	
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	14,005		6,000
72.40	Obligated balance, start of year .....	28,673	35,235	23,899
74.40	Obligated balance, end of year .....	-35,235	-23,899	-23,281
78.00	Adjustments in unexpired accounts .....		-3,370	
90.00	<b>Outlays</b> .....	7,442	7,966	6,618

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....			
Outlays .....	7,442	7,966	6,618
Rescission proposal:			
Budget authority .....			
Outlays .....			-340
Total:			
Budget authority .....			
Outlays .....	7,442	7,966	6,278

This experimental Rural Clean Water Program (RCWP), authorized by the Appropriation Acts of 1980 (Public Law 96-108) and 1981 (Public Law 96-528), is a cooperative endeavor among farmers, various USDA agencies and other organizations to develop and test means of controlling agricultural nonpoint source water pollution in rural areas.

Recommended project areas were developed by local and State committees and approved by the Secretary of Agriculture in consultation with the Administrator of the Environmental Protection Agency. Full funding has been provided for all approved projects.

In fiscal year 1986, in anticipation of other funds becoming available in the Clean Water Act, RCWP funds were allocated to assist in antipollution activities related to the Chesapeake Bay project. Since related funds did not become available under the Clean Water Act, RCWP funds will not be used to assist in the cleanup of the Bay in 1987 and are therefore proposed for rescission.

【AGRICULTURAL CONSERVATION PROGRAM】\*

\*See Part II for additional information.

【For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q), and sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501-1504, 1506-1508, and 1510), and including not to exceed \$15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, \$176,935,000, to remain available until expended for agreements, excluding administration but including technical assistance and related expenses, except that no participant in the Agricultural Conservation Program shall receive more than \$3,500 per year, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the

agricultural resources of the community, or where a participant has a long-term agreement, in which case the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement: *Provided*, That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further*, That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further*, That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the current year's program \$2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities" approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18 U.S.C. 1913 to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.】 (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

Program and Financing (in thousands of dollars)

Identification code	12-3315-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Cost-sharing assistance and technical assistance to farmers .....	138,314	204,290	50,000
00.02	Technical assistance .....	1,807		
10.00	<b>Total obligations</b> .....	140,121	204,290	50,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-36,737	-77,355	-50,000
24.40	Unobligated balance available, end of year .....	77,355	50,000	
40.00	<b>Budget authority (appropriation)</b> .....	180,739	176,935	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	140,121	204,290	50,000
72.40	Obligated balance, start of year .....	166,688	167,912	153,396
74.40	Obligated balance, end of year .....	-167,912	-153,396	-67,874
90.00	<b>Outlays</b> .....	138,897	218,806	135,522

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	180,739	176,935	
Outlays .....	138,897	218,806	135,522
Rescission proposal:			
Budget authority .....		-164,356	

Outlays .....		-52,670	-75,000
Total:			
Budget authority .....	180,739	12,579	
Outlays .....	138,897	166,136	60,522

The primary objectives of the program are to conserve soil and water resources. Along with annual agreements, cost sharing is authorized for long-term agreements of 3-10 years.

The program is administered by ASC county committees, with review and approval by State ASC committees and the Secretary. Technical assistance is provided by SCS and FS.

The 1987 program level of \$12,579 thousand will be allocated to States with the greatest need, and is expected to serve 0.6 million acres. Practices are expected to prevent approximately 2.8 million tons of soil erosion and save 55,000 acre feet of water.

The fiscal year 1988 Budget proposes no funding for this program.

**Object Classification (in thousands of dollars)**

Identification code	12-3315-0-1-302	1986 actual	1987 est.	1988 est.
<b>AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE</b>				
41.0	Grants, subsidies, and contributions .....	138,314	204,290	50,000
<b>ALLOCATION TO FOREST SERVICE</b>				
41.0	Grants, subsidies, and contributions .....	1,807		
99.9	Total obligations .....	140,121	204,290	50,000

**[COLORADO RIVER BASIN SALINITY CONTROL PROGRAM]**

For necessary expenses for carrying out the purposes of section 202 of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592), to be used to reduce salinity in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, \$3,804,000, for investigations and surveys, for technical assistance in developing conservation practices and in the preparation of salinity control plans, for the establishment of on-farm irrigation management systems, including related lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and nongovernmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the county committees, approved by the State committees and the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation: *Provided*, That the Soil Conservation Service shall provide technical assistance and the Agricultural Stabilization and Conservation Service shall provide administrative services for the program, including but not limited to, the negotiation and administration of agreements and the disbursement of payments: *Provided further*, That such program shall be coordinated with the regular Agricultural Conservation Program and with research programs of other agencies. *(Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)*

**Program and Financing (in thousands of dollars)**

Identification code	12-3318-0-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		3,804	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....		3,804	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		3,804	
72.40	Obligated balance, start of year .....			1,902

74.40	Obligated balance, end of year .....		-1,902	
90.00	Outlays .....		1,902	1,902

This program carries out the purposes of section 202(c) of Title II of the Colorado River Basin Salinity Control Act (43 U.S.C. 1592(c)), as amended, by providing cost-share assistance to landowners and others in the Colorado River Basin. The main objective is to enhance the supply and quality of water in the Colorado River for delivery to downstream users in the U.S. and Mexico.

Practices are recommended by the ASC county committees and approved by the State committees and the Secretary of Agriculture. Technical assistance is provided by the Soil Conservation Service. Education and information activities are provided by the Extension Service.

The 1987 program will continue progress on projects previously funded by the ASCS Agricultural Conservation Program and SCS Conservation Operations and River Basin Surveys and Investigation funds. Under this new program, 30 percent of ASCS cost-share funds will be reimbursed to the U.S. Treasury by the Colorado River Basin States.

**CONSERVATION RESERVE PROGRAM**

*For necessary expenses to carry out the Conservation Reserve Program pursuant to the Food Security Act of 1985 (16 U.S.C. 3881-3845), \$1,388,000,000, to remain available until expended, to be used for cost share assistance for the establishment of conservation practices, for annual rental payments incurred during prior fiscal years, and for technical assistance.*

**Program and Financing (in thousands of dollars)**

Identification code	12-3319-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Cost-sharing assistance .....			689,000
00.02	Annual rental payments .....			678,000
00.03	Technical assistance .....			21,000
10.00	Total obligations .....			1,388,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			1,388,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....			1,388,000
90.00	Outlays .....			1,388,000

Note.—Includes \$1,388,000 thousand in 1988 for activities previously financed from:

	[In thousands of dollars]	1986	1987
Commodity Credit Corporation Fund .....		\$23,146	\$700,000

**RECONCILIATION OF PROGRAM LEVEL TO APPROPRIATION**

	[In thousands of dollars]	1986 actual	1987 est.	1988 est.
<b>Annual rental payments:</b>				
Cash .....				678,000
CCC commodity certificates .....				58,000
Total rental payments .....				736,000
Cost-sharing assistance .....				689,000
Technical assistance .....				21,000
Total program level, current year .....				1,446,000
<b>Deduct:</b>				
Financing by CCC commodity certificates .....				-58,000
Appropriation .....				1,388,000

General and special funds—Continued

CONSERVATION RESERVE PROGRAM—Continued

Object Classification (in thousands of dollars)

Identification code 12-3319-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
25.0 Other services .....			21,000
41.0 Grants, subsidies, and contributions .....			1,367,000
99.9 Total obligations .....			1,388,000

The Conservation Reserve Program (CRP) was mandated by sections 1231-1244 of the Food Security Act of 1985 (P.L. 99-198) to establish permanent cover on highly erodible cropland. The primary objectives of the CRP are to help farmers control critical soil erosion that occurs on about a third of America's cropland and to decrease production of surplus agricultural commodities, including wheat, corn, grain sorghum, soybeans, and small grains.

The CRP is authorized in all 50 States, Puerto Rico, and the Virgin Islands on all croplands meeting the eligibility criteria of eroding at three times the soil loss tolerance or higher, or twice the soil loss tolerance with serious gully erosion. Up to 45 million acres of highly erodible land may be entered into the reserve.

The program is administered by State and local ASC committees working under the general direction of ASCS. Technical assistance is provided by the Soil Conservation Service, the Forest Service, the Cooperative Extension Service, and others.

In exchange for entering land into the reserve, program participants will receive annual rental payments in cash or commodities, based on their accepted bids per acre and the number of acres placed under 10-year contracts. In addition, farmers will receive one-time payments of 50 percent of the eligible costs of establishing vegetative cover on the reserve acreage.

To facilitate program implementation, use of the funds and facilities of the Commodity Credit Corporation (CCC) was authorized for fiscal years 1986 and 1987. Beginning in fiscal year 1988, the services and facilities of CCC may continue to be used, but appropriations must be provided to CCC in advance to carry out the program. Under the Food Security Act, authority is provided to enter into CRP contracts through fiscal year 1990. Appropriations needed to make annual payments will be requested through fiscal year 2000.

During fiscal year 1987, two sign-up periods will be held to enroll acres. The first sign-up period will be held in early 1987 for crop year 1987 acres. A second sign-up, which will be for both crop year 1987 and 1988 acres, will be held later in 1987. The program is expected to enroll a minimum of 6.1 million acres for crop year 1987, bringing total participation through crop year 1987 up to 15 million acres.

The 1988 program is expected to enroll a minimum of 10 million acres of highly erodible cropland. These acres would be enrolled for crop year 1988 or in advance for crop year 1989. Total participation through fiscal year 1988 is projected to be at least the 25 million acres established by the Act. The appropriation requested for fiscal year 1988 would be used for annual rental payments due on prior year contracts, for cost-sharing

assistance on crop year 1988 contracts, and for fiscal year 1988 technical assistance payments.

**【WATER BANK PROGRAM】\***

\*See Part II for additional information.

【For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), \$8,371,000, to remain available until expended.】 (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3320-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	4,649	13,051	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-958	-4,680	
24.40 Unobligated balance available, end of year .....	4,680		
40.00 Budget authority (appropriation) .....	8,371	8,371	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	4,649	13,051	
72.40 Obligated balance, start of year .....	40,092	35,403	39,075
74.40 Obligated balance, end of year .....	-35,403	-39,075	-31,397
90.00 Outlays .....	9,338	9,379	7,678

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	8,371	8,371	
Outlays .....	9,338	9,379	7,678
<b>Rescission proposal:</b>			
Budget authority .....		-8,166	
Outlays .....		-1,088	-838
<b>Total:</b>			
Budget authority .....	8,371	205	
Outlays .....	9,338	8,291	6,840

The objectives of the Water Bank Program are to conserve water; preserve, maintain, and improve the Nation's wetlands; increase waterfowl habitat in migratory waterfowl nesting, breeding, and feeding areas in the United States; and secure recreational and environmental benefits for the Nation. The program was authorized by the Water Bank Act, approved December 19, 1970, as amended by Public Law 96-182, approved January 2, 1980.

The Secretary of Agriculture, through designated ASCS county offices, uses program funds to enter into 10-year agreements with landowners and operators for the conservation of specified wetlands. Provisions exist to renew agreements for additional periods, to make annual payments on agreements, and under certain conditions to increase payment rates in the fifth year of a contract or at the time of renewal.

The 1988 Budget proposes no funding for this program.

**【EMERGENCY CONSERVATION PROGRAM】\***

\*See Part II for additional information.

【For an additional amount, for necessary expenses to carry out the program authorized under title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), \$10,000,000 to remain available until expended.】 (Agriculture, Rural Development, and Related Agencies Ap-

proprations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).

**Program and Financing** (in thousands of dollars)

Identification code 12-3316-0-1-453	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	6,765	18,349	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-10,114	-8,349	
24.40 Unobligated balance available, end of year	8,349		
<b>40.00 Budget authority (appropriation)</b>	<b>5,000</b>	<b>10,000</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	6,765	18,349	
72.40 Obligated balance, start of year	2,195	1,858	4,588
74.40 Obligated balance, end of year	-1,858	-4,588	
<b>90.00 Outlays</b>	<b>7,103</b>	<b>15,619</b>	<b>4,588</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	5,000	10,000	
Outlays	7,103	15,619	4,588
<b>Rescission proposal:</b>			
Budget authority		-10,000	
Outlays		-7,500	-2,500
<b>Total:</b>			
Budget authority	5,000		
Outlays	7,103	8,119	2,088

This program was authorized by the Agricultural Credit Act of 1978 (16 U.S.C. 2201-05). It provides funds for sharing the cost of emergency measures to deal with cases of severe damage to farms and rangelands resulting from natural disasters.

Under the 1986 program, cost-sharing assistance was provided in 33 States to treat farmlands damaged by floods, tornadoes, hurricanes, and drought. The 1987 program is expected to rehabilitate approximately 607,400 acres of farmland damaged by natural disaster.

**【DAIRY INDEMNITY PROGRAM】**

【For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$95,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government.】 (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing** (in thousands of dollars)

Identification code 12-3314-0-1-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,544	6,644	

<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-6,551	
24.40 Unobligated balance available, end of year	6,551		
<b>40.00 Budget authority (appropriation)</b>	<b>9,095</b>	<b>95</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,544	6,644	
72.40 Obligated balance, start of year	18	2,546	
74.40 Obligated balance, end of year	-2,546		
<b>90.00 Outlays</b>	<b>16</b>	<b>9,190</b>	

Under this program indemnification payments are made to dairy farmers and manufacturers of dairy products.

The Dairy Indemnity Program was authorized under 78 Stat. 508 in 1964, and has been extended through September 30, 1990, by the Food Security Act of 1985 (Public Law 99-198). Payments are made to farmers and manufacturers who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals which have been registered and approved for use by the Federal Government, of other chemicals, of nuclear radiation, or of nuclear fallout. The authority also provides that indemnification may be paid for cows producing such milk.

In fiscal year 1987 estimated payments of \$9,190 thousand will be made to producers and manufacturers who have incurred losses due to contamination of milk, milk products, or cows by the pesticide heptachlor.

Due to the emergency nature of this program, funding is requested as needs arise. Therefore, the fiscal year 1988 budget proposes no funding for this program.

**【FORESTRY INCENTIVES PROGRAM】**

【For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$11,891,000, to remain available until expended, as authorized by the Act.】 (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing** (in thousands of dollars)

Identification code 12-3336-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Cost-share assistance and technical assistance to land-owners	10,087	13,605	
00.02 Technical assistance (allocation to Forest Service)	938		
10.00 Total obligations (object class 41.0)	11,025	13,605	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-848	-1,714	
24.40 Unobligated balance available, end of year	1,714		
<b>40.00 Budget authority (appropriation)</b>	<b>11,891</b>	<b>11,891</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	11,025	13,605	
72.40 Obligated balance, start of year	16,546	16,330	16,453
74.40 Obligated balance, end of year	-16,330	-16,453	-8,425
<b>90.00 Outlays</b>	<b>11,241</b>	<b>13,482</b>	<b>8,028</b>

This program was authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101). The objectives of the program are to bring private, nonindustrial forest land under intensified management, to increase

General and special funds—Continued

[FORESTRY INCENTIVES PROGRAM]—Continued

timber production, to assure adequate supplies of timber products, and to enhance other forest resources.

The Forestry Incentives Program shares up to 65 percent of the cost of tree planting and timberstand improvement. The percentage cost-shared depends on the rate set in a particular State and county by the Agricultural Stabilization and Conservation Committee, after consulting with the State forester. The program is available in designated counties based on a Forest Service survey of total eligible private timberland available for production of timber products. The program is administered by ASCS. Technical assistance is provided by Forest Service.

Under the 1987 program, cost-sharing will be provided to farmers for planting trees on 169,100 acres and improving the timberstand on 39,300 acres of forest.

The fiscal year 1988 Budget proposes no funding for this program.

CORPORATIONS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency except as herein-after provided.

FEDERAL CROP INSURANCE CORPORATION

Federal Funds

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. 1516), [\$209,568,000] \$215,197,000: Provided, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-2707-0-1-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Underwriting, actuarial, and program development.....	27,687	20,320	25,497
00.02	Reinsured companies .....	98,809	145,059	153,251
00.03	Agency sales and service agreements and loss adjustment contracts.....	36,173	25,109	22,044
00.04	Compliance .....	351	2,400	2,582
00.05	Program management and administrative support.....	30,472	16,680	11,823
00.91	Total direct program .....	193,492	209,568	215,197
01.01	Reimbursable program.....	10		
10.00	Total obligations.....	193,502	209,568	215,197
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	—10		
25.00	Unobligated balance lapsing .....	16,116		
40.00	Budget authority (appropriation) .....	209,608	209,568	215,197
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	193,492	209,568	215,197
72.10	Receivables in excess of obligations, start of year .....	83	437	437
74.10	Receivables in excess of obligations, end of year.....	—437	—437	—437

72.40	Obligated balance, start of year .....	95,523	93,880	93,880
74.40	Obligated balance, end of year .....	—93,880	—93,880	—93,880
90.00	Outlays .....	194,781	209,568	215,197

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	209,608	209,568	215,197
Outlays.....	194,781	209,568	215,197
Proposed for later transmittal under proposed legislation:			
Budget authority .....			—50,803
Outlays.....			—50,803
<b>Total:</b>			
Budget authority .....	209,608	209,568	164,394
Outlays.....	194,781	209,568	164,394

This appropriation finances the administrative and operating expenses of the Corporation to provide funds to establish and maintain rates and coverages for 19,400 county programs in over 3,000 counties and to continue development of sales policies. Crop insurance in force is estimated to increase from \$8.4 billion in crop year 1987 to \$10.1 billion in crop year 1988, and the estimated insured acres are expected to increase from 58.6 million in crop year 1987 to 70.3 million in crop year 1988.

The Corporation's long-term objective is to oversee the private delivery of crop insurance on an actuarially sound basis, develop actuarial rates for use by private insurance companies, and perform compliance activities.

For fiscal year 1988, the appropriation for administrative and operating expenses will enable the Corporation to provide for growth in the expanded crop insurance program to an estimated 26.5 percent farmers' participation, bringing the program closer to attaining its long-term objective. The 1988 appropriation is the first year of a 5-year phase-out of all Federal operating subsidies. The objective is to fully privatize the delivery of crop insurance by 1992.

The major portion of administrative and operating expenses is to support delivery systems which rely heavily on the private sector as provided by the Federal Crop Insurance Act of 1980 under section 507(c).

The delivery systems are:

Reinsured companies which enable insurance companies to provide the insurance marketing, distribution, servicing, training, quality control, and loss adjustment functions. The companies also share with Federal Crop Insurance Corporation, to a limited extent, in both profits and losses. It is estimated that reinsured companies will handle about 90 percent of the total premium during crop year 1988. For crop year 1987, 47 companies or groups will be writing crop insurance with reinsurance from FCIC; and

Agency sales and service agreement, also known as the "master marketing agreement." Under this type of agreement, private insurance companies and associations are offered the opportunity to contract with FCIC to provide insurance sales and services. They are compensated on a commission basis. It is estimated that these agreements will account for 10 percent of the total premium for crop year 1988.

In addition, in areas where an adequate private sales and service force is not available, FCIC may ask other

USDA agencies to sell and service all-risk crop insurance through existing county offices.

As the private sector becomes more involved in the all-risk crop insurance program, it is expected that the companies will be able to "risk" more of their funds thus reducing the cost to the Government and at the same time reach the Corporation's goal of having all-risk crop insurance available to as many farm producers as possible.

The 1988 estimate includes savings from consolidation of administrative support services as part of 1987 budget management reforms.

**Object Classification (in thousands of dollars)**

Identification code	12-2707-0-1-351	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	20,814	18,901	19,471
11.3	Other than full-time permanent .....	6,501	4,813	.....
11.5	Other personnel compensation .....	699	604	259
11.9	Total personnel compensation .....	28,014	24,318	19,730
12.1	Personnel benefits: Civilian .....	3,828	2,918	3,749
13.0	Benefits for former personnel .....	153	200	.....
21.0	Travel and transportation of persons .....	4,051	4,825	3,933
22.0	Transportation of things .....	344	241	197
23.2	Rental payments to others .....	470	800	828
23.3	Communications, utilities, and miscellaneous charges .....	2,483	1,805	1,296
24.0	Printing and reproduction .....	725	579	472
25.0	Other services .....	141,722	172,816	183,922
26.0	Supplies and materials .....	459	482	393
31.0	Equipment .....	686	579	472
42.0	Insurance claims and indemnities .....	4	3	3
43.0	Interest and dividends .....	10,554	2	2
99.0	Subtotal, direct obligations .....	193,492	209,568	215,197
99.0	Reimbursable obligations .....	10	.....	.....
99.9	Total obligations .....	193,502	209,568	215,197

**Personnel Summary**

Total number of full-time permanent positions .....	760	760	760
Total compensable workyears:			
Full-time equivalent employment .....	1,096	950	750
Full-time equivalent of overtime and holiday hours .....	11	15	10

**ADMINISTRATIVE AND OPERATING EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	12-2707-2-1-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Underwriting, actuarial, and program development .....	.....	.....	-6,369
00.02	Reinsured companies .....	.....	.....	-30,780
00.03	Agency sales and service agreements and loss adjustment contracts .....	.....	.....	-12,578
00.04	Compliance .....	.....	.....	-723
00.05	Program management and administrative support .....	.....	.....	-353
10.00	Total obligations (object class 25.0) .....	.....	.....	-50,803
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	.....	.....	-50,803
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	.....	.....	-50,803
90.00	Outlays .....	.....	.....	-50,803

Legislation will be proposed to increase the producer's share of premium cost in order to phase out Federal payment of administrative expenses and premium subsidy over a 5-year period beginning in 1988.

**Object Classification (in thousands of dollars)**

Identification code	12-2707-2-1-351	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	.....	.....	-13,682
11.5	Other personnel compensation .....	.....	.....	-156
11.9	Total personnel compensation .....	.....	.....	-13,838
12.1	Personnel benefits: Civilian .....	.....	.....	-2,634
13.0	Benefits for former personnel .....	.....	.....	8,551
21.0	Travel and transportation of persons .....	.....	.....	-2,567
22.0	Transportation of things .....	.....	.....	-128
23.2	Rental payments to others .....	.....	.....	-562
23.3	Communications, utilities, and miscellaneous charges .....	.....	.....	-879
24.0	Printing and reproduction .....	.....	.....	-245
25.0	Other services .....	.....	.....	-37,933
26.0	Supplies and materials .....	.....	.....	-256
31.0	Equipment .....	.....	.....	-312
99.9	Total obligations .....	.....	.....	-50,803

**Personnel Summary**

Total compensable workyears:			
Full-time equivalent employment .....	.....	.....	-480
Full-time equivalent of overtime and holiday hours .....	.....	.....	-5

**Public enterprise funds:**

**FEDERAL CROP INSURANCE CORPORATION FUND**

For payments as authorized by section 508(b) of the Federal Crop Insurance Act, as amended [§135,743,000] \$284,823,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	12-4085-0-3-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	Indemnities .....	304,656	98,549	74,923
00.02	Interest .....	-390	56,300	86,300
00.03	Other expenses .....	-11,012	936	738
01.01	Reinsurance losses, net .....	794,680	639,743	669,318
10.00	Total obligations .....	1,087,934	795,528	831,279
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-548,916	-367,686	-374,491
21.98	Unobligated balance available, start of year: Fund balance .....	-133,760	-178,932	-261,833
22.98	Unobligated balance transferred, net: Fund balance .....	-450,000	-375,000	-200,000
24.98	Unobligated balance available, end of year: Fund balance .....	178,932	261,833	214,868
31.00	Redemption of debt .....	.....	.....	75,000
39.00	Budget authority .....	134,190	135,743	284,823
<b>Budget authority:</b>				
40.00	Appropriation (premium subsidy) .....	134,190	124,034	228,523
40.00	Appropriation (interest) .....	.....	11,709	56,300
43.00	Appropriation (adjusted) .....	134,190	135,743	284,823
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	539,018	427,842	456,788
72.10	Receivables in excess of obligations, start of year .....	-100,459	117,235	117,235
74.10	Receivables in excess of obligations, end of year .....	-117,235	-117,235	-117,235
90.00	Outlays .....	321,324	427,842	456,788

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:			
Budget authority .....	134,190	135,743	284,823
Outlays .....	321,324	427,842	456,788
Proposed for later transmittal under proposed legislation:			
Budget authority .....	.....	.....	-105,940

## Public enterprise funds—Continued

## FEDERAL CROP INSURANCE CORPORATION FUND—Continued

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

(In thousands of dollars)			
Outlays .....			-138,920
Total:			
Budget authority .....	134,190	135,743	178,883
Outlays .....	321,324	427,842	317,868

The Federal Crop Insurance Corporation, a wholly owned Government corporation, was created on February 16, 1938 (7 U.S.C. 1501-1520), to carry out the provisions of the Federal Crop Insurance Act, as amended. The purpose of this act is to promote the national welfare by improving the economic stability of agriculture through a sound system of crop insurance, and to provide the means for the research and experience helpful in devising and establishing such insurance.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by natural hazards, such as insect and wildlife damage, plant diseases, fire, drought, flood, wind, and other weather conditions. It does not indemnify producers for losses resulting from negligence or failure to observe good farming practices.

The crop insurance programs are planned, developed, and monitored by the FCIC headquarters office located in Washington, DC and its national operations office located in Kansas City, MO. The program is administered in the field through 18 field operations offices and 11 field actuarial offices. Sales and servicing of contracts at the county level are performed primarily by agents operating under agency sales and service agreements (master marketing agreements) and agents of reinsured companies. In those areas where these delivery systems are not in place, other USDA agencies may be used to market and service the program. The adjustment of losses is performed by FCIC employees, adjusters under contract with FCIC, and reinsured companies under contract with FCIC. Also, as required, ASCS will perform some loss adjustment support on a reimbursable basis for the Corporation. Detailed administrative accounting is performed by the National Finance Center in New Orleans, LA, and program accounting and statistical functions, as well as the underwriting and actuarial analysis work, are performed in Kansas City, MO.

**Budget program.**—The program for 1988 (crop year 1987) will provide crop insurance protection to farmers amounting to approximately \$8.4 billion on the following commodities: Almonds, apples, barley, beans, citrus, citrus trees, combined crop, corn, cotton, ELS cotton, cranberries, flax, forage production, forage seeding, grain sorghum, canning peaches, grapes, table grapes, hybrid seeding, oats, peaches, peanuts, peas (dry and green), peppers, popcorn, potatoes, prevented planting, prunes, raisins, rice, rye, soybeans, sugar beets, sugarcane, sunflowers, sweet corn, sweet corn (fresh), tobacco, tomatoes (fresh), tomatoes (processing), walnuts, and wheat. The program for 1988 is the first year of a five-year phase-out of all Federal premium subsidies. The objective is to fully privatize the delivery of crop insurance by 1992.

The 1987 appropriation provides sufficient funding for crop year 1987 to insure 58.6 million acres with an

estimated \$500.3 million in total premium income, including \$124 million in premium subsidy.

The following table compares the scope of the insurance operations planned for 1987 and 1988, as compared with 1986. Amounts in the 1986 column are actual, and pertain to the 1985 crop year. The 1986 column pertains to the 1986 crop year, and reflects levels of participation that can be achieved with the 1987 appropriations. The 1988 column pertains to the 1987 crop year.

	1986 fiscal year (1985 crop year) actual	1987 fiscal year (1986 crop year) estimate	1988 fiscal year (1987 crop year) estimate
Number of States.....	49	49	49
Number of counties.....	3,012	3,012	3,012
Insurance in force (thousands).....	\$7,188,803	\$6,700,000	\$8,381,000
Insured acreage (thousands).....	48,525	46,850	58,600
Farmers premium (thousands) <sup>1</sup> .....	345,137	300,832	371,055
Premium subsidy (thousands) <sup>1</sup> .....	100,456	99,168	129,245
Total premium (thousands) <sup>1</sup> .....	445,593	400,000	500,300
Indemnities (thousands) <sup>1</sup> .....	680,920	619,200	730,438
Loss ratio.....	1.53	1.55	1.46

<sup>1</sup> Includes amounts that will appear on the books of the reinsured companies. The Corporation records will only reflect the net reinsurance income and net reinsurance loss.

**Financing.**—The Corporation is authorized under the Federal Crop Insurance Act, as amended, to use funds from the issuance of capital stock which provides working capital for the Corporation.

Receipts which are for deposit to this fund come mainly from premiums paid by farmers. The principal payments from this fund are for indemnities to insured farmers, the direct cost of adjusting crop losses and agents' commissions. However, an appropriation will be requested in subsequent years for payments made from premium income used for loss adjustment costs and/or agents' commissions as provided by section 516(a) of the Federal Crop Insurance Act, as amended.

Premium subsidies are authorized by section 508(b) of the Federal Crop Insurance Act, as amended. The purpose of the subsidy is to encourage the broadest possible participation of farm producers in the crop insurance program. Subsidies are paid by the Corporation based upon 30 percent of each producer's premium (reduced, where applicable, for hail and fire exclusion or State agency subsidy) on any coverage, under the Corporation's policy of insurance of up to a maximum of 65 percent of the recorded or appraised average yield, as adjusted.

In fiscal year 1986, the Corporation borrowed \$450 million from the Commodity Credit Corporation in order to pay heavy crop years 1985 and 1986 losses.

## PREMIUM AND SUBSIDY

(In thousands of dollars)			
	1986 fiscal year (1985 crop year) actual	1987 fiscal year (1986 crop year) estimate	1988 fiscal year (1987 crop year) estimate
Premiums:			
Producer premium .....	345,137	300,832	371,055
(Government operations).....	(91,652)	(60,166)	(37,105)
(Reinsurance operations) <sup>1</sup> .....	(253,485)	(240,666)	(333,950)
Amount of subsidies.....	100,456	99,168	129,245
(Government operations).....	(26,108)	(19,834)	(12,925)
(Reinsurance operations) <sup>1</sup> .....	(74,348)	(79,334)	(116,321)
Total premiums .....	445,593	400,000	500,300
Indemnities .....	680,920	619,200	730,438
(Government operations).....	(209,776)	(139,200)	(73,044)

(Reinsurance operations) <sup>1</sup>..... (471,144) (480,000) (657,394)

<sup>1</sup> These amounts will appear on the books of the reinsured companies. The Corporation records will only reflect the net reinsurance income and net reinsurance losses.

The annual appropriation for the administrative and operating expenses of the Corporation is presented earlier in the budget.

**Operating results and financial condition.**—As of September 30, 1986, the Corporation reflected a deficit of \$1,476.9 million. This compares with a deficit of \$937.9 million at September 30, 1985.

For crop years 1948 through 1985, indemnities (\$3,291.7 million) exceeded premium income (\$2,584.3 million) by \$707.4 million; the loss ratio for the period was 1.27. Indemnity costs exceeded premiums in 20 of the 38 years.

The following table summarizes the insurance operations for 1986, 1987, and 1988:

**NET INCOME OR LOSS (—) ON INSURANCE OPERATIONS**

(In thousands of dollars)

	1986 fiscal year	1987 fiscal year estimate	1988 fiscal year estimate
Premiums over indemnities .....	—161,433	—51,749	—37,932
(Premium subsidy expenses) .....	(16,602)	(15,963)	(12,850)
Interest expense .....	5,705	—56,300	—86,300
Other income or expense, net (—) .....	5,324	—936	—738
Reinsurance underwriting gain (+) or loss (—) .....	—263,394	—206,603	—213,387
Premium subsidy expense—reinsurance .....	—125,220	—112,254	—118,431
Net income or loss (—) .....	—539,018	—427,842	—456,788

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue .....	548,916	367,686	374,491
Expense .....	1,087,934	795,528	831,279
Net income or loss (—) for the year .....	—539,018	—427,842	—456,788

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Treasury balance .....	33,301	296,167	353,902	379,015
Accounts receivable, net .....	172,217	155,102	193,871	185,740
Deferred charges .....	588,597	192,681	182,610	135,000
Total assets .....	794,115	643,950	730,386	699,755
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	310,585	369,191	343,403	334,812
Deferred credits .....	349,695	95,752	125,075	150,000
Provisions for surety losses .....	75	75	75	75
Total liabilities .....	660,355	465,018	468,553	484,887
<b>Government equity:</b>				
Selected equities:				
Non-interest-bearing capital .....	500,000	500,000	500,000	500,000
Paid-in capital .....	37,978	37,978	37,978	37,978
Appropriation (Treasury borrowing) .....	113,000	113,000	113,000	38,000
Appropriation (premium subsidy) .....	368,148	502,338	626,372	854,895
Appropriation (agents' commissions) .....	47,909	47,909	47,909	47,909
Appropriation (loss adjustment) .....	4,632	4,632	4,632	4,632
Transfer from Commodity Credit Corp .....		450,000	825,000	1,025,000
Appropriation (interest on Treasury borrowing) .....			11,709	68,009
Retained earnings .....	—937,907	—1,476,925	—1,929,933	—2,361,555
Total Government equity .....	<sup>1</sup> 133,760	<sup>1</sup> 178,932	<sup>1</sup> 236,667	<sup>1</sup> 214,868

**Analysis of changes in Government equity:**

	1986 actual	1987 est.	1988 est.
<b>Non-interest-bearing capital:</b>			
Start of year .....	500,000	500,000	500,000
End of year .....	500,000	500,000	500,000
<b>Paid-in capital:</b>			
Start of year .....	571,667	1,155,857	1,666,600
<b>Transactions:</b>			
Appropriation (premium subsidy) .....	134,190	124,034	228,523
Transfer from Commodity Credit Corporation .....	450,000	375,000	200,000
Redemption of debt (Treasury) .....			—75,000
Appropriation (interest on borrowing) .....		11,709	56,300
End of year .....	1,155,857	1,666,600	2,076,423
Total capital .....	1,655,857	2,166,600	2,576,423
<b>Retained earnings:</b>			
Start of year .....	—937,907	—1,476,925	—1,904,767
<b>Transactions:</b>			
Net income or loss (—) for the year .....	—539,018	—427,842	—456,788
Adjustments .....			
End of year .....	—1,476,925	—1,904,767	—2,361,555
Total Government equity (end of year) .....	<sup>2</sup> 178,932	<sup>2</sup> 261,833	<sup>2</sup> 214,868

<sup>1</sup> Reflects long-term notes payable to Treasury for borrowing. Includes \$113 million Treasury borrowing in fiscal year 1985. Also includes \$450 million CCC borrowing in fiscal year 1986, which have been added to the unobligated balance. In fiscal years 1987 and 1988 the unobligated balances include \$375 million and \$200 million, respectively.

<sup>2</sup> Includes \$450 million CCC borrowing in fiscal year 1986, which have been added to the unobligated balance. Also included in fiscal years 1987 and 1988 in the unobligated balances are \$375 million and \$200 million, respectively.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-4085-0-3-351			
<b>Insurance claims and indemnities:</b>			
42.0 Government operations .....	304,656	98,549	74,923
42.0 Reinsurance .....	794,680	639,743	669,318
43.0 Interest and dividends .....	—390	56,300	86,300
92.0 Undistributed .....	—11,012	936	738
99.9 Total obligations .....	1,087,934	795,528	831,279

**FEDERAL CROP INSURANCE CORPORATION FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-4085-2-3-351			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Indemnities .....			—554
00.02 Interest .....			—86,300
00.03 Administrative and other expenses .....			41,215
01.01 Reinsurance losses, net .....			—4,953
10.00 Total obligations .....			—50,592
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....			—88,328
24.98 Unobligated balance available, end of year: Fund balance .....			107,980
31.00 Redemption of debt .....			—75,000
39.00 <b>Budget authority</b> .....			<b>—105,940</b>
<b>Budget authority:</b>			
40.00 Appropriation (premium subsidy) .....			—49,640
40.00 Appropriation (interest) .....			—56,300
43.00 <b>Appropriation (adjusted)</b> .....			<b>—105,940</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			—138,920
90.00 Outlays .....			—138,920

Legislation will be proposed to increase the producer's share of premium cost in order to phase out Federal payment of administrative expenses and premium subsidy over a 5-year period beginning in 1988.

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

Object Classification (in thousands of dollars)

Identification code 12-4085-2-3-351	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....			1,447
11.5 Other personnel compensation.....			26
11.9 Total personnel compensation.....			1,473
12.1 Personnel benefits: Civilian.....			279
13.0 Benefits for former personnel.....			2,188
21.0 Travel and transportation of persons.....			342
22.0 Transportaton of things.....			17
23.2 Rental payments to others.....			67
23.3 Communications, utilities, and miscellaneous charges.....			104
24.0 Printing and reproduction.....			57
25.0 Other services.....			36,497
26.0 Supplies and materials.....			34
31.0 Equipment.....			40
Insurance claims and indemnities:			
42.0 Government operations.....			-554
42.0 Reinsurance.....			-4,953
43.0 Interest and dividends.....			-86,300
92.0 Undistributed.....			117
99.9 Total obligations.....			-50,592

COMMODITY CREDIT CORPORATION

Federal Funds

General and special funds:

REIMBURSEMENT FOR NET REALIZED LOSSES

**[To reimburse]** For reimbursement to the Commodity Credit Corporation for net realized losses sustained or anticipated, but not previously reimbursed, **[pursuant to]** such sums as may be necessary are available in this and subsequent years as authorized by the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12) **[\$16,808,806,000, and in addition \$3,000,000,000 which shall be available only to the extent an official budget request is transmitted to the Congress, such funds to be available, together with other resources available to the Corporation, to finance the Corporation's programs and activities during fiscal year 1987: Provided, That of the foregoing amount, not to exceed the following amounts shall be available for the following programs: export guaranteed loan claims, \$683,350,000; conservation reserve program, \$700,000,000; export enhancement program, \$667,000,000; Federal crop insurance program, \$375,000,000; targeted export assistance program, \$325,000,000; storage facility loan program under section 4(h) of the Commodity Credit Corporation Charter Act, \$100,000,000; and interest payments to the United States Treasury, \$1,932,000,000].**

SHORT-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not **[less]** more than \$5,000,000,000 in credit guarantees under its export credit guarantee program for short-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1125(b) of the Food Security Act of 1985 (Public Law 99-198).

INTERMEDIATE EXPORT CREDIT

The Commodity Credit Corporation shall make available not **[less]** more than \$500,000,000 in credit guarantees under its export guarantee program for intermediate-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1131(3)(B) of the Food Security Act of 1985 (Public Law 99-198). (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION, NATIONAL WOOL ACT

Public enterprise funds:

COMMODITY CREDIT CORPORATION FUND\*

\*See Part II for additional information.

Program and Financing (in thousands of dollars)

Identification code 12-4336-0-3-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Support and related programs:			
Operating expenses:			
00.01 Commodity purchases and related inventory acquisitions.....	4,435,989	9,501,473	2,711,422
00.02 Storage, transportation, and other obligations not included above.....	1,204,061	2,264,412	2,825,209
00.03 Producer storage payments.....	342,248	840,633	663,716
00.04 Animal and plant disease eradication (APHIS).....	7,938		
Direct producer payments:			
00.05 Feed grains.....	5,651,106	5,685,901	6,990,000
00.06 Wheat.....	2,721,109	1,750,500	2,588,000
00.07 Rice.....	483,791	358,200	604,300
00.08 Cotton.....	996,808	729,448	995,169
00.09 Dairy.....	489,605	578,541	222,551
Conservation reserve program:			
00.11 Cost-share payments.....	12,429	686,695	
00.12 Technical assistance.....	12,263	13,305	
00.13 Operating expense.....	464,034	522,412	539,806
Interest:			
00.14 Treasury.....	1,680,484	1,828,924	1,790,966
00.15 Other.....	826		
00.91 Total operating expenses.....	18,502,691	24,760,444	19,931,139
Capital investment:			
Direct loans:			
01.01 Storage facility.....	507	200	
01.02 Commodity.....	17,390,512	17,129,720	12,784,925
01.03 Guarantee claims.....	328,253	673,315	711,386
01.04 Purchase of administrative equipment.....	61,618	42,500	15,705
01.91 Total capital investment.....	17,780,890	17,845,735	13,512,016
01.92 Total support and related programs.....	36,283,581	42,606,179	33,443,155
Special activities:			
Operating expenses:			
02.01 Commodities transferred from support program and commodities procured.....	402,526	338,998	340,000
Other operating expenses:			
02.02 Interest.....	4,005	2,951	3,353
02.03 Conservation reserve program payments.....			1,388,000
02.04 Other program and operating expenses.....	1,250,529	1,252,361	1,186,688
02.91 Total special activities.....	1,657,060	1,594,310	2,918,041
10.00 Total obligations.....	37,940,641	44,200,489	36,361,196
<b>Financing:</b>			
Offsetting collections from: Support and related programs:			
Federal funds:			
11.00 Sales to special activities.....	-402,526	-338,998	-340,000
11.00 Interest revenue.....	-4,005	-2,951	-3,353
11.00 Other revenue.....	-2,753	-2,899	-2,899
Non-Federal sources (62 Stat. 1070):			
14.00 Sales and other proceeds.....	-946,619	-1,180,525	-1,129,933
14.00 Interest revenue.....	-783,534	-152,567	-235,793
14.00 Other revenue.....	-975	-1,300	-1,400
14.00 Realization of assets.....	-262	-250	-250
14.00 Loans repaid.....	-5,723,264	-12,757,791	-9,272,478
14.00 Loan collateral forfeited.....	-5,583,358	-7,077,842	-6,679,161
Repayments by importers:			
14.00 Short-term export credit sales program.....	-136,226	-66,826	-26,217
14.00 Intermediate export credit sales program.....	-2,070		
14.00 Export guarantee program.....	-77,851	-26,862	-27,255
14.00 Interest revenue.....	-10,265	-35,322	-99,774
Special activities:			
Federal funds:			
11.00 Reimbursements received.....	-60,350	-8,700	
11.00 Advance from foreign assistance programs.....	-1,243,294	-1,083,071	-905,596
11.00 Advance from conservation reserve program.....			-1,388,000

14.00	Non-Federal sources (62 Stat. 1070) .....	—378,697	—371,300	—380,000
22.98	Unobligated balance transferred, net: Fund balance.....	450,000	375,000	200,000
39.00	<b>Budget authority.....</b>	<b>23,034,593</b>	<b>21,468,285</b>	<b>16,069,087</b>
Budget authority:				
Current: Support and related programs:				
40.00	Appropriation.....	24,932,926	19,808,806	21,133,658
40.47	Portion applied to debt reduction.....	—24,932,926	—17,722,397	—20,468,509
40.49	Portion applied to liquidate contract authority .....	.....	—2,486,409	—665,149
42.00	Transferred from other accounts.....	.....	400,000	.....
43.00	<b>Appropriation (adjusted).....</b>	.....	.....	.....
Permanent: Special activities:				
60.00	<b>Appropriation: Reimbursement to Commodity Credit Corporation, National Wool Act (permanent, indefinite, special fund).....</b>	<b>109,365</b>	<b>122,689</b>	<b>131,239</b>
Permanent: Support and related programs:				
67.10	<b>Authority to borrow (15 U.S.C. 713a-4) ...</b>	<b>16,650,937</b>	<b>21,345,596</b>	<b>15,937,848</b>
69.10	<b>Contract authority (indefinite) .....</b>	<b>6,274,291</b>	.....	.....
Relation of obligations to outlays:				
Support and related programs:				
71.00	Obligations incurred, net.....	22,609,874	20,962,046	15,624,642
Obligated balance, start of year:				
72.47	Authority to borrow.....	1,188,710	128,048	—1,510,657
72.49	Contract authority.....	3,459,045	9,636,262	7,130,520
72.98	Fund balance.....	—379,429	—419,710	—419,710
Obligated balance, end of year:				
74.47	Authority to borrow.....	—128,048	1,510,657	6,063,550
74.49	Contract authority.....	—9,636,262	—7,130,520	—6,487,603
74.98	Fund balance.....	419,710	419,710	419,710
77.00	Adjustments.....	8,184,914	.....	.....
Special activities:				
71.00	Obligations incurred, net.....	—25,281	131,239	244,445
72.49	Obligated balance, start of year: Contract authority.....	152,053	249,127	249,127
74.49	Obligated balance, end of year: Contract authority.....	—249,127	—249,127	—350,531
77.00	Adjustments.....	245,044	.....	.....
90.00	<b>Total outlays.....</b>	<b>25,841,204</b>	<b>25,237,732</b>	<b>20,963,493</b>

NOTES

Contingent liabilities, commitments and other obligations do not become charges against the statutory borrowing authority until they result in borrowing from Treasury. Only that portion of borrowing authority is available which has not been charged by actual borrowing.

Excludes \$1,388,000 thousand in 1988 for activities transferred to: Conservation Reserve Program, Agricultural Stabilization and Conservation Service. Comparable amounts for 1986 (\$23,146 thousand) and 1987 (\$700,000 thousand) are included above.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested	1986 actual	1987 est.	1988 est.
Budget authority .....	23,034,593	21,468,285	16,069,087
Outlays.....	25,841,204	25,237,732	20,963,493
Supplemental under existing legislation:			
Budget authority .....	.....	24,705	.....
Outlays.....	.....	24,705	.....
Proposed for later transmittal under proposed legislation:			
Budget authority .....	.....	.....	308,433
Outlays.....	.....	.....	308,433
<b>Total:</b>			
Budget authority .....	23,034,593	21,492,990	16,377,520
Outlays.....	25,841,204	25,262,437	21,271,926

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 12-4336-0-3-351	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....	3,611,098	9,885,389	7,398,980
Contract authority.....	6,274,291	.....	.....
Appropriation to liquidate contract authority.....	.....	—2,486,409	—665,149
Unfunded balance, end of year.....	—9,885,389	—7,398,980	—6,733,831

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year	802,594	826,569
			812,740

1251	Repayments: Repayments and prepayments.....	—138,296	—66,826	—26,217
1261	Adjustments: Capitalized interest.....	162,271	52,997	47,412
1290	Outstanding, end of year.....	826,569	812,740	833,935

COMMODITY LOANS

Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans to the public.....	.....	.....	.....
1131	Obligations exempt from limitation: Direct loans to the public.....	17,390,512	17,129,720	12,784,925
1150	<b>Total direct loan obligations.....</b>	<b>17,390,512</b>	<b>17,129,720</b>	<b>12,784,925</b>

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	12,233,221	18,494,205	15,866,858
1231	Disbursements: Direct loan disbursements.....	17,390,512	17,129,720	12,784,925
1251	Repayments: Repayments and prepayments.....	—5,293,365	—12,095,312	—8,596,840
Adjustments:				
1262	Write-offs for default.....	—1,206	—62,972	—62,972
1264	Other adjustments, net <sup>1</sup> .....	—5,834,957	—7,598,783	—7,322,451
1290	Outstanding, end of year.....	18,494,205	15,866,858	12,669,520

STORAGE FACILITY LOANS

Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans to the public.....	.....	.....	.....
1131	Obligations exempt from limitation: Direct loans to the public.....	507	200	.....
1150	<b>Total direct loan obligations.....</b>	<b>507</b>	<b>200</b>	.....

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	397,658	174,228	32,890
1231	Disbursements: Direct loan disbursements.....	507	200	.....
1251	Repayments: Repayments and prepayments.....	—223,937	—141,538	—32,348
1290	Outstanding, end of year.....	174,228	32,890	542

EXPORT GUARANTEE CLAIMS

Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans to the public.....	.....	.....	.....
1132	Obligations exempt from limitation: Defaulted guaranteed loan claims.....	328,253	673,315	711,386
1150	<b>Total direct loan obligations.....</b>	<b>328,253</b>	<b>673,315</b>	<b>711,386</b>

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	1,670,815	2,113,096	2,878,408
1232	Disbursements: Disbursements for guaranteed loan claims.....	328,253	673,315	711,386
Repayments:				
1251	Repayments and prepayments.....	—73,222	—26,862	—27,255
1252	Repayments of defaulted guaranteed loans.....	—4,629	.....	.....
1261	Adjustments: Capitalized interest.....	191,879	118,859	113,842
1290	Outstanding, end of year.....	2,113,096	2,878,408	3,676,381

<sup>1</sup> This entry includes commodities received as the result of loan forfeitures valued at \$5.6, \$7.1, and \$6.7 billion for fiscal years 1986 through 1988, respectively. It also includes non-receipt of loan repayments for marketing loans and adjustments for loans to peanut associations.

Status of Guaranteed Loans (in thousands of dollars)

Identification code 12-4336-0-3-351	1986 actual	1987 est.	1988 est.
2111	Limitation on guaranteed loans made by private lenders.....	.....	.....
2131	Guaranteed loan commitments exempt from limitation.....	2,502,716	5,500,000
2150	<b>Total guaranteed loan commitments.....</b>	<b>2,502,716</b>	<b>5,500,000</b>

CCC EXPORT GUARANTEE PROGRAM

Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....	.....	.....	.....
2131	Guaranteed loan commitments exempt from limitation.....	2,502,716	5,500,000	5,500,000
2150	<b>Total guaranteed loan commitments.....</b>	<b>2,502,716</b>	<b>5,500,000</b>	<b>5,500,000</b>

## Public enterprise funds—Continued

## COMMODITY CREDIT CORPORATION FUND—Continued

## Status of Guaranteed Loans (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
12-4336-0-3-351			
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	5,093,986	3,609,378	7,037,605
2231 Disbursements of new guaranteed loans	1,595,221	5,500,000	5,500,000
2251 Repayments and prepayments	-2,762,500	-1,490,719	-2,155,097
2261 Adjustments: Terminations for default that result in direct loans	-317,329	-581,054	-600,163
2290 Outstanding, end of year	3,609,378	7,037,605	9,782,345
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year	3,521,751	6,896,853	9,586,698

The Corporation was created to stabilize, support, and protect farm income and prices, to help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers, and to help in their orderly distribution (15 U.S.C. 714-714p). It may make available materials and facilities required in connection with the production and marketing of agricultural commodities and may be used to administer and to temporarily finance numerous special activities.

The Corporation's capital stock of \$100 million is held by the United States. Under present law, up to \$25 billion may be borrowed from the U.S. Treasury to finance operations.

The 1988 estimate includes savings from improving the control and timing of disbursements and handling of cash collections as part of continuing budget management reforms. Permanent indefinite appropriation authority is requested to cover all net realized losses. Appropriations to the Corporation for net realized losses have no effect on budget authority.

**Budget assumptions.**—The following general assumptions form the basis for the Corporation's 1987 and 1988 budget estimates: (a) National income will rise both in 1987 and 1988 from the present level; (b) 1987 crop production will rise from 1986 crop levels, except for corn and grain sorghum; (c) generally, exports of agricultural commodities in 1988 are expected to be slightly higher than 1987 levels; (d) yields for the 1987 crops are based on recent averages adjusted for trend; (e) acreage allotments and marketing quotas will be in effect for the 1987 crops of certain kinds of tobacco; (f) poundage quotas will be in effect for the 1987 crop of peanuts.

It is difficult to forecast with accuracy requirements for the year ending September 30, 1988, since the projections are subject to complex and unpredictable factors such as weather, other factors which affect the volume of production of crops not yet planted, feed and food needs here and overseas, and available dollar exchange.

## PROGRAMS OF THE CORPORATION

The basic functions of the Corporation include the following programs for which appropriations are made for net realized losses sustained:

Program	Estimate (In thousands of dollars)		
	Gross obligations	Net outlays 1988	Net realized loss for year
Short-term and intermediate export credit sales		-26,217	
Export Guarantee Program	711,386	641,721	-42,410
Commodity loans	12,784,925	5,323,484	62,972
Storage facilities		-32,348	
Supply	285	45	50
Feed grain payments	6,990,000	5,364,500	7,781,500
Wheat payments	2,588,000	2,236,000	2,956,000
Rice payments	604,169	402,500	660,300
Cotton payments	995,169	632,625	1,007,069
Dairy	222,551	222,551	222,551
Other support and related	6,168,464	2,962,492	8,155,756
Other items not distributed by program:			
Interest	1,790,966	1,510,539	1,452,046
All other	587,109	1,582,560	591,068
Total	33,443,155	20,820,452	22,846,902

**Price support and related stabilization programs.**—The Corporation conducts programs to support farm income and prices and stabilize the market for agricultural commodities. Price support is provided to producers of agricultural commodities through loans, purchases, payments, and other means. This is done mainly under the Commodity Credit Corporation Charter Act, as amended (15 U.S.C. 714 et seq.), the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.), and the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.).

Price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco. The Agricultural Act of 1949, as amended, also requires support of the following nonbasic commodities: honey, milk, barley, oats, rye, grain sorghum, sugar and soybeans. The National Wool Act of 1954, as amended (7 U.S.C. 1781-87), requires support for wool and mohair. Support for other nonbasic commodities is discretionary. The support program may also include operations to remove and dispose of surplus agricultural commodities in order to stabilize prices at levels not in excess of those permissible by law.

The principal methods of providing support are loans to and purchases from producers. With limited exceptions, loans made on commodities are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy the loan obligation without further payment.

Direct purchases are also made from processors as well as producers, depending on the commodity involved. Also, special purchases are made under various laws for the removal of surpluses; for example, the Act of August 19, 1958, as amended (7 U.S.C. 1431 note), and section 416 of the Agricultural Act of 1949, as amended (7 U.S.C. 1431).

**Set-aside program and acreage limitation program.**—The Agricultural Act of 1949, as amended, authorizes the Secretary to establish, through the Corporation, acreage limitation programs for the 1986 through 1990 crops of upland cotton, rice, and ELS cotton. In addition, the Secretary is authorized to implement a set-aside or acreage limitation program for the 1986 through 1990 crops of wheat and feed grains.

**Land diversion payments.**—The Agricultural Act of 1949, as amended, provides that, to assist in adjusting the acreage of commodities to desirable goals, the Secretary is required, with respect to the 1986 crops of wheat

and feed grains if certain stock levels exist on the first day of the marketing years for such crop, to make land diversion payments in the form of an "in-kind" payment and may, with respect to the 1987 and subsequent crops of wheat, feed grains, and the 1986 through 1990 crops of upland cotton, ELS cotton, and rice, make land diversion payments, through the Corporation, to producers who devote to approved conservation uses acres of cropland in addition to those required to be so devoted under the acreage limitation or set-aside programs. For the 1987 and subsequent crops, diversion payments may be paid in cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by the Corporation.

*Producer eligibility.*—Producers of feed grains and wheat must comply with acreage limitation provisions or acreage set-aside provisions, and normal crop acreage (NCA) requirements, if in effect, in order to be eligible for price support loans and purchases and deficiency payments. Producers of rice must comply with acreage limitation provisions, if in effect, in order to be eligible for price support loans and purchases and deficiency payments. Producers of cotton must comply with acreage limitation provisions, if in effect, in order to be eligible for price support loans and deficiency payments.

*Deficiency payments.*—The Agricultural Act of 1949, as amended, establishes: (1) minimum established "target" prices for the 1986 through 1990 crops of the following commodities—wheat, corn, upland cotton, rice, and ELS cotton; (2) minimum price support loan and purchase levels for wheat, feed grains, and rice; and (3) minimum price support loan levels for upland cotton and ELS cotton. Deficiency payments for each of the commodities are required when the target price for the commodity exceeds the national average market price or the price support loan level, whichever is higher. The target prices for grain sorghum and oats and, if designated by the Secretary, barley, are established at a level which is fair and reasonable in relation to the target prices established for corn. These payments may be paid by cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by CCC.

*Marketing loan and certificate programs.*—The Agricultural Act of 1949, as amended, authorizes a mandatory marketing loan program for each of the 1986 through 1990 crops of rice and upland cotton and a discretionary marketing loan program for each of the 1986 through 1990 crops of wheat and feed grains. Under a marketing loan program, a producer may repay a price support loan at a level which is lower than the original loan rate. The Agricultural Act of 1949, as amended, also provides that the Secretary may allow honey producers to repay price support loans at a level which is lower than the original loan rate. The Agricultural Act of 1949, as amended, provides for payments, in the form of negotiable marketing certificates, to persons holding free stocks of upland cotton as of August 1, 1986, and to first handlers of upland cotton (persons regularly engaged in buying or selling upland cotton). The Food Security Act of 1985, as amended,

provides for a marketing certificate program for rice producers and sellers.

*Grain reserves.*—The Agricultural Act of 1949, as amended, authorizes a producer-owned grain reserve program for wheat and feed grains that provides 3-year extended loans to producers. Producers receive annual storage payments under the contract. Program provisions establish when interest is charged. Storage payments cease and producers may repay their loans when market prices reach the higher of 140 percent of the nonrecourse loan rate for the commodity or the established price for the commodity. Under section 5 of the Commodity Credit Corporation Charter Act, as amended, a Special Producer Storage Loan Program is conducted which allows producers with maturing producer-owned grain reserve loans to pledge the collateral securing such loans as collateral for extended storage loans for a period determined by the Secretary.

*Dairy.*—The Agricultural Act of 1949, as amended, provides for a revised dairy price support program. The support price is \$11.35 per hundredweight for the period January 1, 1987 through September 30, 1987. During the period October 1, 1987 through December 31, 1990, the support price will be \$11.10 per hundredweight. The Secretary will, on January 1 of calendar years 1988, 1989, and 1990, reduce the support price in effect by 50 cents per hundredweight if estimates of CCC purchases of milk or milk products for the twelve-month period beginning on such date is in excess of five billion pounds milk equivalent. However, the price support level may not be reduced unless the milk production termination program implemented for the 18-month period of April 1, 1986 through September 30, 1987 achieved a reduction in production of at least 12 billion pounds by program participants, or the Secretary certifies to Congress that reasonable contract offers were extended but that such offers were not accepted by a sufficient number of producers to achieve the 12 billion pound reduction. In addition, if the Secretary estimates on January 1 in any of the calendar years 1988, 1989, and 1990 that the level of purchases of milk and milk products by CCC for such calendar year will not exceed 2.5 billion pounds, the Secretary shall increase the support price in effect on such date by 50 cents per hundredweight. Under the production termination program, producers may submit bids for payments by CCC in return for the full termination of production by such producers. To encourage the adjustment of milk production to levels consistent with national demand, and finance the production termination program, the Secretary is required to provide for a reduction of 40 cents per hundredweight in the support price received on all milk marketed for commercial use by producers to be made during the period April 1, 1986 through December 31, 1986 and 25 cents per hundredweight for the period January 1, 1987 through September 30, 1987.

*Storage facilities.*—Pursuant to sections 4(h) and 5(b) of the Commodity Credit Corporation Charter Act, as amended, the Corporation has authority to make secured loans for the purchase, construction, or remodeling of facilities for storage and care of commodities on the farm.

## Public enterprise funds—Continued

## COMMODITY CREDIT CORPORATION FUND—Continued

**Conservation Reserve Program.**—The Food Security Act of 1985, as amended, provides that the Secretary shall carry out a Conservation Reserve Program by entering into 10- to 15-year contracts with owners or operators of highly erodible cropland to assist them in conserving and using the soil and water resources of their farms. Non-erodible lands which pose an off-farm environmental threat or cause productivity degradation due to soil salinity may also be included. In return for placing land in the reserve, farmers receive cost-share and rental payments, as well as technical assistance from USDA agencies. Annual rental payments may be paid in cash or on a non-cash basis, including payments in the form of commodities or commodity certificates that may be exchanged for commodities owned by the Corporation. Total acres to be included in the reserve by the end of fiscal year 1988 are 25 million. The facilities, services and funds of CCC are being used to carry out the program in fiscal year 1986 and fiscal year 1987. The services and facilities of the Corporation may be used in subsequent years, but appropriations must be provided in advance to carry out the program. Beginning in fiscal year 1988, a separate appropriation for advances to CCC is being requested to carry out the program. See "Special Activities" section.

**Payment limitations.**—The Food Security Act of 1985, as amended, provides that the total amount of deficiency and land diversion payments, excluding any deficiency payment received as the result of a reduction of the wheat or feed grain price support loan level, which a person is entitled to receive under one or more of the annual programs for feed grains, wheat, upland cotton, ELS cotton, and rice for each of the 1987 through 1990 crops of these commodities shall not exceed \$50 thousand. For each of the 1987 through 1990 crops, the total amount of: (1) with respect to wheat, feed grains, upland cotton, ELS cotton, rice, and honey, deficiency payments; land diversion payments; disaster payments; loan deficiency payments; inventory reduction payments; and gains realized from a marketing loan repayment; and (2) with respect to other commodities, gains realized by a producer from repaying a loan at less than the original loan level that a person shall be entitled to receive under one or more of the annual programs for such commodities shall not exceed \$250 thousand, except as otherwise may be authorized by the Secretary. Annual rental payments made under the Conservation Reserve Program are limited to \$50,000 per person.

**Loan limitations.**—The total amount of loans on a crop of honey which a person may have outstanding at any one time under the annual program established for a crop of honey may not exceed \$250,000, less the amount of gains realized by a producer from repaying a honey loan at less than the original loan level.

**Supply and foreign purchase.**—The Corporation can procure from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies,

under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act, as amended.

**Commodity export.**—The Corporation promotes the export of agricultural commodities and products through sales for dollars or foreign currency, payments, extension of credit, assumption of certain risks, and conduct of other operations with respect to the exportation of commodities. Such commodities and products may be those held in private trade channels as well as those acquired by the Corporation. These programs are carried out under the Corporation's charter and other specific legislation.

**Foreign donations.**—Under the authority of section 416(b) of the Agricultural Act of 1949, as amended, the Corporation may furnish eligible commodities for carrying out programs of assistance in developing and friendly countries and may pay costs associated with making the commodities available. Such commodities may also be used to carry out the Food for Progress Act of 1985 or furnished in connection with (1) sales under title I of the Agricultural Trade Development Act of 1954, as amended; (2) agricultural export bonus or promotion programs; or (3) agreements by recipient countries to acquire additional agricultural commodities from the United States through commercial arrangements.

**Loan operations.**—The following table reflects commodity and storage facility loan operations of the Corporation (in thousands of dollars):

Item	1986 actual	1987 est.	1988 est.
Loans outstanding, gross, start of year:			
Commodity Credit Corporation .....	12,630,879	18,668,433	15,899,748
Additional loans made .....	17,391,019	17,129,920	12,784,925
Deduct:			
Loans repaid .....	5,723,264	12,757,791	9,272,478
Acquisition of loan collateral .....	5,583,358	7,077,842	6,679,161
Write-offs .....	46,843	62,972	62,972
Total loans outstanding, gross, end of year .....	18,668,433	15,899,748	12,670,062
Loans outstanding, gross, end of year:			
Commodity Credit Corporation .....	18,668,433	15,899,748	12,670,062
Allowance for losses .....	-361,951	-310,990	-248,323
Loans receivable, net (support and storage facilities) .....	18,306,482	15,588,758	12,421,739

**Inventory operations.**—The following table reflects the inventory operations applicable to the preceding programs (in thousands of dollars):

AGRICULTURAL COMMODITIES			
Item	1986 actual	1987 est.	1988 est.
On hand, start of year, gross .....	6,920,924	11,049,610	11,734,545
Acquisitions:			
Forfeiture of loan collateral .....	5,583,358	7,077,842	6,679,161
Excess of collateral acquired over loans canceled .....	133,267	182,515	243,451
Purchases .....	4,195,112	9,211,905	2,377,281
Transfers and exchanges, net .....	-13,450		-5,366
Carrying charges:			
Charges to inventory .....	121,060	107,053	96,056
Storage and handling .....	(712,940)	(1,299,581)	(1,762,628)
Transportation .....	(179,378)	(187,859)	(223,697)
Total acquisitions .....	10,019,347	16,579,315	9,390,583
Dispositions:			
Domestic donations to:			
Families .....	720,948	792,188	773,195
Institutions .....	270,295	223,092	186,396
School lunch .....	328,165	399,785	332,116
Total domestic donations .....	1,319,408	1,415,065	1,291,707
Export donations .....	399,003	271,986	202,643

Special programs: Title II, Public Law 480.....	402,526	338,998	340,000
Other sales.....	2,125,538	9,068,180	2,383,558
Net loss or gain (—) on sales and transfers.....	1,644,186	4,800,151	2,642,129
Total sales and transfers.....	4,172,250	14,207,329	5,365,687
Total dispositions.....	5,890,661	15,894,380	6,860,037
On hand, end of year, gross.....	11,049,610	11,734,545	14,265,091
Allowance for losses.....	—4,108,324	—4,362,904	—5,303,761
On hand, end of year, net.....	6,941,286	7,371,641	8,961,330

*Other data.*—The following table reflects other data which is applicable to price support and related programs:

## DATA ON SUPPORT AND RELATED PROGRAMS

Item	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Loans made.....	17,391,019	17,129,920	12,784,925
Loans repaid.....	5,723,264	12,757,791	9,272,478
Loan collateral forfeited.....	5,583,358	7,077,842	6,679,161
Loans outstanding, end of year.....	18,668,433	15,899,748	12,670,062
Acquisitions.....	10,019,347	16,579,315	9,390,583
Cost of commodities sold.....	4,172,250	14,207,329	5,365,687
Cost of commodities donated.....	1,718,411	1,687,051	1,494,350
Inventory, end of year.....	11,049,610	11,734,545	14,265,091
Investment in loans and inventory, end of year.....	29,718,043	27,634,293	26,935,153
Direct producer payments.....	6,758,198	6,223,119	8,858,176
Net expenditures.....	25,718,514	25,106,493	20,820,452
Realized losses.....	19,998,006	27,601,562	22,846,902

*Operating expenses.*—The Corporation carries out its functions through utilization of employees and facilities of other Government agencies. Administrative expenses are incurred for the services of: the Agricultural Stabilization and Conservation Service, General Sales Manager, and other agencies of the Department engaged in the Corporation's activities; and the General Accounting Office for audit. Additional expenses are incurred for ASCS county offices for work related to programs of the Corporation, other ASCS expenses offset by revenue, custodian, and agency expenses of the Federal Reserve banks and lending agencies, and miscellaneous costs.

Expenses are incurred for acquisition, operation, maintenance, improvement, or disposition of property which the Corporation owns or in which it has an interest. These expenses are treated as program expenses. Such program expenses include inspection, classing and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors; work relating to Commodity Credit Corporation programs performed on a contract or fee basis by Agricultural Stabilization and Conservation Service; and special services performed by other Federal agencies within and outside this Department. Most of these general expenses, including storage and handling, transportation, inspection, classing and grading and producer storage payments, are included in program costs. They are shown in the program and financing schedule in the entries entitled "Storage, transportation, and other obligations not included above," and "Producer storage payments."

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 (7 U.S.C. 447-449) by the States from Corporation stocks to feed resident wildlife threatened with starvation through the appropriation reimbursement for net realized losses. There have been no requisitions in recent years, however.

## SPECIAL ACTIVITIES

These activities are carried out under authority of section 5(g) of the Corporation's charter act and specific statutory authorizations or directives with respect thereto which are currently in effect or which may subsequently be enacted.

A summary of such current activities not included under other designated activities is as follows (in thousands of dollars):

Item	1988 estimate	
	Gross obligations	Outlays (reimbursable)
(1) Financing sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms.....	852,000	472,000
(2) Commodities supplied in connection with dispositions abroad.....	535,000	535,000
(3) National Wool Act.....	143,041	143,041
(4) Conservation Reserve Program.....	1,388,000	1,388,000
Total.....	2,918,041	2,538,041

The Corporation receives appropriations or reimbursement for cost of these activities as described under each.

Activities currently being carried out are as follows (see Foreign Assistance programs for details of items (1) and (2) and see Conservation Reserve Program for details of item (4)):

(1) *Financing sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms (titles I and III, Public Law 480).*

(2) *Commodities supplied in connection with dispositions abroad (title II, Public Law 480).*

(3) *National Wool Act.*—Under the National Wool Act of 1954, as amended, support of prices of wool and mohair is mandatory. The Corporation makes payments to producers in order to bring the national average price received by all producers up to the support price required under the act.

(4) *Conservation Reserve Program.*—The Food Security Act of 1985, as amended, provides that the Secretary shall carry out a Conservation Reserve Program by entering into 10- to 15-year contracts with owners and operators of highly erodible cropland to assist them in conserving and using the soil and water resources of their farms. In return for placing land in the reserve, farmers receive cost-share and rental payments, as well as technical assistance from USDA agencies. Beginning in fiscal year 1988, a separate appropriation for advance to CCC is being requested to carry out the program.

## COST OF THE NATIONAL WOOL ACT

Item	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Marketings on which payments made:			
Shorn wool (thousand pounds).....	85,687	76,630	78,180
Unshorn lambs (thousands cwts).....	4,622	4,000	4,200
Mohair (thousand pounds).....	13,036	14,210	15,490
Amount of payments:			
Shorn wool.....	84,973	82,800	88,300
Unshorn lambs.....	18,873	17,300	19,000
Mohair.....	12,650	26,000	30,000
Promotional and advertising program <sup>1</sup> (non-add).....	(4,783)	(6,437)	(6,648)
Total payments.....	116,496	126,000	137,000
Administrative expense.....	2,188	2,188	2,188

## Public enterprise funds—Continued

## COMMODITY CREDIT CORPORATION FUND—Continued

## COST OF THE NATIONAL WOOL ACT—Continued

[In thousands of dollars]

Item	1986 actual	1987 est.	1988 est.
Interest expense.....	4,005	2,951	3,353
Total.....	122,689	131,239	143,041

<sup>1</sup> Deductions from producer payments for promotional advertising and selected marketing development activities.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70 percent of the accumulated totals, as of the same date, of the gross receipts from import duties collected on and after January 1, 1953, on wool and wool manufactures. Actual or estimated payments compared with this limitation are as follows (in thousands of dollars):

Item	1986 actual	1987 est.	1988 est.
70% of customs receipts on wool and wool manufactures, cumulative from Jan. 1, 1953, to end of preceding calendar year.....	3,471,697	3,762,897	4,057,597
Cumulative incentive payments on marketings to end of preceding calendar year.....	1,653,156	1,779,256	1,916,756
Balance of limitation available for payments in succeeding marketing years.....	1,818,541	1,983,641	2,140,841

Funds of the Corporation are used to carry on this program. For the purpose of reimbursing the Corporation, section 705 of the act appropriates each fiscal year an amount equal to amounts expended by the Corporation during the preceding year and to amounts expended in prior fiscal years not previously reimbursed, but not to exceed an amount equal to 70 percent of the gross receipts from duties collected on wool and wool manufactures during the calendar year preceding the fiscal year.

Estimated costs and appropriations to the Corporation are indicated in the following table (in thousands of dollars):

Item	1986 actual	1987 est.	1988 est.
Due start of year.....	109,365	122,689	131,239
Costs for year:			
Program.....	118,684	128,288	139,688
Interest.....	4,005	2,951	3,353
Subtotal.....	122,689	131,239	143,041
Total due.....	232,054	253,928	274,280
Appropriations to Commodity Credit Corporation for the year.....	109,365	122,689	131,239
Due end of year.....	122,689	131,239	143,041

## FINANCING

**Borrowing authority.**—The Corporation has an authorized capital stock of \$100 million held by the United States and currently is authorized to borrow up to \$25 billion. The Budget include proposed legislation to increase the limit on outstanding borrowing to \$40 billion.

Funds are borrowed from Treasury and may also be borrowed from private lending agencies and others. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938 (15 U.S.C. 713a-4).

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest is also paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of Treasury.

The Department of Agriculture and Related Agencies Appropriation Act, 1966, made provision for terminating interest after June 30, 1964 on the portion of the Corporation's borrowings from the Treasury equal to the unreimbursed realized losses recorded on the books of the Corporation after the end of the fiscal year in which such losses are realized.

## POSITION WITH RESPECT TO BORROWING AUTHORITY, END OF YEAR

[In thousands of dollars]

Item	1986 actual	1987 est.	1988 est.
Statutory borrowing authority.....	25,000,000	25,000,000	25,000,000
Deduct: Borrowings from Treasury.....	24,871,952	23,500,000	23,500,000
Total statutory borrowing authority in use.....	24,871,952	23,500,000	23,500,000
Net statutory borrowing authority available.....	128,048	<sup>1</sup> 1,500,000	1,500,000

<sup>1</sup> Assumes enactment of \$6,653,189,000 supplemental for reimbursement of CCC realized losses.

Note.—Accounts payable, accrued liabilities and other outstanding obligations not reflected on this table do not become charges against the statutory borrowing authority until they result in borrowings from the Treasury.

**Contract authority.**—Price support and other programs required by statute may result in the Corporation incurring obligations in excess of available funds and borrowing authority. Such obligations are liquidated from subsequent appropriations and other funds which may become available to the Corporation. Any increase in obligations in excess of available fund resources is reported as contract authority in the year involved; a decrease is reported as the application of appropriations and other funds to liquidate the authority.

**Appropriations.**—Under section 2 of Public Law 87-155 (15 U.S.C. 713a-11), annual appropriations are authorized for each fiscal year to reimburse the Corporation for net realized losses incurred as of the close of each year.

The special activities are financed as indicated in the program descriptions above. In addition to certain reimbursements from other agencies, appropriations are made for the National Wool Act (see above) and for foreign assistance programs.

**Deficit.**—The net realized losses of the Corporation have previously been reimbursed as follows (in thousands of dollars):

## SUPPORT AND RELATED PROGRAMS

Realized losses, 1933 to 1986, inclusive.....	139,876,659
Reimbursements by the Treasury:	
Reimbursements of realized losses:	
Appropriations (46 times).....	134,313,850
Note cancellations (6 times).....	2,697,807
Less dividends paid to Treasury (4 times).....	-138,209
Total reimbursements for net realized losses.....	136,873,448
Other reimbursements:	
Appropriations (2 times).....	541,916
Note cancellation (1 time).....	56,239
Total other reimbursements.....	598,155
Total.....	137,471,603
Realized deficit as of September 30, 1986, support and related programs.....	2,405,056

SPECIAL ACTIVITIES	
Realized losses, 1948 to 1986, inclusive	42,010,689
Excess amounts appropriated to reimburse cost of special activities	710,809
Reimbursements by the Treasury:	
Appropriations (40 times)	42,028,686
Note cancellations (4 times)	536,518
Other reimbursements: Sale proceeds (5 times)	33,605
Total reimbursements	42,598,809
Realized deficit as of September 30, 1986, special activities	122,689

*Capital and deficit, special activities.*—Advances to the Corporation in excess of costs incurred, and costs incurred in excess of advances received are shown in the following table (in thousands of dollars):

	Excess of funds held by CCC			
	1985 actual	1986 actual	1987 est.	1988 est.
Foreign assistance programs: Public Law 480:				
Titles I and III: Sale of agricultural commodities for foreign currencies and for dollars on credit terms	139,102	344,014	344,014	301,610
Title II: Commodities supplied in connection with dispositions abroad	423,737	366,795	366,795	366,795
Total	562,839	710,809	710,809	668,405

	Deficit requiring subsequent funds			
	1985 actual	1986 actual	1987 est.	1988 est.
Deficit financed by CCC or excess funds held (—) (nonadd)	—562,839	—710,809	—710,809	—668,405
Increase or decrease (—) in amount owed by general fund for foreign assistance programs (nonadd)	—23,899	—147,970		42,404
Other programs: National Wool Act	109,365	122,689	131,239	143,041
Total	109,365	122,689	131,139	143,041

#### Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Support and related programs:			
Revenue	3,643,097	10,107,627	3,139,187
Expense	23,641,103	37,709,189	25,986,089
Net realized losses	—19,998,006	—27,601,562	—22,846,902
Increase (—) or decrease in provisions for losses (unrealized):			
On commodities for sale	—252,256	—254,580	—940,857
On loans receivable	—204,232	50,961	62,668
On accounts receivable	—61,891	—402,711	—402,700
Net loss for the year, support and related programs	—20,516,385	—28,207,892	—24,127,791
Special activities:			
Revenue	439,047	380,000	380,000
Received from appropriations: Decrease in unearned receipts	—147,970		42,404
Earned revenue	291,077	380,000	422,404
Expense	1,657,060	1,594,310	1,530,041
Net realized loss, special activities	—1,365,983	—1,214,310	—1,107,637
Net loss for the year	—21,882,368	—29,422,202	—25,235,428

#### Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Drawing account with Treasury	—379,429	—419,710	—419,710	—419,710
Accounts receivable: Support and related programs (net of provisions for losses)	1,943,229	1,234,247	1,669,338	2,266,638
Selected assets: Support and related programs:				
Agricultural commodities for sale, net of provision for losses	3,064,856	6,941,286	7,371,641	8,961,330

Advances to producers	136,145	279,138		
Deferred and undistributed charges	310,302	250,021	1,002,069	1,002,069
Loans receivable, guarantee claims re-scheduled	632,829	1,950,897	2,878,408	3,676,381
Interest in amounts due from foreign governments and private trade entities under Public Law 480	10,315,409	10,917,794	11,573,698	12,162,908
Loans receivable, net of provision for losses:				
Commodity and storage facility loans (held by Commodity Credit Corporation)	12,473,160	18,306,482	15,588,758	12,421,739
Export credit sales programs	802,594	826,569	812,740	833,935
Loans to government agencies		450,000	825,000	1,025,000
Fixed assets, net	6,618	76,315	96,659	88,151
Total assets	29,305,713	40,813,039	41,398,601	42,018,441

#### Liabilities:

Current liabilities:				
Support and related programs	6,122,077	11,364,469	14,420,526	17,499,495
Deferred interest in amounts due from foreign governments and private trade entities under Public Law 480	10,315,409	10,917,794	11,573,698	12,162,908
Debt issued under borrowing authority: Borrowing from Treasury	23,811,290	24,871,952	23,500,000	23,500,000
Total liabilities	40,248,776	47,154,215	49,494,224	53,162,403

#### Government equity:

Obligations other than liabilities:				
Support and related programs:				
Other commitments	144,392	240,006	89,159	102,035
Special activities: Letters of commitment for Public Law 480	152,053	249,127	268,460	246,228
Total obligations other than liabilities	296,445	489,133	357,619	348,263
Unobligated balance	356,931			
Unfinanced budget authority	—5,075,508	—6,830,309	—8,453,242	—11,492,225
Invested capital	—6,520,931			
Total Government equity	—10,943,063	—6,341,176	—8,095,623	—11,143,962

#### Analysis of changes in Government equity:

Support and related programs: Interest-bearing capital (capital stock balance)	100,000	100,000	100,000
Special activities: Non-interest-bearing capital:			
Start of year	562,839	710,809	710,809
Change in unearned receipts from appropriation	147,970		—42,404
End of year	710,809	710,809	668,405
Total capital, end of year	810,809	810,809	768,405
Support and related programs: Analysis of deficit:			
Deficit: Start of year	—11,445,837	—7,029,296	—8,775,193
Net loss for the year	—20,516,385	—28,207,892	—24,127,791
Appropriations (net): Reimbursement for net realized losses	24,932,926	26,461,995	21,133,658
Deficit: End of year:			
Realized	—2,405,056	—3,544,623	—5,257,867
Unrealized	—4,624,240	—5,230,570	—6,511,459
Total deficit, end of year, support and related programs	—7,029,296	—8,775,193	—11,769,326
Special activities:			
Analysis of deficit:			
Deficit, start of year, realized	—109,365	—122,689	—131,239
Net loss for the year	—1,365,983	—1,214,310	—1,107,637
Appropriation: National Wool Act	109,365	122,689	131,239
Advances from foreign assistance programs	1,243,294	1,083,071	964,596
Deficit, end of year: Realized, special activities	—122,689	—131,239	—143,041
Total deficit, Commodity Credit Corporation	—7,151,985	—8,906,432	—11,912,367
Total Government equity (end of year)	—6,341,176	—8,095,623	—11,143,962

Note.—In addition to obligations other than liabilities, the Corporation does not reflect in its accounts claims by the Corporation on which adequate proof has not been established.

**Public enterprise funds—Continued**  
**COMMODITY CREDIT CORPORATION FUND—Continued**

Object Classification (in thousands of dollars)				
Identification code	12-4336-0-3-351	1986 actual	1987 est.	1988 est.
22.0	Transportation of things.....	579,245	571,132	594,007
25.0	Other services.....	749,848	1,226,172	1,308,268
25.0	Other services (storage and handling).....	1,055,188	2,140,214	2,426,344
	Supplies and materials: Cost of commodities sold or donated:			
26.0	Foreign assistance programs.....	1,162,621	1,155,198	1,089,300
26.0	Other.....	4,443,252	9,514,778	4,099,422
31.0	Equipment.....	61,618	42,500	15,705
33.0	Investments and loans.....	17,719,272	17,803,235	13,496,311
41.0	Grants, subsidies, and contributions.....	10,484,282	9,915,385	11,537,520
43.0	Interest and dividends.....	1,685,315	1,831,875	1,794,319
99.9	Total obligations.....	37,940,641	44,200,489	36,361,196

**COMMODITY CREDIT CORPORATION FUND**  
**(Proposed for later transmittal, proposed legislation)**

Program and Financing (in thousands of dollars)				
Identification code	12-4336-2-3-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Commodity purchase and related inventory acquisitions.....			480,000
00.02	Storage, transportation, and other obligations not included above.....			-30,000
00.14	Interest: Treasury.....			-261
00.91	Total operating expenses.....			449,739
01.03	Capital investment: Guarantee claims.....			-8,716
01.91	Total capital investment.....			-8,716
01.92	Total support and related programs.....			441,023
10.00	Total obligations.....			441,023
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources: Sales and other proceeds.....			-132,590
47.10	Budget authority (authority to borrow).....			308,433
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			308,433
	Obligated balance, end of year:			
74.47	Authority to borrow.....			308,433
74.49	Contract authority.....			-308,433
90.00	Outlays.....			308,433

**Status of Direct Loans (in thousands of dollars)**

CCC GUARANTEE CLAIMS				
Position with respect to appropriation act limitation on obligations:				
1111	Limitation on direct loans to the public.....			
1132	Obligation exempt from limitation: Defaulted guaranteed loan claims.....			
1150	Total direct loan obligations.....			-8,716
Cumulative balance of direct loans outstanding:				
1232	Disbursements for guaranteed loan claims.....			-8,716
1290	Outstanding, end of year.....			-8,716

**Status of Guaranteed Loans (in thousands of dollars)**

EXPORT GUARANTEE PROGRAMS				
GUARANTEED LOANS				
Position with respect to appropriation act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....			
2131	Guaranteed loan commitments exempt from limitation.....			-2,000,000
2150	Total guaranteed loan commitments.....			-2,000,000
Cumulative balance of guaranteed loans outstanding:				
2231	Disbursements of new guaranteed loans.....			
2290	Outstanding, end of year.....			-2,000,000
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....			-1,960,000

Legislation will be developed to modify the current provisions of the CCC price support and related programs. Included among the proposals being considered for the legislative package are changes in target prices, sugar program, and planting requirements tied to deficiency payments.

Legislation will be proposed to reduce the floor, or minimum annual levels, for short-term export credit loan guarantees from \$5 billion to \$3 billion. A further legislative proposal would establish a 5-percent origination fee for export credit loan guarantees.

Object Classification (in thousands of dollars)				
Identification code	12-4336-2-3-351	1986 actual	1987 est.	1988 est.
26.0	Supplies and materials.....			450,000
33.0	Investments and loans.....			-8,716
43.0	Interest and dividends.....			-261
99.9	Total obligations.....			441,023

**General and special funds:**

**[TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM]**

**[For necessary expenses to carry out the Temporary Emergency Food Assistance Act of 1983, as amended, \$50,000,000: *Provided, That, in accordance with section 202 of Public Law 98-92, these funds shall be available only if the Secretary determines the existence of excess commodities.*] (Agriculture, Rural Development and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)**

Program and Financing (in thousands of dollars)				
Identification code	12-3635-0-1-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	49,575	21,441	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-237		
25.00	Unobligated balance lapsing.....	662		
39.00	Budget authority.....	50,000	21,441	
Budget authority:				
40.00	Appropriation.....	50,000	50,000	
45.00	Transfers out for pay raises and retirement contributions.....		-28,559	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	49,575	21,441	

72.40	Obligated balance, start of year.....	17,688	18,063	14,420
74.40	Obligated balance, end of year.....	-18,063	-14,420	
77.00	Adjustments in expired accounts.....	525		
90.00	Outlays.....	49,725	25,084	14,420

This program, authorized by the Temporary Emergency Food Assistance Act of 1983, as amended, provides funding to States to cover storage and distribution costs of CCC emergency donated commodities. Funds provided in this appropriation are administered through the Food and Nutrition Service.

**OFFICE OF RURAL DEVELOPMENT POLICY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code	12-0801-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	564		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-209		
25.00	Unobligated balance lapsing.....	46		
39.00	<b>Budget authority.....</b>	<b>401</b>		
<b>Budget authority:</b>				
40.00	Appropriation.....	265		
42.00	Transferred from other accounts.....	136		
43.00	<b>Appropriation (adjusted).....</b>	<b>401</b>		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	564		
72.40	Obligated balance, start of year.....	553	215	
74.40	Obligated balance, end of year.....	-215		
77.00	Adjustments in expired accounts.....	-8		
90.00	Outlays.....	894	215	

No funding was provided in fiscal year 1987, and no funding is requested in fiscal year 1988.

**Object Classification (in thousands of dollars)**

Identification code	12-0801-0-1-452	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	199		
11.3	Other than full-time permanent.....	1		
11.5	Other personnel compensation.....	1		
11.9	Total personnel compensation.....	201		
12.1	Personnel benefits: Civilian.....	20		
13.0	Benefits for former personnel.....	97		
21.0	Travel and transportation of persons.....	1		
23.3	Communications, utilities, and miscellaneous charges.....	25		
24.0	Printing and reproduction.....	2		
25.0	Other services.....	215		
26.0	Supplies and materials.....	4		
99.9	Total obligations.....	564		

**Personnel Summary**

Total compensable workyears: Full-time equivalent employment.....	5
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**RURAL ELECTRIFICATION ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For administrative expenses to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), and to administer the loan and loan guarantee programs for Community Antenna Television facilities as authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), and for which commitments were made prior to fiscal year [1987] 1988, including not to exceed \$7,000 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$103,000 for employment under 5 U.S.C. 3109, [\$29,447,000] \$27,244,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	12-3100-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Administration of rural electrification program.....	14,599	15,863	14,676
00.02	Administration of rural telephone and CATV programs..	12,502	13,584	12,567
00.91	Total direct program.....	27,101	29,447	27,244
01.01	Reimbursable program.....	208	100	
10.00	Total obligations.....	27,309	29,547	27,244
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-208	-100	
25.00	Unobligated balance lapsing.....	2,378		
40.00	<b>Budget authority (appropriation).....</b>	<b>29,479</b>	<b>29,447</b>	<b>27,244</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	27,101	29,447	27,244
72.40	Obligated balance, start of year.....	2,692	3,317	3,393
74.40	Obligated balance, end of year.....	-3,317	-3,393	-3,393
77.00	Adjustments in expired accounts.....	793		
90.00	Outlays.....	27,269	29,371	27,244

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	29,479	29,447	27,244
Outlays.....	27,269	29,371	27,244
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			-27,244
Outlays.....			-27,244
<b>Total:</b>			
Budget authority.....	29,479	29,447	
Outlays.....	27,269	29,371	

The Rural Electrification Administration, under authority of the Rural Electrification Act of 1936, as amended, makes subsidized direct loans and guarantees loans made by other qualified lenders to rural electric and telephone systems for electric and telephone service in rural areas.

In order to protect the Government's loan security on over \$57 billion of loans and guarantees made to borrowers, and to assure that construction and operation projects conform to approved standards, REA furnishes business management and technical assistance on a regular basis to its borrowers. This objective is carried out through regulations, personal visits to the borrowers, and training. REA has personnel in the Washington office and a field staff who have expertise in the electric or telephone industry and who are available to assist borrowers in specialized areas.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Since the existing programs are being phased out and substituted with a program of 70 percent REA guarantees of private capital and since current and projected demand for new REA loans has declined, staff resources necessary to carry out these programs are proposed for reduction.

Object Classification (in thousands of dollars)

Identification code 12-3100-0-1-271	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	20,158	20,065	19,741
11.3 Other than full-time permanent .....	110	109	108
11.5 Other personnel compensation .....	247	249	242
11.9 Total personnel compensation .....	20,515	20,423	20,091
12.1 Personnel benefits: Civilian .....	2,560	2,604	2,323
13.0 Benefits for former personnel .....	6	8	7
21.0 Travel and transportation of persons .....	1,793	2,074	1,652
22.0 Transportation of things .....	45	45	60
23.3 Communications, utilities, and miscellaneous charges .....	665	1,005	1,072
24.0 Printing and reproduction .....	226	385	360
25.0 Other services .....	926	2,135	1,274
26.0 Supplies and materials .....	169	389	223
31.0 Equipment .....	197	379	182
99.0 Subtotal, direct obligations .....	27,101	29,447	27,244
99.0 Reimbursable obligations .....	208	100	
99.9 Total obligations .....	27,309	29,547	27,244

Personnel Summary

Total number of full-time permanent positions .....	618	535	500
Total compensable workyears: Full-time equivalent employment .....	566	535	500

SALARIES AND EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-3100-2-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administration of rural electrification program .....			-14,676
00.02 Administration of rural telephone and CATV programs .....			-12,567
10.00 Total obligations .....			-27,244
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			-27,244
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-27,244
90.00 Outlays .....			-27,244

Legislation will be proposed to charge an origination fee on all new direct loans and privately originated loans guaranteed by REA sufficient to cover annual REA administrative costs.

Object Classification (in thousands of dollars)

Identification code 12-3100-2-1-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....			-19,741
11.3 Other than full-time permanent .....			-108
11.5 Other personnel compensation .....			-242
11.9 Total personnel compensation .....			-20,091
12.1 Personnel benefits: Civilian .....			-2,323
13.0 Benefits for former personnel .....			-7
21.0 Travel and transportation of persons .....			-1,652

22.0 Transportation of things .....			-60
23.3 Communications, utilities, and miscellaneous charges .....			-1,072
24.0 Printing and reproduction .....			-360
25.0 Other services .....			-1,274
26.0 Supplies and materials .....			-223
31.0 Equipment .....			-182
99.9 Total obligations .....			-27,244

REIMBURSEMENT TO THE RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

For an additional amount to reimburse the rural electrification and telephone revolving fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), \$20,000,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3101-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	99,400		
<b>Financing:</b>			
39.00 Budget authority .....	99,400		
<b>Budget authority:</b>			
40.00 Appropriation .....	99,400	20,000	
45.00 Transfers out for pay raises and retirement contributions .....			-20,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	99,400		
90.00 Outlays .....	99,400		

This appropriation reimburses the rural electrification and telephone revolving fund for interest subsidies and losses which, by law, are not incurred by the revolving fund.

This fund has not incurred a loss since its inception in 1973, because it is exempted by the Act from paying billions in annual interest costs to the Treasury on advances totaling \$7.9 billion. Rural electric and telephone loan assistance has actually cost the Federal Government billions in interest subsidies and losses since 1973. However, these costs have been sustained by the Treasury, not by the revolving fund. Therefore, no appropriation is requested for 1988.

PURCHASE OF RURAL TELEPHONE BANK CAPITAL STOCK

For the purchase of Class A stock of the Rural Telephone Bank \$28,710,000, to remain available until expended (7 U.S.C. 901-905(b)). (Agriculture, Rural Development and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3102-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	28,530	28,710	
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	28,530	28,710	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	28,530	28,710	
90.00 Outlays .....	28,530	28,710	

The Rural Electrification Act of 1936, as amended, authorizes appropriations for the purchase of Class A stock in the Rural Telephone Bank by the U.S. Government.

No appropriation is requested for 1988. The Federal Government has already provided \$477 million in heavily subsidized capital (2% interest) to the Bank—\$177 million over the amount in the original statute establishing the Bank. The subsidy cost to the Federal Government of the Treasury Class A stock purchases is \$24 million in FY 1987. Bank lending will be phased out in 1989 and most of its loans and assets sold by 1990 with the proceeds used to repay outstanding Treasury loans of \$759 million and to pay Treasury for outstanding Class A stock of \$477 million. Most Bank borrowers will be eligible for the proposed REA 70% guarantee of principal of privately originated loans.

**Public enterprise funds:**

**RURAL COMMUNICATION DEVELOPMENT FUND**

To reimburse the Rural Communication Development Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in making Community Antenna Television loans and loan guarantees under sections 306 and 310B of the Consolidated Farm and Rural Development Act, as amended, **[\$1,591,000]** \$1,309,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification Code	12-4142-0-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Interest on borrowings (total obligations) (object class 43.0)	2,790	2,841	2,938
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-3,485	-1,250	-1,629
17.00	Recovery of prior year obligations	504		
25.00	Unobligated balance lapsing	-504		
32.47	Balance of authority to borrow withdrawn	1,891		
40.00	<b>Budget authority (appropriation)</b>	<b>1,196</b>	<b>1,591</b>	<b>1,309</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	-695	1,591	1,309
<b>Obligated balance, start of year:</b>				
72.47	Authority to borrow	3,695	-34	78
72.98	Fund balance	118	3,096	2,984
<b>Obligated balance, end of year:</b>				
74.47	Authority to borrow	34	-78	742
74.98	Fund balance	-3,096	-2,984	-3,804
78.00	Adjustments in unexpired accounts	504		
90.00	Outlays	560	1,591	1,309

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	18,938	18,263	17,629
1231	Disbursements: Direct loan disbursements	1,253	616	479
1251	Repayments: Repayments and prepayments	-2,225	-1,250	-679
<b>Adjustments:</b>				
1262	Write-offs for default	-673		
1264	Other adjustments, net <sup>1</sup>	970		
1290	Outstanding, end of year	18,263	17,629	17,429

<sup>1</sup> Purchased defaulted guaranteed loans.

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year	5,558	6,060	6,654
2231	Disbursements: Disbursements of new guaranteed loans..	683	864	864

2251	Repayments: Repayments and prepayments	-181	-270	-174
2290	Outstanding, end of year	6,060	6,654	7,344

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	6,060	6,654	7,344
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The Rural Development Insurance Fund was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419) approved August 30, 1972, to make community facility and business and industrial loans and guaranteed loans to both profit and nonprofit organizations.

The Rural Communication Development Fund, an account under the Rural Development Insurance Fund authorities, was established pursuant to Secretary's Memorandum No. 1988 approved May 22, 1979. This memorandum transferred certain financing authorities under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) from the Farmers Home Administration to the Rural Electrification Administration for the purpose of financing and administering community antenna television services or facilities in rural areas. Funding is required for losses from operation of the program.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
Revenue	1,260	1,250	1,629
Expense	-3,463	-2,841	-2,938
Net loss for the year	-2,203	1,591	1,309

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance	119	3,096	2,984	3,804
Loans receivable (net)	18,938	18,263	17,629	17,429
Accounts receivable (net)	1,309	393	449	438
Total assets	20,366	21,752	21,062	21,671
<b>Liabilities:</b>				
<b>Debt issued under borrowing authority:</b>				
Borrowings from Treasury	23,233	24,604	23,504	25,281
Accounts payable (net)	1,350	2,372	2,074	1,478
Total liabilities	24,583	26,976	25,578	26,759
<b>Government equity:</b>				
Undelivered orders	4,744	2,054	1,437	958
<b>Unfinanced budget authority:</b>				
Borrowing authority	-4,666	33	-78	742
Invested capital	-4,295	-7,311	-5,875	-6,788
Total Government equity	-4,217	-5,224	-4,516	-5,088
<b>Analysis of changes in Government equity:</b>				
<b>Retained income or loss (-):</b>				
Opening balance	-4,217	-5,224	-4,516	
Transactions: Net operating loss	-2,203	-883	-1,881	
Appropriation for losses	1,196	1,591	1,309	
Closing balance	-5,224	-4,516	-5,088	
Total Government equity (end of year)	-5,224	-4,516	-5,088	

Public enterprise funds—Continued

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS\*

\*See Part II for additional information.

[Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: rural electrification loans, not less than \$622,050,000 nor more than \$933,075,000; and rural telephone loans, not less than \$239,250,000 nor more than \$311,025,000; to remain available until expended: *Provided*, That loans made pursuant to section 306 of that Act are in addition to these amounts but during 1987 total commitments to guarantee loans pursuant to section 306 shall be not less than \$933,075,000 nor more than \$2,100,615,000 of contingent liability for total loan principal: *Provided further*, That as a condition of approval of insured electric loans during fiscal year 1987, borrowers shall obtain concurrent supplemental financing in accordance with the applicable criteria and ratios in effect as of July 15, 1982: *Provided further*, That no funds appropriated in this Act may be used to deny or reduce loans or loan advances based upon a borrower's level of general funds.] *During fiscal year 1988, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall not exceed \$290,000,000: Provided, That rural electrification loans shall not exceed \$258,000,000 and rural telephone loans shall not exceed \$32,000,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)*

Program and Financing (in thousands of dollars)

Identification code	12-4230-0-3-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Interest expense on certificates of beneficial ownership <sup>1</sup> .....	437,318	415,500	445,600
00.02	Interest on interim borrowings .....	649	3,300	.....
00.03	Administrative expenses .....	325	.....	.....
00.91	Total operating expenses .....	438,292	418,800	445,600
Capital investment:				
01.01	Rural electrification .....	651,933	880,138	258,000
01.02	Rural telephone .....	183,340	342,277	32,000
01.03	Direct loans, FFB .....	1,167,512	933,075	.....
01.91	Total capital investment .....	2,002,785	2,155,490	290,000
10.00	Total obligations .....	2,441,077	2,574,290	735,600
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal sources .....	-99,400	.....	.....
14.00	Non-Federal sources .....	-2,573,575	-3,129,600	-1,600,200
14.00	Prepayment of loans .....	.....	-175,000	.....
17.00	Recovery of prior year obligations .....	-20,971	.....	.....
21.98	Unobligated balance available, start of year: Fund balance .....	-335,088	-361,115	.....
24.98	Unobligated balance available, end of year: Fund balance .....	361,115	.....	.....
25.00	Unobligated balance lapsing .....	20,971	.....	.....
27.00	Capital transfer to general fund .....	38,700	.....	.....
31.00	Redemption of debt .....	1,689,217	170,000	.....
31.00	Redemption of debt, CBO's .....	.....	921,425	864,600
32.47	Balance of authority to borrow withdrawn .....	262,866	.....	.....
39.00	<b>Budget authority</b> .....	<b>1,784,912</b>	.....	.....
Budget authority:				
67.10	<b>Authority to borrow (permanent, indefinite) (7 U.S.C. 934 and 12 U.S.C. 2281-96) .....</b>	<b>1,784,912</b>	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-231,898	-730,310	-864,600
Obligated balance, start of year:				
72.47	Authority to borrow .....	7,284,614	6,730,398	6,035,674
72.98	Fund balance .....	1,347	586	.....
Obligated balance, end of year:				
74.47	Authority to borrow .....	-6,730,398	-6,035,674	-3,275,374
74.98	Fund balance .....	-586	.....	.....

78.00	Adjustments in unexpired accounts .....	-20,971	.....	.....
90.00	Outlays .....	302,108	-35,000	1,895,700

<sup>1</sup> Includes interest received by REA as trustee for holders of certificates of beneficial ownership in the following amounts: 1986, \$147,024 thousand; 1987, \$135,707 thousand, and 1988, \$130,574 thousand.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	1,784,912	.....	.....
Outlays .....	302,108	-35,000	1,895,700
Supplemental under existing legislation:			
Budget authority .....	.....	-850,783	.....
Outlays .....	.....	-198,326	-231,325
Proposed for later transmittal under proposed legislation:			
Budget authority .....	.....	.....	.....
Outlays .....	.....	.....	-951,500
Total:			
Budget authority .....	1,784,912	-850,783	.....
Outlays .....	302,108	-233,326	712,875

Status of Direct Loans (in thousands of dollars)

Identification code	12-4230-0-3-271	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
Limitation on direct loans to the public:				
1111	Loans disbursed by REA <sup>1</sup> .....	1,196,388	1,222,415	290,000
1111	FFB direct loans <sup>2</sup> .....	933,075	933,075	.....
1112	Unused balance of direct loan limitation .....	-361,115	.....	.....
Obligations exempt from limitation:				
1131	Direct loans to the public: FFB loans .....	234,437	.....	.....
1132	Defaulted guaranteed loan claims <sup>3</sup> .....	949,924	.....	.....
1150	Total direct loan obligations .....	2,952,709	2,155,490	290,000

Cumulative balance of direct loans outstanding:

1210	Outstanding, start of year .....	35,636,506	35,940,767	38,184,367
1231	Disbursements: Direct loan disbursements .....	2,320,789	3,375,000	2,850,000
Repayments:				
1251	Repayments .....	-2,016,528	-881,400	-992,900
1253	Prepayments .....	.....	-175,000	.....
1264	Other adjustments, net <sup>4</sup> .....	.....	-75,000	.....
1290	Outstanding, end of year .....	35,940,767	38,184,367	40,041,467

<sup>1</sup> The enacted limitation in 1986 and 1987 is \$861,300 thousand. Fiscal year 1986 includes a \$335,088 thousand carryover from 1985; fiscal year 1987 includes a \$361,115 thousand carryover from 1986.

<sup>2</sup> Loans that are guaranteed by REA and disbursed by the Federal Financing Bank are shown as FFB direct loans in this schedule. However, the limitation enacted or proposed to be enacted in appropriation acts applies to the guaranteed loan commitment made by REA.

<sup>3</sup> Represents total Federal liability for defaults on loans made by FFB and guaranteed by REA. This liability will outlay into the outyears as payments on the defaulted loans come due.

<sup>4</sup> Represents discount from face value on prepayment of loans.

Status of Guaranteed Loans <sup>1</sup> (in thousands of dollars)

Identification code	12-4230-0-3-271	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	1,044,789	1,029,934	1,117,934
2231	Disbursements: Disbursement of new guaranteed loans <sup>2</sup> .....	.....	100,000	127,420
2251	Repayments: Repayments and prepayments .....	-14,855	-12,000	-12,000
2290	Outstanding, end of year .....	1,029,934	1,117,934	1,233,354

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	1,029,934	1,117,934	1,233,354
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<sup>1</sup> Loans that are guaranteed by REA and disbursed by the Federal Financing Bank are shown in the REA status of direct loan schedule. Limitations enacted or proposed on these loans are as follows: 1986, \$933,075 thousand; and 1987, \$933,075 thousand.

<sup>2</sup> These disbursements of new guaranteed loans result from loan guarantee commitments in previous years.

The Rural Electrification Administration conducts two loan programs: (1) The rural electrification program and (2) the rural telephone program.

Direct electric and telephone loans from the Rural Electrification and Telephone Revolving Fund (RETRF) bear interest at a 5 percent rate. Some loans may be made at a lesser rate. RETRF loans must be repaid within a period not to exceed 35 years. REA also guarantees loans made directly by the Government through the Federal Financing Bank (FFB) or by other qualified lenders at rates agreed upon by the lender and the borrower.

Loans from the RETRF are financed from available receipts or, when necessary, by interim Treasury borrowings. Loans made from the RETRF are held in a pool as security for certificates of beneficial ownership (CBO's) which are sold to investors.

**Rural electrification.**—This loan program is financed through REA direct and guaranteed loans for the construction and operation of generating plants, electric transmission, and distribution lines or systems. Electric demand growth as well as demand for REA direct and guaranteed loans have decreased over the past several years. The reduction in the 1988 loan level from 1987 reflects the phase out of the costly RETRF loan and loan guarantee program and the substitution of a loan program which allows for a 70 percent REA guarantee of principal of privately originated loans.

**STATUS OF THE ELECTRIFICATION PROGRAM—ELECTRIFICATION LOAN LEVELS**

[In thousands of dollars]			
Loan level:	1986 actual	1987 est.	1988 est.
Direct loans.....	651,933	983,165	258,000
FFB direct loans.....	1,167,512	813,450	.....
Subtotal, direct loans and loan guarantee commitments...	1,819,445	1,796,615	258,000
Non-REA without guarantee commitments.....	841,014	600,000	600,000
Total, electrification program.....	2,660,459	2,396,615	858,000

**PROGRAM STATISTICS**

[Dollars in thousands]			
	1986 actual	1987 est.	1988 est.
Cumulative net loans.....	19,249,603	20,232,768	20,490,768
Cumulative funds advanced.....	17,691,652	18,376,847	18,906,847
Unadvanced funds, end of year.....	1,557,951	1,855,921	1,583,921
Cumulative principal repaid.....	6,032,975	6,559,054	6,918,519
Cumulative interest paid <sup>1</sup> .....	4,854,392	5,330,793	5,829,017
Cumulative loan guarantee commitments.....	30,980,392	31,793,842	31,793,842
Cumulative consumers served—calendar year (thousands—estimated) <sup>2</sup> .....	11,470	11,797	12,124
Cumulative miles energized—calendar year (thousands—estimated) <sup>2</sup> .....	2,125	2,147	2,170
Number of borrowers.....	993	994	996

<sup>1</sup> Includes interest received by REA as trustee for holders of certificates of beneficial ownership.

<sup>2</sup> Data represents accomplishments from all sources of funds.

**Rural telephone.**—This loan program is financed through REA direct and guaranteed loans for the construction, expansion, acquisition, and operation of telephone lines and facilities or systems. This costly program is also being phased out and substituted with a loan program which allows for a 70 percent REA guarantee of principal of privately originated loans.

**STATUS OF THE TELEPHONE PROGRAM—TELEPHONE LOAN LEVELS**

[In thousands of dollars]			
Loan level:	1986 actual	1987 est.	1988 est.
Direct loans.....	183,340	342,277	32,000
FFB direct loans.....	.....	119,625	.....
Subtotal, direct loans and loan guarantee commitments...	183,340	461,902	32,000

RTB loans (account follows).....	127,897	177,045	93,000
Total, telephone program.....	311,237	638,947	125,000

**PROGRAM STATISTICS**

[Dollars in thousands]			
	1986 actual	1987 est.	1988 est.
Cumulative net loans.....	5,109,951	5,452,228	5,484,228
Cumulative funds advanced.....	4,328,619	4,543,424	4,729,424
Unadvanced funds, end of period.....	781,332	908,804	754,804
Cumulative principal repaid.....	1,341,826	1,472,147	1,605,582
Cumulative interest paid <sup>1</sup> .....	1,080,206	1,184,505	1,293,581
Cumulative loan guarantee commitments <sup>2</sup> .....	679,454	799,079	799,079
Cumulative route miles of line constructed or improved—(thousands—estimated) <sup>3</sup> .....	898	915	932
Cumulative dial subscribers, new and improved service—calendar year (thousands—estimated) <sup>3</sup> .....	4,928	5,032	5,135
Number of borrowers.....	1,009	1,014	1,019

<sup>1</sup> Includes interest received by REA as trustee for holders of certificates of beneficial ownership.

<sup>2</sup> FFB and other lenders.

<sup>3</sup> Data represents accomplishments from borrowers financed 20% or more by REA, RTB, and guaranteed loans.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Operating income or loss (—):			
Interest earned on loans to borrowers <sup>1</sup> .....	410,023	419,993	420,735
Expense <sup>2</sup> .....	—600,699	—565,257	—566,199
Net operating income.....	—190,676	—145,264	—145,464

<sup>1</sup> Includes interest by REA as trustee for holders of certificates of beneficial ownership in the following amounts: 1986, \$147,024 thousand; 1987, \$135,707 thousand; and 1988, \$130,574 thousand.

<sup>2</sup> Includes imputed Treasury costs paid without reimbursement in the following amounts: 1986, \$307,164 thousand; 1987, \$307,164 thousand; and 1988, \$307,164 thousand.

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	1,347	586	.....	.....
Accounts receivable (net).....	1,310,479	1,458,999	1,397,206	1,290,000
Loans receivable (net).....	35,217,847	35,533,079	35,756,901	36,025,807
Other assets (net).....	420,000	448,530	477,240	477,240
Total assets.....	36,949,673	37,441,194	37,631,347	37,793,047
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable to the public.....	53,298	457	.....	.....
Long-term notes payable to Treasury.....	7,864,742	7,864,742	7,864,742	7,864,742
Other liabilities.....	951,229	949,924	949,924	949,924
Total liabilities.....	8,869,369	8,815,123	8,814,666	8,814,666
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority: Undelivered orders (unadvanced loans).....	9,836,900	7,239,601	6,123,118	5,697,118
Unfinanced budget authority: Financing authority.....	—9,529,698	—6,730,398	—6,035,674	—3,275,374
Other revolving fund balances.....	27,773,102	28,116,868	28,729,237	26,556,637
Total Government equity.....	28,080,304	28,626,071	28,816,681	28,978,381
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	28,827,701	29,262,795	29,598,669	.....
Transactions:				
Appropriation to RETRF for interest subsidies and losses.....	.....	99,400	20,000	.....
Rural Telephone Bank Class A stock.....	.....	28,530	28,710	.....
Treasury contribution: costs paid without reimbursement.....	.....	307,164	307,164	307,164
Closing balance.....	29,262,795	29,598,669	29,905,833	.....
Retained income:				
Opening balance.....	—446,048	—636,724	—781,988	.....

Public enterprise funds—Continued

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS—Continued

Financial Condition (in thousands of dollars)—Continued

	1985 actual	1986 actual	1987 est.	1988 est.
Transactions: Net income .....		-190,676	-145,264	-145,464
Closing balance .....		-636,724	-781,988	-927,452
Total Government equity (end of year) .....		28,626,071	28,816,681	28,978,381

Object Classification (in thousands of dollars)

Identification code 12-4230-0-3-271	1986 actual	1987 est.	1988 est.
33.0 Investments and loans .....	2,002,785	2,155,490	290,000
43.0 Interest and dividends .....	438,292	418,800	445,600
99.9 Total obligations .....	2,441,077	2,574,290	735,600

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-4230-2-3-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources			
14.00 Interest income .....			-500
14.00 Loan asset sales to public .....			-653,000
Prepayments of direct loans:			
14.00 FFB loans .....			-200,000
14.00 Non-FFB loans .....			-98,000
Redemption of debt:			
31.00 Repayment of FFB loans .....			200,000
31.00 Repurchase of CBO's .....			751,500
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-951,500
90.00 Outlays .....			-951,500

Legislation will be proposed to phase out the costly 5 percent interest direct REA loans and 100 percent guarantees of Federal Financing Bank loans and substitute guarantees of 70 percent of loans made by the private sector. Direct loans would be phased out by the end of 1989. Interest rates would be increased on these loans and fees assessed to cover REA administrative costs. REA borrowers serving largely urban, suburban or recreational areas or affiliates of larger telephone holding companies will no longer be eligible for REA assistance. Proposed legislation would permit the sale of REA loan assets. The proceeds would be used to repay Treasury loans.

Legislation will also be proposed to allow (1) the sale of REA loan assets at market value, and (2) REA borrowers to prepay their outstanding FFB and REA guaranteed loans without penalty and to repay their direct loans at a discount determined by the Administrator, provided that they become ineligible for any type of REA assistance in the future.

Status of Direct Loans (in thousands of dollars)

Identification code 12-4230-2-3-271	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....			
1251 Repayments: Repayments and prepayments .....			-298,000
1253 Loan asset sales to the public .....			-653,000
1264 Other adjustments, net <sup>1</sup> .....			-399,000
1290 Outstanding, end of year .....			-1,350,000

<sup>1</sup> Represents discount from face value on loan asset sales (\$347 million) and prepayment of loans (\$52 million)

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriation act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			840,000
2150 Total guaranteed loan commitments .....			840,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....			
2231 Disbursements: Disbursements of new guaranteed loans .....			202,000
2290 Outstanding, end of year .....			202,000

MEMORANDUM

2299 U.S. contingent liability of guaranteed loans outstanding, end of year .....			141,400
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RURAL TELEPHONE BANK\*

\*See Part II for additional information.

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During [1987] fiscal year 1988, and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not [less than \$177,045,000 nor] more than [\$210,540,000.] \$93,000,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-4231-0-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Administrative expenses .....	70	75	75
00.02 Interest expense .....	74,689	76,682	77,124
00.03 Dividends .....	147	138	138
00.91 Total operating expenses .....	74,906	76,895	77,337
01.01 Capital investment loans .....	127,897	177,045	93,000
10.00 Total obligations .....	202,803	253,940	170,337
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-28,595	-28,767	-57
14.00 Non-Federal sources .....	-132,834	-137,306	-589,821
17.00 Recovery of prior year obligations .....	-46,766		
25.00 Unobligated balance lapsing .....	46,766		
27.00 Capital transfer to general fund .....	8,582	9,541	9,541
31.00 Redemption of debt .....			410,000
67.10 Budget authority (authority to borrow) (permanent, indefinite) (7 U.S.C. 901-950(b)) .....	49,956	97,408	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	41,374	87,867	-419,541
Obligated balance, start of year:			
72.47 Authority to borrow .....	652,026	655,162	748,108
72.98 Fund balance .....	23,997	29,714	29,929

Obligated balance, end of year:				
74.47	Authority to borrow .....	-655,162	-748,108	-644,263
74.98	Fund balance .....	-29,714	-29,929	-38,050
78.00	Adjustments in unexpired accounts .....	-46,766		
90.00	Outlays .....	-14,246	-5,294	-323,817

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority .....	49,956	97,408		
Outlays .....	-14,246	-5,294	-323,817	
Supplemental under existing legislation:				
Budget authority .....		-28,534		
Outlays .....		-1,712	-6,402	
Total:				
Budget authority .....	49,956	68,874		
Outlays .....	-14,246	-7,006	-330,219	

## Status of Direct Loans (in thousands of dollars)

Identification code 12-4231-0-3-452	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	177,045	177,045	93,000
1112 Unused balance of direct loan limitation expiring.....	-49,148		
1150 Total direct loan obligations .....	127,897	177,045	93,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	1,382,655	1,433,934	1,499,492
1231 Disbursements: Direct loan disbursements.....	71,852	85,000	85,000
Repayments:			
1251 Repayments and prepayments.....	-20,573	-19,442	-71,303
1253 Loan asset sales to the public.....			-449,000
1264 Adjustments: Other adjustments, net <sup>1</sup> .....			-51,000
1290 Outstanding, end of year.....	1,433,934	1,499,492	1,013,189

<sup>1</sup> Represents discount from face value on loan asset sales.

The Rural Telephone Bank (RTB) provides a subsidized source of financing for the REA telephone loan program. The bank charges an interest rate based on the average cost of money to the bank, but not less than 5 percent per annum. The weighted average interest rate on cumulative loans through September 30, 1986, was 8.26 percent. During the first quarter of 1987, loans were made at 7.0 percent interest.

Equity capital of the bank consists of class A stock purchased by the United States of \$477 million with a 2 percent dividend and classes B and C stock purchased by bank borrowers, organizations eligible to become borrowers and organizations controlled by borrowers, and retained earnings. The Bank has borrowed \$759 million from the Treasury. In addition, the \$477 million in capital stock is heavily subsidized by the Federal Government.

Administrative support is a further subsidy provided without charge for the general operations of the bank by REA employees and the Office of the General Counsel, without cost to the bank, as provided for in the enabling legislation. Certain incidental administrative expenses, such as expenses of the elected members of the Board of Directors, postage fees and the audit by the General Accounting Office, must be borne by the bank.

Bank loans totaled \$128 million in 1986. After almost 14 years in operation, loans to 591 borrowers have been approved, totaling over \$2.269 billion. Telephone bank loans are estimated at \$177 million for 1987 and \$93 million for 1988. The Administration proposes to phase

out the Bank's costly lending program at the end of 1989, sell Bank assets, and use the proceeds to repay Treasury debt and Class A stock. Most Bank borrowers will be eligible for REA guarantees of 70 percent of principal of privately originated loans. Bank borrowers who are affiliates of large telephone holding companies or who largely serve urban or suburban areas would no longer be eligible under proposed legislation. Borrowers will be permitted to prepay without a premium if they agree to seek no more assistance from REA.

## BUDGET AUTHORITY, OBLIGATIONS, AND BALANCES

(In thousands of dollars)				
Budget authority:	1986 actual	1987 est.	1988 est.	
Appropriation for class A stock .....	28,530	28,710		
Borrowing authority (program and financing schedule) .....	49,956	97,408		
New budget authority.....	78,486	126,118		
Other funds available.....	132,899	137,363	589,821	
Less return on class A stock.....	8,582	9,541	9,541	
Total budgetary resources .....	202,803	253,940	580,280	
Obligations:				
Loans approved .....	127,897	177,045	93,000	
Expenses and C stock dividends .....	74,906	76,895	77,337	
Total .....	202,803	253,940	170,337	

## BORROWING AUTHORITY

(In thousands of dollars)				
Available start of year .....	1986 actual	1987 est.	1988 est.	
11,246,693	11,246,693	12,380,739	13,456,489	
Increase <sup>1</sup> .....	1,137,236	1,173,158	419,960	
Encumbered.....	-49,956	-97,408		
Recovery of prior obligations.....	46,766			
Available end of year .....	12,380,739	13,456,489	13,876,449	
<sup>1</sup> Computed in accordance with sec. 407 of the Rural Electrification Act of 1936 as amended:				
A stock.....	28,530	28,710		
B stock.....	15,503	16,748	20,998	
C stock.....				
Retained earnings.....	12,829	13,200		
Total .....	56,862	58,658	20,998	
Statutory borrowing authority rate.....	20	20	20	
Maximum borrowing authority during year .....	1,137,236	1,173,158	419,960	

Note.—Totals may not add due to rounding.

## PROGRAM STATISTICS

(Dollars in thousands)				
	1986 actual	1987 est.	1988 est.	
Cumulative net loans .....	2,222,571	2,399,616	2,492,616	
Cumulative loan funds, advanced.....	1,547,946	1,632,946	1,717,946	
Unadvanced loan funds, end of year.....	674,624	766,669	774,669	
Cumulative principal repaid.....	114,012	133,454	704,757	
Cumulative interest paid .....	753,882	867,496	937,014	
Number of borrowers.....	591	620	635	

## Revenue and Expense (in thousands of dollars)

(in thousands of dollars)				
	1986 actual	1987 est.	1988 est.	
Operating income or loss (-):				
Interest earned on loans to borrowers.....	109,095	112,661	69,518	
Expenses .....	-75,266	-77,341	-77,572	
Net operating income .....	33,829	35,320	-8,054	
Nonoperating income:				
Interest earned on U.S. securities (net of discount less premium amortization).....	65	57	57	
Net income for the year.....	33,896	35,377	-7,997	

Public enterprise funds—Continued

RURAL TELEPHONE BANK—Continued

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	23,064	28,781	28,996	37,117
U.S. securities .....	933	933	933	933
Accounts receivable (net) .....	8,144	8,427	11,278	11,812
Loans receivable (net) .....	1,378,258	1,429,031	1,494,004	1,009,043
Other assets (net) .....	1	1		
<b>Total assets .....</b>	<b>1,410,400</b>	<b>1,467,173</b>	<b>1,535,211</b>	<b>1,058,905</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and other accrued liabilities .....	18,821	18,680	22,644	
Debt issued under borrowing authority: Borrowing from Treasury .....	758,709	758,762	764,177	341,146
<b>Total liabilities .....</b>	<b>777,530</b>	<b>777,442</b>	<b>786,821</b>	<b>341,146</b>
<b>Fund equity:</b>				
Government equity:				
Selected equities:				
Undelivered orders: Undisbursed loans .....	665,346	674,624	766,668	774,669
Unfinanced budget authority: Undrawn authority to borrow .....	-652,025	-655,162	-748,108	-644,263
Invested capital .....	406,679	429,068	458,678	329,296
<b>Total Government equity .....</b>	<b>420,000</b>	<b>448,530</b>	<b>477,238</b>	<b>459,702</b>
Private equity:				
Class B stock .....	133,950	149,453	166,201	170,451
Class C stock .....	1,730	1,730	1,730	1,730
Retained earnings .....	77,190	90,018	103,219	85,876
<b>Total private equity .....</b>	<b>212,870</b>	<b>241,201</b>	<b>271,150</b>	<b>258,057</b>
<b>Total equity .....</b>	<b>632,870</b>	<b>689,731</b>	<b>748,389</b>	<b>717,759</b>
<b>Analysis of changes in equity:</b>				
Privately owned equity:				
Paid-in capital: Opening balance .....				
		135,680	151,183	167,931
Transactions:				
Patronage refund—class B stock .....		12,337	12,498	
Stock sold:				
Class B .....		3,166	4,250	4,250
Class C .....				
<b>Closing balance .....</b>		<b>151,183</b>	<b>167,931</b>	<b>172,181</b>
Retained income: Opening balance .....				
		77,190	90,019	103,219
Transactions:				
Balances of current operating and nonoperating income transferred from Government equity .....		25,313	25,836	-17,481
Patronage refund—class B stock .....		-12,337	-12,498	
Dividend paid—class C stock .....		-147	-138	138
<b>Closing balance .....</b>		<b>90,019</b>	<b>103,219</b>	<b>85,876</b>
<b>Total privately owned equity .....</b>		<b>241,202</b>	<b>271,150</b>	<b>258,057</b>
Government equity:				
Paid-in capital: Opening balance .....				
		420,000	448,530	477,240
Transactions: Appropriations .....				
		28,530	28,710	
<b>Closing balance .....</b>		<b>448,530</b>	<b>477,240</b>	<b>477,240</b>
Transactions:				
Transfer to miscellaneous receipts in Treasury for return on class A stock .....		-8,582	-9,541	-9,541
Operating income .....		33,830	35,320	-8,054
Nonoperating income .....		65	57	57
Current income in excess of return on class A stock transferred to private equity .....		-25,313	-25,836	
<b>Closing balance .....</b>				<b>-17,538</b>
<b>Total Government equity (end of year) .....</b>		<b>448,530</b>	<b>477,240</b>	<b>459,702</b>

Object Classification (in thousands of dollars)

Identification code	12-4231-0-3-452	1986 actual	1987 est.	1988 est.
11.8	Personnel compensation: Special personal services payments .....	10	11	11
21.0	Travel and transportation of persons .....	24	26	26
23.3	Communications, utilities, and miscellaneous charges .....	3	3	3
24.0	Printing and reproduction .....	1	1	1
25.0	Other services .....	32	34	34
33.0	Investments and loans .....	127,897	177,045	93,000
43.0	Interest and dividends .....	74,836	76,820	77,262
99.9	<b>Total obligations .....</b>	<b>202,803</b>	<b>253,940</b>	<b>170,337</b>

FARMERS HOME ADMINISTRATION

Federal Funds

General and special funds:

[RURAL WATER AND WASTE DISPOSAL GRANTS]\*

\*See Part II for additional information.

[For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), \$109,395,000, to remain available until expended, pursuant to section 306(d) of the above Act.] (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-2066-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	119,318	110,985	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-9,186		
21.40	Unobligated balance available, start of year .....	-2,327	-1,590	
24.40	Unobligated balance available, end of year .....	1,590		
40.00	<b>Budget authority (appropriation) .....</b>	<b>109,395</b>	<b>109,395</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	119,318	110,985	
72.40	Obligated balance, start of year .....	477,548	409,485	352,372
74.40	Obligated balance, end of year .....	-409,485	-352,372	-219,591
78.00	Adjustments in unexpired accounts .....	-9,186		
90.00	<b>Outlays .....</b>	<b>178,195</b>	<b>168,098</b>	<b>132,781</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	109,395	109,395	
Outlays .....	178,195	168,098	132,781
Rescission proposal:			
Budget authority .....		-79,500	
Outlays .....		-1,590	-11,925
<b>Total:</b>			
Budget authority .....	109,395	29,895	
Outlays .....	178,195	166,508	120,856

This grant program is authorized by subtitle A of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, public and quasi-public agencies, and certain Indian tribes to finance storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project.

The major objectives of the rural water and waste disposal grant programs are: (1) to provide assistance to

attain basic human amenities, (2) to alleviate health hazards, (3) to promote stability of rural areas by meeting the need for new and improved rural water and waste disposal systems, and (4) to meet national safe drinking water and clean water standards. No program is proposed for 1988 because adequate credit sources are available to finance needed facilities.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....	343	310	.....
Amount of grants (in thousands).....	\$119,318	\$110,985	.....

**SALARIES AND EXPENSES**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921- [1995] 2000), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471- [1490h] 1490o); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title III A of the Economic Opportunity Act of 1964 (Public Law 88-452 approved August 20, 1964), as amended, and such other programs for which Farmers Home Administration has the responsibility for administering, [ \$386,867,000 ] \$411,145,000, together with not more than \$3,000,000 of the charges collected in connection with the insurance of loans as authorized by section [ 309(e) ] 309(a) of the Consolidated Farm and Rural Development Act, as amended, and section 517(i) of the Housing Act of 1949, as amended, or in connection with charges made on borrowers under section 502(a) of the Housing Act of 1949, as amended: *Provided*, That, in addition, not to exceed \$1,000,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary [ field ] employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: *Provided further*, That not to exceed \$500,000 of this appropriation may be used for employment under 5 U.S.C. 3109 [ : ]: *Provided further*, That not to exceed \$2,047,000 of this appropriation shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That, in addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrower, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this title, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a showing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided further*, That, if the security instrument securing such loan is foreclosed, such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law]. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591 section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	12-2001-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	355,279	398,545	415,145
01.01	Reimbursable program .....	279	635	635
10.00	Total obligations .....	355,558	399,180	415,780
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,236	-4,635	-4,635
22.40	Unobligated balance transferred, net .....	.....	-7,678	.....

25.00	Unobligated balance lapsing .....	3,582	.....	.....
39.00	Budget authority .....	357,904	386,867	411,145
Budget authority:				
40.00	Appropriation .....	357,004	386,867	411,145
42.00	Transferred from other accounts .....	900	7,678	.....
43.00	Appropriation (adjusted) .....	357,904	386,867	411,145
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	354,322	394,545	411,145
72.40	Obligated balance, start of year .....	44,096	39,605	42,046
74.40	Obligated balance, end of year .....	-39,605	-42,046	-45,839
77.00	Adjustments in expired accounts .....	-2,938	.....	.....
90.00	Outlays .....	355,875	392,104	407,352

These funds are used to administer the loan, guaranteed loan, and grant programs of the Farmers Home Administration. Activities include reviewing applications, servicing the loan portfolio and providing technical assistance and guidance to borrowers; and to assist in extending other Federal programs to people in rural areas.

**Object Classification (in thousands of dollars)**

Identification code	12-2001-0-1-452	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	226,127	240,310	231,071
11.3	Other than full-time permanent .....	7,861	10,791	11,112
11.5	Other personnel compensation .....	3,391	5,130	4,944
11.9	Total personnel compensation .....	237,379	256,231	247,127
12.1	Personnel benefits: Civilian .....	35,343	41,653	56,854
13.0	Benefits for former personnel .....	893	898	938
21.0	Travel and transportation of persons .....	13,807	18,177	19,735
22.0	Transportation of things .....	1,762	1,784	1,974
23.2	Rental payments to others .....	11,955	13,300	14,769
23.3	Communications, utilities, and miscellaneous charges .....	24,806	27,168	30,352
24.0	Printing and reproduction .....	5,393	4,661	5,318
25.0	Other services .....	18,764	26,420	29,397
26.0	Supplies and materials .....	2,536	5,890	6,389
31.0	Equipment .....	2,518	2,068	2,079
42.0	Insurance claims and indemnities .....	112	266	183
43.0	Interest and dividends .....	11	29	30
99.0	Subtotal, direct obligations .....	355,279	398,545	415,145
99.0	Reimbursable obligations .....	279	635	635
99.9	Total obligations .....	355,558	399,180	415,780

**Personnel Summary**

Total number of full-time permanent positions .....	11,200	11,539	10,801
Total compensable workyears:			
Full-time equivalent employment .....	10,209	10,715	10,093
Full-time equivalent of overtime and holiday hours .....	84	160	135

**[RURAL COMMUNITY FIRE PROTECTION GRANTS]\***

\*See Part II for additional information.

[For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), \$3,091,000 to fund up to 50 per centum of the cost of organizing, training, and equipping rural volunteer fire departments.] (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	12-2067-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	3,019	3,091	.....

General and special funds—Continued

**[RURAL COMMUNITY FIRE PROTECTION GRANTS]**—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-2067-0-1-452	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	72		
40.00	<b>Budget authority (appropriation)</b> .....	<b>3,091</b>	<b>3,091</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	3,019	3,091	
72.40	Obligated balance, start of year .....	4,497	1,851	3,219
74.40	Obligated balance, end of year .....	-1,851	-3,219	-1,856
77.00	Adjustments in expired accounts .....	-2,672		
90.00	<b>Outlays</b> .....	<b>2,993</b>	<b>1,723</b>	<b>1,363</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:				
Budget authority .....	3,091	3,091		
Outlays .....	2,993	1,723		1,363
Rescission proposal:				
Budget authority .....		-2,300		
Outlays .....		-1,035		-115
Total:				
Budget authority .....	3,091	791		
Outlays .....	2,993	688		1,248

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978. Grants are made to public bodies to organize, train, and equip local firefighting forces, including those of Indian tribes or other native groups, to prevent, control, and suppress fires threatening human lives, crops, livestock, farmsteads or other improvements, pastures, orchards, wildlife, rangeland, woodland, and other resources in rural areas. In 1986, 1,729 grants were obligated for a total of \$3.019 million. It is anticipated that in 1987, 1,717 grants will be obligated for a total of \$3.091 million. No program is proposed for fiscal year 1988 because adequate credit sources are available to finance needed facilities.

**[RURAL HOUSING FOR DOMESTIC FARM LABOR]\***

\*See Part II for additional information.

[For financial assistance to eligible nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), \$9,513,000.] (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

Program and Financing (in thousands of dollars)

Identification code	12-2004-0-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	10,855	9,817	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-1,397		
21.40	Unobligated balance available, start of year .....	-249	-304	
24.40	Unobligated balance available, end of year .....	304		
40.00	<b>Budget authority (appropriation)</b> .....	<b>9,513</b>	<b>9,513</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	10,855	9,817	
72.40	Obligated balance, start of year .....	35,311	27,581	26,891
74.40	Obligated balance, end of year .....	-27,581	-26,891	-16,341
78.00	Adjustments in unexpired accounts .....	-1,397		
90.00	<b>Outlays</b> .....	<b>17,188</b>	<b>10,507</b>	<b>10,550</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:				
Budget authority .....	9,513	9,513		
Outlays .....	17,188	10,507		10,550
Rescission proposal:				
Budget authority .....		-7,400		
Outlays .....		-296		-1,850
Total:				
Budget authority .....	9,513	2,113		
Outlays .....	17,188	10,211		8,700

**Rural housing for domestic farm labor.**—This grant program is authorized under section 516 of the Housing Act of 1949, as amended. Grants are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grant assistance may not exceed 90 percent of the cost of a project, and may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms and infirmaries. No program is proposed for 1988. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

**GRANT OBLIGATIONS**

Number of grants .....	1986 actual	1987 est.	1988 est.
	12	10	
Amount of grants (thousands of dollars) .....	\$10,855	\$9,817	

**[MUTUAL AND SELF-HELP HOUSING]\***

\*See Part II for additional information.

[For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$8,000,000.] (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

Program and Financing (in thousands of dollars)

Identification code	12-2006-0-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	5,854	13,404	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-1,084		
21.40	Unobligated balance available, start of year .....	-2,564	-5,404	
24.40	Unobligated balance available, end of year .....	5,404		
40.00	<b>Budget authority (appropriation)</b> .....	<b>7,610</b>	<b>8,000</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,854	13,404	
72.40	Obligated balance, start of year .....	14,318	11,739	18,651
74.40	Obligated balance, end of year .....	-11,739	-18,651	-10,482
78.00	Adjustments in unexpired accounts .....	-1,084		
90.00	<b>Outlays</b> .....	<b>7,349</b>	<b>6,492</b>	<b>8,169</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:				
Budget authority .....	7,610	8,000		
Outlays .....	7,349	6,492		8,169
Rescission proposal:				
Budget authority .....		-8,000		
Outlays .....		-640		-3,200
Total:				
Budget authority .....	7,610			
Outlays .....	7,349	5,852		4,969

This program is authorized under section 523 of the Housing Act of 1949, as amended. Grants and contracts are made for the purpose of providing technical and supervisory assistance to groups of families to enable them to build their own homes through the mutual exchange of labor. No program is proposed for fiscal year 1988. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....	34	80	.....
Amount of grants (thousands of dollars) .....	\$5,854	\$13,404	.....

**【VERY LOW-INCOME HOUSING REPAIR GRANTS】\***

\*See Part II for additional information.

【For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, \$12,500,000.】 (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-2064-0-1-604			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	13,891	12,500	.....
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	13,891	12,500	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	13,891	12,500	.....
72.40 Obligated balance, start of year .....	324	1,916	625
74.40 Obligated balance, end of year .....	-1,916	-625	.....
77.00 Adjustments in expired accounts .....	-219	.....	.....
90.00 Outlays .....	12,081	13,791	625

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	13,891	12,500	.....
Outlays .....	12,081	13,791	625
Rescission proposal:			
Budget authority .....	.....	-9,400	.....
Outlays .....	.....	-8,930	-470
Total:			
Budget authority .....	13,891	3,100	.....
Outlays .....	12,081	4,861	155

This program is authorized under section 504 of the Housing Act of 1949, as amended. This grant program enables very low-income elderly residents in rural areas to improve or modernize their dwelling; to make the dwelling safer or more sanitary; or to remove health and safety hazards. A grant or a combination of a grant and a low-interest loan from the Rural housing insurance fund may be made to an eligible recipient for the needed work. No program is proposed for 1988. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....	4,138	3,790	.....
Amount of grants (thousands of dollars) .....	\$13,891	\$12,500	.....

**RURAL 【RENTAL ASSISTANCE PAYMENTS】 HOUSING VOUCHER PROGRAM**

For necessary expenses to operate a housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437(f), to be administered by the Secretary of Agriculture, notwithstanding the limitations in section 8(o)(1) of such Act that the Secretary conduct a demonstration, and in section 8(o)(4) of such Act that the Secretary use substantially all authority in connection with certain programs, in connection with the rental rehabilitation program under Section 17 of such Act and for any other purposes as determined by the Secretary, \$378,130,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-2002-0-1-604			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	.....	.....	378,130
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	.....	.....	378,130
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	.....	.....	378,130
72.40 Obligated balance, start of year .....	100,412	93,508	79,439
74.40 Obligated balance, end of year .....	-93,508	-79,439	-437,723
77.00 Adjustments in expired accounts .....	-468	.....	.....
90.00 Outlays .....	6,436	14,069	19,846

This is a new program proposed for implementation in FY 1988. It replaces the rural rental assistance payments program which was authorized under section 521 of the Housing Act of 1949, as amended. The objective of that program was to reduce rents paid by low-income families living in FmHA financed rental projects and farm labor housing projects. Under that program, low-income tenants contributed the higher of (1) 30 percent of monthly adjusted income, (2) 10 percent of monthly income, or (3) designated housing payment from a welfare agency. Payments were made to the project owner to make up the difference between the tenants' rent payments and the approved rental rates for the units.

Therefore, funding for the purpose of providing rental assistance for newly constructed units was provided in limited amounts in 1986 and 1987 under the Rural housing insurance fund. The Fund continues in fiscal year 1988 to finance existing rental assistance contracts.

In fiscal year 1988, a housing voucher program authorized under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f), will be implemented. This program will support 21,200 units annually, including 1,200 units of voucher assistance to families displaced by prepayment of section 515 rental assistance projects.

The housing voucher program provides tenants the flexibility to choose housing to meet their needs and to determine the appropriate level of expenditure to be made for housing. Further, unlike the rental assistance program, the housing voucher goes with the tenant should he or she decide to move.

**VOUCHER OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of units assisted .....	.....	.....	21,200
Amount of vouchers (thousands of dollars) .....	.....	.....	378,130

General and special funds—Continued

**[COMPENSATION FOR CONSTRUCTION DEFECTS]\***

\*See Part II for additional information.

For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, \$713,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-2071-0-1-371			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	269	713	
<b>Financing:</b>			
25.00 Unobligated balance lapsing	444		
40.00 Budget authority (appropriation)	713	713	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	269	713	
72.40 Obligated balance, start of year	134		
77.00 Adjustments in expired accounts	-3		
90.00 Outlays	400	713	

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	713	713	
Outlays	400	713	
<b>Rescission proposal:</b>			
Budget authority		-500	
Outlays		-500	
<b>Total:</b>			
Budget authority	713	213	
Outlays	400	213	

This program is carried out under the provisions of section 509(c) of the Housing Act of 1949, as amended. The Secretary of Agriculture is authorized to make expenditures to correct structural defects, or to pay claims of owners arising from such defects on newly constructed dwellings purchased with FmHA financial assistance. Requests for compensation for construction defects must be made within 18 months after the date financial assistance was granted. No program is proposed for fiscal year 1988.

A summary of the activity for compensation for construction defects is as follows:

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of payments	100	257	
Amount of payments (thousands of dollars)	\$269	\$713	

**[RURAL HOUSING PRESERVATION GRANTS]\***

\*See Part II for additional information.

For grants for rural housing preservation as authorized by section 552 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), \$19,140,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-2070-0-1-604			
<b>Program by activity:</b>			
10.00 Total obligations (object class 41.0)	19,140	19,140	
<b>Financing:</b>			
39.00 Budget authority	19,140	19,140	

<b>Budget authority:</b>			
40.00	Appropriation		19,140
50.00	Reappropriation	19,140	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	19,140	19,140
72.40	Obligated balance, start of year		19,140
74.40	Obligated balance, end of year	-19,140	-14,355
90.00	Outlays	23,925	14,355

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	19,140	19,140	
Outlays		23,925	14,355
<b>Rescission proposal:</b>			
Budget authority		-14,400	
Outlays		-3,600	-10,800
<b>Total:</b>			
Budget authority	19,140	4,740	
Outlays		20,325	3,555

This grant program is authorized under section 533 of the Housing Act of 1949, as amended. Grants are made to eligible private nonprofit groups, Indian tribes, or government agencies for rehabilitation of single family housing owned by low- and very low-income families and the rehabilitation of rental and cooperative housing for low- and very low-income families. No program is proposed for fiscal year 1988. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural housing voucher program.

A summary of the activity for housing preservation grants is as follows:

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants	129	125	
Amount of grants (thousands of dollars)	\$19,140	\$19,140	

**MISCELLANEOUS EXPIRING APPROPRIATIONS**

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-9912-0-1-999			
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net		
72.40	Obligated balance, start of year	1,695	669
74.40	Obligated balance, end of year	-669	
77.00	Adjustments in expired accounts	-253	
90.00	Outlays	773	669
<b>Distribution of outlays by account:</b>			
	Rural development grants	807	669
	Rural housing supervisory assistance grants	-34	

**Public enterprise funds:**

**AGRICULTURAL CREDIT INSURANCE FUND**

For direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: Farm ownership loans; \$400,000,000 of which \$325,000,000 shall be guaranteed loans; \$14,000,000 for water development, use, and conservation loans of which \$3,000,000 shall be guaranteed loans; operating loans, \$3,595,000,000 of which \$2,170,000,000 shall be guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$2,000,000; and for emergency insured and guaranteed loans, \$695,000,000 to meet the needs resulting from natural disasters. During fiscal year 1988 and within the resources

and authority available, gross obligations for the principal amount of direct loans shall not exceed \$1,295,000,000, of which \$1,000,000,000 shall be for operating loans and \$295,000,000 shall be for emergency insured loans to meet the needs resulting from natural disasters. During fiscal year 1988, total commitments to guarantee operating loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$2,500,000,000.

For an additional amount to reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), **[\$1,723,403,000]** \$3,640,153,000.

**[Sec. 633. (e)(1) The Secretary of Agriculture shall reduce the amount of funds available for emergency insured and guaranteed loans to meet the needs resulting from natural disasters from funds in the Agricultural Credit Insurance Fund by \$400,000,000.]**

**[(2) For purposes of making payments in accordance with this proviso, there is transferred to the Commodity Credit Corporation \$400,000,000 from funds in the Agricultural Credit Insurance Fund.] (7 U.S.C. 1928-1929; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)**

**Program and Financing (in thousands of dollars)**

Identification code 12-4140-0-3-351      1986 actual      1987 est.      1988 est.

Program by activities:				
Capital investment:				
00.01	Loans obligated.....	2,798,696	1,817,156	1,600,000
Loans made:				
00.02	Payment of delinquent installments.....	743	700	650
00.03	Advances on behalf of borrowers.....	130,993	190,000	225,000
00.04	Purchase of loans from investors.....	15,988	752	20,141
00.05	Purchase of certificates of beneficial ownership.....	22,610	16,635	68,336
00.06	Interest on loans purchased from investors..	159	10	257
00.07	Collateral acquired by default.....	26,231	30,000	35,000
00.08	Disbursement of loan repayments to investors.....	9,676	7,500	6,500
00.09	Purchase of guaranteed loans from investors.....	7,027	10,000	13,400
00.10	Interest on guaranteed loans purchased from investors.....	1,011	1,500	2,100
00.11	Other capital investment.....	250		
00.91	<b>Total capital investment.....</b>	<b>3,013,383</b>	<b>2,074,253</b>	<b>1,971,384</b>

Operating expenses:				
01.01	Administrative expense.....	84,855	77,037	65,961
01.02	Interest on certificates of beneficial ownership.....	3,501,132	3,513,501	3,472,216
01.03	Premium interest for investors.....	32,484	28,410	28,449
01.04	Interest on participation certificates.....	2,361	1,831	1,496
01.04	Interest on participation certificates.....	11,133	11,133	6,270
01.05	Interest expense on withheld collections.....	25,378	31,000	36,000
01.06	Interest on borrowings.....	650,504	700,000	675,000
01.07	Loss settlement expense on guaranteed loans.	54,250	97,700	161,500
01.08	Unfilled orders.....	7,201	13,901	37,694
01.09	Undistributed charges.....	646		
01.10	Other expense.....	10,464	23,225	15,736
01.11	Interest buy-down expense.....	9,572	290,268	185,000
01.91	<b>Total operating expenses.....</b>	<b>4,388,689</b>	<b>4,788,006</b>	<b>4,685,322</b>
10.00	<b>Total obligations.....</b>	<b>7,402,072</b>	<b>6,862,259</b>	<b>6,656,706</b>

**Financing:**

Offsetting collections from:				
11.00	Federal funds: Investment income from participation sales fund.....	-22,293	-22,329	-12,201
Non-Federal sources:				
14.00	Repayments on loans held by the fund.....	-2,867,875	-2,600,000	-2,500,000
14.00	Loan repayments received on behalf of investors.....	-9,676	-7,500	-6,500
14.00	Repayments on advances.....	-13,177	-20,000	-25,000
14.00	Repayment on guaranteed loans purchased from investors.....	-2,700	-5,200	-8,800
14.00	Proceeds from sale of acquired property and chattels.....	-34,708	-43,100	-53,925
14.00	Payments on judgments.....	-598	-700	-800
14.00	Insurance premiums.....	-47	-40	-35
14.00	Guarantee fees.....	-10,018	-22,500	-25,500
14.00	Interest revenue.....	-1,045,947	-1,002,200	-1,052,985
14.00	Fees and other revenue.....	-17,687	-18,100	-21,100

22.98	Unobligated balance transferred, net: Fund balance.....			-178,310
31.00	Redemption of debt.....	1,250,000	385,000	913,310
39.00	<b>Budget authority.....</b>	<b>4,627,347</b>	<b>3,505,590</b>	<b>3,684,860</b>
Budget authority:				
Current:				
40.00	Appropriation.....	1,078,243	1,723,403	3,640,153
41.00	Transferred to other accounts.....		-400,000	
43.00	<b>Appropriation (adjusted).....</b>	<b>1,078,243</b>	<b>1,323,403</b>	<b>3,640,153</b>
Permanent:				
67.10	<b>Authority to borrow (7 U.S.C. 1929(c)) (indefinite).....</b>	<b>2,079,104</b>	<b>2,182,187</b>	<b>44,707</b>
67.10	<b>Authority to borrow (12 U.S.C. 2281-96) (indefinite).....</b>	<b>1,470,000</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,377,347	3,120,590	2,949,860
Obligated balance, start of year:				
72.47	Authority to borrow.....	1,801,685	1,954,955	1,837,142
72.98	Fund balance.....	105,544	15,077	66,044
Obligated balance, end of year:				
74.47	Authority to borrow.....	-1,954,955	-1,837,142	-1,881,849
74.98	Fund balance.....	-15,077	-66,044	-82,746
77.00	Adjustments in expired accounts.....	-80,834		
90.00	<b>Outlays.....</b>	<b>3,233,710</b>	<b>3,187,436</b>	<b>2,888,451</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	4,627,347	3,505,590	3,684,860
Outlays.....	3,233,710	3,187,436	2,888,451
Proposed for later transmittal under proposed legislation:			
Budget authority.....			50,000
Outlays.....			-133,250
<b>Total:</b>			
Budget authority.....	4,627,347	3,505,590	3,734,860
Outlays.....	3,233,710	3,187,436	2,755,201

**Status of Direct Loans (in thousands of dollars)**

Identification code 12-4140-0-3-351      1986 actual      1987 est.      1988 est.

Position with respect to appropriation act limitation on obligations:				
Limitation on obligations:				
1111	Real estate loans.....	392,648	77,000	130,000
1111	Soil and water loans.....	21,054	11,000	
1111	Operating loans <sup>1</sup> .....	2,203,180	1,425,000	870,000
1111	Transferred from Soil Conservation Service.....	15,312	9,156	
1111	Disaster loans.....	544,100	295,000	600,000
1111	<b>Total limitation on direct loans to the public.....</b>	<b>3,176,294</b>	<b>1,817,156</b>	<b>1,600,000</b>
1112	Unused balance of direct loan limitation expiring.....	-377,598		
1150	<b>Total direct loan obligations.....</b>	<b>2,798,696</b>	<b>1,817,156</b>	<b>1,600,000</b>

**Cumulative balance of direct loans outstanding:**

1210	Outstanding, start of year.....	28,562,538	28,698,042	27,774,515
Disbursements:				
1231	Direct loan disbursements.....	2,857,986	1,889,536	1,618,826
1233	Purchase of loan assets from the public.....	38,701	17,387	88,477
1251	Repayments: Repayments and prepayments.....	-2,881,052	-2,620,000	-2,525,000
Adjustments:				
1261	Capitalized interest.....	450,502	380,000	300,000
1262	Write-offs for default.....	-204,768	-500,100	-400,100
1264	Other adjustments, net <sup>2</sup> .....	-125,865	-90,350	-84,400
1290	Outstanding, end of year.....	28,698,042	27,774,515	26,772,318

<sup>1</sup> The 1986 direct loan limitation includes \$700 million for operating loans transferred from the emergency disaster loan program.

<sup>2</sup> Amounts shown are based on payment of delinquent installments, advances on behalf of borrowers, loans in kind—acquired real property, acquired property, acquired chattels, judgments, and other.

Public enterprise funds—Continued

AGRICULTURAL CREDIT INSURANCE FUND—Continued

Status of Guaranteed Loans (in thousands of dollars)

Position with respect to appropriation act limitation on commitments:				
Limitation on commitments:				
2111	Real estate loans	249,250	325,000	390,000
2111	Soil and water loans	5,742	3,000	
2111	Operating loans	1,660,900	2,170,000	2,610,000
2111	Total, limitation on guaranteed loans made by private lenders	1,915,892	2,498,000	3,000,000
2112	Unused balance of limitation expiring	-356,321		
2150	Total guaranteed loan commitments	1,559,571	2,498,000	3,000,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	1,384,627	2,160,573	3,258,234
2231	Disbursements: Disbursements of new guaranteed loans	1,159,847	1,793,998	2,561,573
2251	Repayments: Repayments and prepayments	-288,918	-579,800	-954,400
Adjustments:				
2262	Terminations for default that result in acquisition of property	-128	-150	-150
2263	Terminations for default that result in claim payments	-60,425	-107,000	-173,600
2264	Other adjustments, net <sup>1</sup>	-34,430	-9,387	-77,477
2290	Outstanding, end of year	2,160,573	3,258,234	4,614,180

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	1,933,023	2,911,284	4,098,073
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<sup>1</sup> Amounts shown are based on assumption agreements, repurchases of loans and CBO's from investors, and other.

Authority for the Agricultural Credit Insurance Fund was extended from fiscal year 1986 through 1988 by the Food Security Act of 1985, Public Law 99-198, signed December 23, 1985. This legislation also provided levels of funding for emergency disaster loans. The loan levels reflected for 1988 are consistent with those established by the Food Security Act of 1985.

The Agricultural Credit Insurance Fund is used to insure or guarantee farm ownership, soil and water, farm operating, and emergency loans to individuals. Associations, Indian tribes and tribal corporations are eligible for the following types of loans: Indian land acquisition, watershed protection, flood prevention, and resource conservation and development.

The 1988 budget proposes to maintain approximately a \$4 billion program level each year. Funding is proposed to be limited to farm operating and emergency disaster loan purposes. By 1992, all farm operating loans will be provided on a guaranteed basis.

The following table shows the 1986 actual and estimated 1987 and 1988 number of loans and program levels. The guaranteed program levels reflect the full principal amount of the loan of which part is guaranteed by the U.S. Government.

LOAN OBLIGATIONS

[In millions of dollars]

	1986 actual		1987 estimate		1988 estimate	
	Number	Amount	Number	Amount	Number	Amount
Agricultural credit insurance fund:						
Insured farm ownership loans	4,032	\$371.4	790	\$75.0	1,325	\$130.0
Guaranteed farm ownership loans	1,265	192.0	2,080	325.0	2,410	390.0
Insured farm operating loans	49,474	2,203.2	31,100	1,425.0	18,345	870.0
Guaranteed farm operating loans	14,772	1,367.3	22,785	2,170.0	26,480	2,610.0
Emergency disaster loans	5,584	217.8	7,350	295.0	14,445	600.0
Insured soil and water loans	279	4.6	642	11.0		
Guaranteed soil and water loans	6	.3	65	3.0		
Indian tribe land acquisition loans	2	1.4	2	2.0		
Watershed protection and flood prevention loans	2	.3	2	8.0		

Resource conservation and development loans				2	1.2	
Total, Agricultural credit insurance fund	75,416	4,358.3	64,818	4,315.2	63,005	4,600.0

The new obligational authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Interest accrued on participation certificates	11,133	11,133	6,270
Amortized discount on participation certificates	5	5	5
Interest accrued on an equal amount of loans in the pool	-682	-500	-500
Insufficiency	10,456	10,638	5,775
Financed by:			
Investment income from:			
Participation sales trust fund	-22,293	-22,329	-12,201
Retained earnings reserved to meet insufficiencies	11,837	11,691	6,426
New obligational authority required			

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue	2,243,322	2,257,722	2,256,036
Expense	-6,773,551	-6,537,916	-6,660,739
Net operating loss	-4,530,229	-4,280,194	-4,404,703
Nonoperating income or loss (-):			
Proceeds from sale of acquired property:			
Cash	46,168	43,100	53,925
Loans receivable	70,972	100,000	125,000
Total proceeds from sale	117,140	143,100	178,925
Net book value of assets sold	-225,848	-271,600	-327,525
Net nonoperating loss	-108,707	-128,500	-148,600
Net loss for the year	-4,638,936	-4,408,694	-4,553,303

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury	105,544	15,077	66,044	82,746
Accounts receivable (net)	3,632,304	4,169,659	4,720,244	5,143,976
Loans receivable (net)	24,126,747	23,572,628	23,012,816	22,265,619
Real property (net)	911,303	839,872	1,000,656	1,175,419
Other assets (net):				
Judgments	5,487	4,666	6,191	8,741
Deferred charges and unamortized discount on participation certificates and loans sold	669	14	4	-1
Guaranteed loans purchased from holders	9,370	11,533	13,933	16,233
Total assets	28,791,424	28,613,449	28,819,888	28,692,733
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities	1,459,121	1,662,814	1,672,583	1,669,454
Advances received	153,474	162,500	169,460	174,273
Debt issued under borrowing authority:				
Borrowings from Treasury	6,220,500	8,065,500	10,365,500	10,015,500
Borrowings from FFB	28,175,000	28,395,000	28,010,000	27,625,000
Participation certificates outstanding	178,310	178,310	178,310	
Principal repayments to be applied to redemption of participation certificates	-154,122	-154,122	-154,122	
Other liabilities: Provision for potential losses on loans sold or guaranteed	79,972	107,617	146,719	209,118
Total liabilities	36,112,255	38,417,619	40,388,450	39,693,345

**Government equity:**

Selected equities:				
Unexpended balance:				
Unobligated balance.....	1,773,055	2,147,349	2,804,551	3,262,127
Undelivered orders.....	352,197	212,072	139,694	120,868
Invested capital.....	-9,446,084	-12,163,592	-14,512,807	-14,383,607
<b>Total Government equity.....</b>	<b>-7,320,832</b>	<b>-9,804,171</b>	<b>-11,568,562</b>	<b>-11,000,612</b>

**Analysis of changes in Government equity:**

Paid-in capital:				
Opening balance.....	6,294,479	7,371,833	8,692,733	
Transactions:				
Unfunded administrative expense.....	158,886	170,000	180,000	
Unfunded accrued annual leave.....	11	400	500	
Unfunded depreciation expense.....	447	500	600	
Imputed interest.....	918,010	1,150,000	1,300,000	
<b>Closing balance.....</b>	<b>7,371,833</b>	<b>8,692,733</b>	<b>10,173,833</b>	
Retained income or loss (-):				
Opening balance.....	-13,615,310	-17,176,004	-20,261,295	
Transactions:				
Net operating loss.....	-4,530,229	-4,280,194	-4,404,703	
Net nonoperating loss.....	-108,707	-128,500	-148,600	
Appropriation to meet deficit.....	1,078,243	1,323,403	3,640,153	
<b>Closing balance.....</b>	<b>-17,176,004</b>	<b>-20,261,295</b>	<b>-21,174,445</b>	
<b>Total Government equity (end of year).....</b>	<b>-9,804,171</b>	<b>-11,568,562</b>	<b>-11,000,612</b>	

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts in 1985, \$496,564 thousand; 1986, \$1,933,023 thousand; 1987, \$2,911,284 thousand and 1988, \$4,098,073 thousand.

**Object Classification (in thousands of dollars)**

Identification code 12-4140-0-3-351	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	34,062	34,246	31,492
11.3 Other than full-time permanent.....	9,610	10,489	8,400
11.5 Other personnel compensation.....	3,064	2,520	2,262
11.9 Total personnel compensation.....	46,736	47,255	42,154
12.1 Personnel benefits: Civilian.....	5,920	6,250	7,779
13.0 Benefits for former personnel.....		142	142
21.0 Travel and transportation of persons.....	3,916	4,012	2,539
22.0 Transportation of things.....	280	298	178
23.1 Rental payments to GSA.....	463	482	501
23.2 Rental payments to others.....	1,849	2,940	1,701
23.3 Communications, utilities, and miscellaneous charges.....	3,867	5,789	3,646
24.0 Printing and reproduction.....	748	831	526
25.0 Other services.....	83,238	125,415	177,594
26.0 Supplies and materials.....	592	848	537
31.0 Equipment.....			
33.0 Investments and loans.....	3,009,817	2,079,144	2,000,221
43.0 Interest and dividends.....	4,224,483	4,570,220	4,406,418
43.0 Interest on participation certificates.....	11,133	11,133	6,270
44.0 Refunds.....	9,676	7,500	6,500
92.0 Undistributed charges.....	-646		
99.9 Total obligations.....	7,402,072	6,862,259	6,656,706

**Personnel Summary**

Total number of full-time permanent positions.....	27	27	27
Total compensable workyears:			
Full-time equivalent employment.....	2,185	2,281	1,965
Full-time equivalent of overtime and holiday hours.....	80	45	45

**AGRICULTURAL CREDIT INSURANCE FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 12-4140-2-3-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Capital investment: Loans obligated.....			-305,000
10.00 Total obligations (object class 33.0).....			-305,000

**Financing:**

31.00 Redemption of debt.....			355,000
47.10 <b>Budget authority (authority to borrow, 7 U.S.C. 1929(c) (indefinite).....</b>			<b>50,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-305,000
Obligated balance, end of year:			
74.47 Authority to borrow.....			305,000
74.98 Fund balance.....			-133,250
90.00 Outlays.....			-133,250

**Status of Direct Loans (in thousands of dollars)**

Identification code 12-4140-2-3-351	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriation act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			-305,000
1150 Total direct loan obligations.....			-305,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....			
1231 Disbursements: Direct loan disbursements.....			-283,250
1251 Repayments: Repayments and prepayments.....			150,000
1290 Outstanding, end of year.....			-133,250

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriation act limitation on commitments:</b>			
Limitation on guaranteed loans made by private lenders:			
2111 Real estate loans.....			-390,000
2111 Operating loans.....			-110,000
2150 Total guaranteed loan commitments.....			-500,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....			
2231 Disbursements: Disbursement of new guaranteed loans.....			-180,500
2290 Outstanding, end of year.....			-180,500
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....			-162,450

Legislation will be proposed to amend Public Law 99-198 which authorizes the loan levels for the farm ownership, operating and emergency disaster loans. Legislation will be proposed to support a \$3.5 billion operating loan program and a \$295 million emergency disaster loan program, somewhat less than farm bill levels, but consistent with expected requirements.

**Program Levels**

(In millions of dollars)

Agricultural credit insurance fund:	Regular request	Proposed legislation	Change
Insured farm ownership loans.....	\$130		\$-130
Guaranteed farm ownership loans.....	390		-390
Insured farm operating loans.....	870	\$1,000	130
Guaranteed farm operating loans.....	2,610	2,500	-110
Emergency disaster loans.....	600	295	-305
<b>Total.....</b>	<b>\$4,600</b>	<b>\$3,795</b>	<b>\$-805</b>

**[SELF-HELP HOUSING LAND DEVELOPMENT FUND]**

[For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), \$500,000 shall be available from funds in the Self-Help Housing Land Development Fund.] (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Public enterprise funds—Continued

【SELF-HELP HOUSING LAND DEVELOPMENT FUND】—Continued

Program and Financing (in thousands of dollars)

Identification code	12-4222-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)	620	500	
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-136	-131	-421
21.98	Unobligated balance available, start of year: Fund balance	-2,445	-2,961	-2,592
24.98	Unobligated balance available, end of year: Fund balance	2,961	2,592	3,013
40.00	<b>Budget authority (appropriation)</b>	<b>1,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	484	369	-421
72.98	Obligated balance, start of year: Fund balance	1,268	1,587	1,470
74.98	Obligated balance, end of year: Fund balance	-1,587	-1,470	-592
90.00	Outlays	165	486	457

Status of Direct Loans (in thousands of dollars)

Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans to the public	1,000	500	
1112	Unused balance of direct loan limitation expiring	-380		
1150	<b>Total direct loan obligations</b>	<b>620</b>	<b>500</b>	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	128	300	800
1231	Disbursements: Direct loan disbursements	300	615	865
1251	Repayments: Repayments and prepayments	-128	-115	-390
1290	Outstanding, end of year	300	800	1,275

The Self-help housing land development fund is authorized under Section 523(b)(1)(B) of the Housing Act of 1949, as amended. The fund provides qualified public or private nonprofit organizations with financing for the acquisition and development of building sites for homes to be constructed by the self-help method. No program level is proposed for fiscal year 1988. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural housing voucher program.

Loan Obligations

	1986 actual	1987 est.	1988 est.
Number of loans	1	2	
Amount of loans (thousands of dollars)	\$620	\$500	

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
Revenue	8	16	31
Expense	-1,468	-1,557	-1,631
Net loss for the year	-1,460	-1,541	-1,600

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury	3,713	4,548	4,062	3,605
Accounts receivable (net)	6	8	10	23
Loans receivable (net)	128	300	800	1,275
Real property (acquired)	456	455	455	455
<b>Total assets</b>	<b>4,303</b>	<b>5,311</b>	<b>5,327</b>	<b>5,358</b>

<b>Liabilities:</b>				
Total liabilities				
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended balances:</b>				
Unobligated balance	2,445	2,961	2,592	3,013
Undelivered orders	1,275	1,595	1,480	615
Invested capital	583	755	1,255	1,730
<b>Total Government equity</b>	<b>4,303</b>	<b>5,311</b>	<b>5,327</b>	<b>5,358</b>
<b>Analysis of changes in Government equity:</b>				
<b>Paid-in capital:</b>				
Opening balance		16,750	19,219	20,776
<b>Transactions:</b>				
Appropriation		1,000		
Unfunded administrative expenses		655	661	665
Unfunded accrued annual leave			1	1
Unfunded depreciation expense		1	1	1
Imputed interest		813	894	964
<b>Closing balance</b>		<b>19,219</b>	<b>20,776</b>	<b>22,407</b>
<b>Retained income or loss (-):</b>				
Opening balance		-12,447	-13,908	-15,449
Transactions: Net operating loss		-1,460	-1,541	-1,600
<b>Closing balance</b>		<b>-13,908</b>	<b>-15,449</b>	<b>-17,049</b>
<b>Total Government equity (end of period)</b>		<b>5,311</b>	<b>5,327</b>	<b>5,358</b>

RURAL HOUSING INSURANCE FUND\*

\*See Part II for additional information.

【From funds in the Rural Housing Insurance Fund, and for insured loans as authorized by title V of the Housing Act of 1949, as amended, \$2,033,093,000, of which not less than \$2,032,519,000 shall be for subsidized interest loans to low-income borrowers, as determined by the Secretary, and for subsequent loans to existing borrowers or to purchasers under assumption agreements or credit sales; and not to exceed \$10,000,000 to enter into collection and servicing contracts pursuant to the provisions of section 3(f)(3) of the Federal Claims Act of 1966 (31 U.S.C. 3718).】 During fiscal year 1988, no new direct loan obligations may be made.

【For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) of the Housing Act of 1949, as amended, total new obligations shall not exceed \$160,310,000 to be added to and merged with the authority provided for this purpose in prior fiscal years: Provided, That of this amount, not to exceed \$28,413,000 is available for additional units financed by section 515 of the Housing Act of 1949, as amended, and not less than \$5,082,000 is for additional units financed under sections 514 and 516 of the Housing Act of 1949: Provided further, That agreements entered into or renewed during fiscal year 1987 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated: Provided further, That agreements entered into or renewed during fiscal years 1984, 1985, and 1986, may also be extended beyond five years to fully utilize amounts obligated.】

For an additional amount to reimburse the Rural Housing Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487(e), and 1490a(c)), including 【\$2,247,000】 \$2,185,000 as authorized by section 521(c) of the Act, 【\$2,296,283,000】 \$2,964,249,000. For an additional amount as authorized by section 521(c) of the Act such sums as may be necessary to reimburse the fund to carry out a rental assistance program under section 521(a)(2) of the Housing Act of 1949 as amended. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-4141-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Capital investment:</b>				
00.01	Loans obligated	1,825,362	2,033,093	

Loans made:				
00.02	Payment of delinquent installments.....	281	200	180
00.03	Advances on behalf of borrowers.....	34,384	35,100	32,900
00.04	Purchase of loans from investors.....	49,994	2,000	131,100
00.05	Purchase of certificates of beneficial ownership.....	81,801	10,017	158,867
00.06	Interest on loans purchased from investors ..	74		
00.07	Collateral acquired by default.....	71,577	72,000	69,000
00.08	Judgments.....	96	200	250
00.09	Disbursement of loan repayments to investors.....	36,943	27,000	10,000
00.10	Purchase of guaranteed loans from investors.....	575		
00.11	Interest on guaranteed loans from investors.....	89		
00.91	Total capital investment.....	2,101,176	2,179,610	402,297
Operating expenses:				
01.01	Administrative expense.....	41,259	53,500	53,500
01.02	Interest on certificates of beneficial ownership <sup>1</sup> .....	3,544,573	3,472,491	3,264,734
01.02	Interest on FFB borrowings.....	41,327	36,591	36,446
01.03	Premium interest for investors.....	1,553	1,200	600
01.04	Interest on participation certificates.....	5,013	5,013	2,825
01.05	Interest expense on withheld collections.....	2,920	2,700	2,000
01.06	Interest on borrowings.....	267,763	291,000	268,400
01.07	Interest supplements.....	719	600	400
01.08	Rental assistance payments.....	160,303	160,310	
01.10	Loss settlement expense on guaranteed loans.....	152	225	200
01.11	Other expense.....	10,829	9,775	8,800
01.91	Total operating expenses.....	4,076,411	4,033,405	3,637,905
10.00	Total obligations.....	6,177,587	6,213,015	4,040,202
Financing:				
Offsetting collections from:				
11.00	Federal funds: Investment income from participations sales fund.....	-9,588	-9,604	-5,254
Non-Federal sources:				
14.00	Repayments on loans held by the fund.....	-1,482,744	-1,485,000	-1,424,000
14.00	Loan repayments received on behalf of investors.....	-36,943	-27,000	-10,000
14.00	Repayments on advances.....	-16,225	-17,200	-17,800
14.00	Sale of loans.....	-20,216	-12,000	-8,000
14.00	Proceeds from sale of acquired property.....	-104,184	-115,000	-104,000
14.00	Payments on judgments.....	-1,157	-3,000	-5,000
14.00	Insurance premiums.....	-37	-50	-50
14.00	Guarantee fees.....	-24		
14.00	Interest revenue <sup>2</sup> .....	-1,445,600	-1,395,900	-1,243,900
14.00	Principal attributed to subsidy recoveries ..	-11,992	-18,000	-25,000
14.00	Subsidy recoveries.....	-11,152	-17,000	-24,000
14.00	Fees and other revenue.....	-3,677	-3,500	-3,500
14.00	Repayments on guaranteed loans purchased from investors.....	-91		
14.00	Sale of loans without recourse.....		-1,884,056	-1,040,400
22.98	Unobligated balance transferred, net: Fund balance.....			-80,287
31.00	Redemption of debt.....		1,860,000	1,445,287
32.47	Balance of authority to borrow withdrawn.....			1,630,308
39.00	<b>Budget authority.....</b>	<b>3,033,956</b>	<b>3,085,705</b>	<b>3,124,606</b>
Budget authority:				
Current:				
40.00	Appropriation.....	1,832,863	2,296,283	2,964,249
40.00	Appropriation (indefinite).....	145,232	179,524	160,357
Permanent:				
67.10	Authority to borrow (42 U.S.C. 1487 (h)) (indefinite).....	305,861	609,898	
67.10	Authority to borrow (12 U.S.C. 2281-96) (indefinite).....	750,000		
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,033,956	1,225,705	129,298
Obligated balance, start of year:				
72.47	Authority to borrow.....	5,061,446	4,791,604	4,701,502
72.98	Fund balance.....	31,027	14,579	46,833
Obligated balance, end of year:				
74.47	Authority to borrow.....	-4,791,604	-4,701,502	-3,431,194
74.98	Fund balance.....	-14,579	-46,833	-42,433
77.00	Adjustments in expired accounts.....	-85,703		
90.00	Outlays.....	3,234,543	1,283,553	1,404,006

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	3,033,956	3,085,705	3,124,606
Outlays.....	3,234,543	1,283,553	1,404,006
Supplemental under existing legislation:			
Budget authority.....		-609,898	
Outlays.....		-786,000	-570,000
Total:			
Budget authority.....	3,033,956	2,475,807	3,124,606
Outlays.....	3,234,543	497,553	834,006

Status of Direct Loans (in thousands of dollars)

Identification code 12-4141-0-3-371				
	1986 actual	1987 est.	1988 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans to the public.....	2,033,093	2,033,093	
1112	Unused balance of direct loan limitation expiring.....	-207,731		
1150	Total direct loan obligations.....	1,825,362	2,033,093	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year.....	28,680,034	29,295,057	27,486,809
Disbursements:				
1231	Direct loan disbursements.....	2,214,937	1,990,000	986,000
1233	Purchase of loan assets from the public.....	131,794	12,017	289,967
Repayments:				
1251	Repayments and prepayments.....	-1,498,970	-1,502,200	-1,441,800
1253	Loan asset sales to the public.....	-20,217	-1,896,057	-1,048,400
Adjustments:				
1261	Capitalized interest.....	25,171	21,600	21,500
1262	Write-offs for default.....	-16,153	-16,600	-15,900
1264	Other adjustments, net <sup>1</sup> .....	-221,539	-417,008	-241,817
1290	Outstanding, end of year.....	29,295,057	27,486,809	26,036,359

<sup>1</sup> Amounts shown are based on payment of delinquent installments, advances, acquired property, judgments, loans-in-kind acquired real property, discount from face value on sale of loans without recourse, and gains/losses on assumptions.

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	755,466	617,102	601,760
Disbursements:				
2231	Disbursements of new guaranteed loans.....	314		
2232	Guarantees of loans sold to the public.....	20,215	12,000	8,000
2251	Repayments: Repayments and prepayments.....	-26,975	-14,300	-8,200
Adjustments:				
2262	Terminations for default that result in acquisition of property.....	-16		
2263	Terminations for default that result in claim payments.....	-150	-225	-200
2264	Other adjustments, net <sup>1</sup> .....	-131,752	-12,817	-290,567
2290	Outstanding, end of year.....	617,102	601,760	310,793

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	614,472	599,360	308,613
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<sup>1</sup> Amounts shown are based on purchase of loans and certificates of beneficial ownership from investors and acquired property.

**Rural housing insurance fund.**—This fund was established in 1965 (Public Law 89-117) pursuant to section 517 of title V of the Housing Act of 1949, as amended. This fund may be used to insure or guarantee rural housing loans for single family homes, rental and cooperative housing, farm labor housing, rural housing sites and to make rental assistance payments authorized by Section 521(a). Loan programs are limited to rural areas which include towns, villages, and other places which are not part of an urban area and which have a population not in excess of 2,500 inhabitants, or is in excess of 2,500 but not in excess of 10,000 if rural in character, or has a population in excess of 10,000 but not more than

Public enterprise funds—Continued

RURAL HOUSING INSURANCE FUND—Continued

20,000 and is not within a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

The 1988 budget proposes to terminate all programs under this account. A new FmHA rural housing voucher program is being proposed at 20,000 units annually to replace these programs. It is targeted to low income rural families most in need. In addition, 16,000 to 20,000 HUD housing voucher units will be available to assist such families in non-metropolitan areas. Finally, the budget includes 1,200 rural housing voucher units to take care of families displaced by prepayment of rural rental housing unit loans, which had rental assistance contracts.

The major programs currently funded through the Rural housing insurance fund are:

Section 502 very low and low to moderate income home ownership loans; section 514 domestic farm labor housing loans; section 515 rural rental housing loans; section 521 rural rental assistance; and section 524 rural housing site loans.

Starting in fiscal year 1987, the FmHA will sell loan assets without recourse to institutional and individual investors.

The following table shows 1986 actual and estimated 1987 number of units and program levels.

RURAL HOUSING PROGRAMS—OBLIGATIONS

	(Dollars in thousands)					
	1986 actual		1987 estimate		1988 estimate	
	No. of units	Amount	No. of units	Amount	No. of units	Amount
Subsidized housing loan assistance:						
Low-income housing loans to individuals	25,474	1,147,106	28,700	1,329,800		
Very low-income housing repair loans	2,018	6,992	3,180	11,335		
Rural rental housing loans	21,266	652,348	21,223	669,900		
Farm labor housing loans	653	10,675	628	11,484		
Subtotal, subsidized housing loan assistance	49,411	1,817,121	53,731	2,022,519		
Unsubsidized housing loan assistance:						
Low- or moderate-income loans for servicing and repairs		8,241		10,000		
Rural housing site loans				574		
Subtotal, unsubsidized housing loan assistance		8,241		10,574		
Total loan assistance	49,411	1,825,362	53,731	2,033,093		
Rural rental assistance payments	(14,511)	160,303	(14,511)	160,310		
Total housing programs	49,411	1,985,665	53,731	2,193,403		

Note.—All unit information is preliminary. The units for rural rental assistance are included in number of units assisted in the corresponding loan programs. The site loan program provides homesites rather than dwelling units.

The new budget authority required for "Insufficiencies" is computed as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Interest accrued on participation certificates	5,013	5,013	2,825
Amortized discount on participation certificates	11	10	3
Interest accrued on an equal amount of loans in the pool	-195		
Insufficiency	4,828	5,024	2,828
Financed by:			
Investment income from participation sales trust fund	-9,588	-9,604	-5,254
Retained earnings reserved for future insufficiencies	4,760	4,580	2,426
New obligational authority			

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue	1,585,282	1,544,618	1,390,809
Expense	-6,209,728	-5,861,136	-5,603,949
Net operating loss	-4,624,446	-4,316,518	-4,213,140
Nonoperating income or loss (-):			
Proceeds from sale of loan assets		1,884,056	1,040,400
Net book value of assets sold		-2,201,000	-1,200,000
Net loss from sale of loan assets		-316,944	-159,600
Proceeds from sale of acquired property and loans without recourse:			
Cash	104,916	115,000	104,000
Loans receivable	484,087	590,000	560,000
Total proceeds from sale	589,004	705,000	664,000
Net book value of assets sold	-784,749	-900,000	-849,000
Net loss from sale of acquired property	-195,746	-195,000	-185,000
Net nonoperating loss	-195,746	-511,944	-344,600
Net loss for the year	-4,820,191	-4,828,462	-4,557,740

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
Assets:				
Selected assets:				
Fund balance with Treasury	31,027	14,579	46,833	42,433
Accounts receivable (net)	259,857	254,794	259,385	261,814
Loans receivable (net)	28,273,485	28,713,956	26,941,748	25,519,017
Real property (net)	530,988	452,523	407,823	356,023
Other assets (net):				
Judgments	1,477	4,428	5,468	5,408
Guaranteed loans purchased from holders	61	303	303	303
Deferred charges and unamortized discount on participation certificates and loans sold	291	240	200	160
Total assets	29,097,186	29,440,823	27,661,760	26,185,158
Liabilities:				
Selected liabilities:				
Accounts payable and accrued liabilities	1,534,736	1,718,508	1,644,073	1,524,951
Advances received	172,098	157,179	154,479	147,679
Debt issued under borrowing authority:				
Borrowings from Treasury	3,785,718	4,275,718	4,975,718	4,615,718
Borrowings from Federal Financing Bank	28,351,000	29,101,000	27,241,000	25,876,000
Participation certificates outstanding	80,287	80,287	80,287	
Principal repayments to be applied to redemption of participation certificates	-71,671	-71,671	-71,671	
Other liabilities:				
Provision for potential losses on loans sold or guaranteed	9,220	10,473	9,900	5,770
Total liabilities	33,861,388	35,271,494	34,033,786	32,170,118
Government equity:				
Selected equities:				
Unexpended balances: Undelivered orders	3,645,497	3,185,289	3,209,168	2,062,811
Unfinanced budget authority: Borrowing authority	-5,061,446	-4,791,604	-4,701,502	-3,431,194
Invested capital	-3,348,253	-4,224,357	-4,879,692	-4,616,577
Total Government equity	-4,764,202	-5,830,671	-6,372,026	-5,984,960
Analysis of changes in Government equity:				
Paid-in capital:				
Opening balance		8,931,994	10,707,622	12,518,922

Transactions:			
Unfunded administrative expense.....	161,537	161,000	120,000
Unfunded accrued annual leave.....	8		
Unfunded depreciation expense.....	317	300	200
Imputed interest.....	1,613,765	1,650,000	1,700,000
Closing balance.....	10,707,622	12,518,922	14,339,122
Retained income or loss (—):			
Opening balance.....	-13,696,197	-16,538,293	-18,890,948
Transactions:			
Net operating loss.....	-4,624,445	-4,316,518	-4,213,140
Net nonoperating loss.....	-195,746	-511,944	-344,600
Appropriation for losses.....	1,832,863	2,296,283	2,964,249
Appropriation for rental assistance payments.....	145,232	179,524	160,357
Closing balance.....	-16,538,293	-18,890,948	-20,324,082
Total Government equity (end of year).....	-5,830,671	-6,372,026	-5,984,960

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts in 1985, \$752,625 thousand; 1986, \$614,472 thousand; 1987, \$599,360 thousand; 1988, \$308,613 thousand.

Object Classification (in thousands of dollars)

Identification code 12-4141-0-3-371	1986 actual	1987 est.	1988 est.
25.0 Other services.....	52,270	63,500	62,500
33.0 Investments and loans.....	2,064,070	2,152,610	392,297
41.0 Grants, subsidies, and contributions.....	161,022	160,910	400
43.0 Interest and dividends.....	3,858,298	3,803,982	3,572,180
43.0 Interest on participation certificates.....	5,013	5,013	2,825
44.0 Refunds.....	36,943	27,000	10,000
92.0 Undistributed charges.....	-29		
99.9 Total obligations.....	6,177,587	6,213,015	4,040,202

RURAL DEVELOPMENT INSURANCE FUND

\*See Part II for additional information.

For direct and guaranteed loans as authorized by 7 U.S.C. 1928 and 86 Stat. 661-664, to be available from funds in the Rural Development Insurance Fund, as follows: insured water and sewer facility loans, \$330,380,000; guaranteed industrial development loans, \$95,700,000; and insured community facility loans, \$95,700,000. During fiscal year 1988, no new direct loan obligations and no new guaranteed loan commitments may be made.

For an additional amount to reimburse the Rural Development Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), [\$656,645,000] \$842,682,000.

[Sec. 641. (a) Section 1323(a)(1) of the Food Security Act of 1985 is amended by striking out "September 30, 1986," and inserting in lieu thereof "September 30, 1987," and

(b) Section 1323(a) is further amended by adding at the end thereof a new subsection—

"(5) Notwithstanding any provision to the contrary of subsection (4) above, the \$20,000,000 which was available pursuant to subsection (4) shall continue to be available and shall be used by the Secretary prior to September 30, 1987, to guarantee loans for the national rural development and finance program and shall remain available until expended." (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-4155-0-3-452	1986 actual	1987 est.	1988 est.
Program by activities:			
Capital investment:			
00.01 Loans obligated.....	421,080	426,080	
00.02 Loans made: Advances on behalf of borrowers.....	85	75	70
00.03 Purchase of loans from investors.....	1,875	63	92,592
00.04 Purchase of certificates of beneficial ownership.....	8,227	5,279	144,743
00.05 Interest on loans purchased from investors.....	14	4	120
00.06 Collateral acquired by default.....	93	95	95
00.07 Disbursement of loan repayments to investors.....	9,843	9,200	9,000

00.08 Purchase of guaranteed loans from investors.....	90,506	90,000	80,000
00.09 Interest on guaranteed loans purchased from investors.....	8,143	9,000	8,000
00.10 Recertified checks.....	22	-22	
00.91 Total capital investment.....	539,888	539,774	334,620
Operating expenses:			
01.01 Administrative expenses.....	1,379	2,057	1,175
01.01 Interest on FFB borrowings.....	953,142	898,077	674,503
01.02 Interest on certificates of beneficial ownership.....	20,741	20,896	14,581
01.03 Premium interest for investors.....	3,814	3,521	1,635
01.04 Interest expense on withheld collections.....	707	465	465
01.05 Interest on borrowings.....	162,238	192,731	226,140
01.06 Loss settlement expense on guaranteed loans.....	76,647	59,000	50,000
01.07 Unfilled orders.....	-2,506	-2,425	-3,346
01.08 Undistributed charges.....	2,701		
01.09 Other expense.....	42	42	
01.91 Total operating expenses.....	1,218,905	1,174,364	965,153
10.00 Total obligations.....	1,758,793	1,714,138	1,299,773

Financing:

Offsetting collections from:			
Non-Federal sources:			
14.00 Repayment on loans held by the fund.....	-215,353	-82,280	-177,496
14.00 Loan repayments received on behalf of investors.....	-9,843	-9,200	-9,000
14.00 Repayments on advances.....	-2	-25	-20
14.00 Repayment on guaranteed loans purchased from investors.....	-95,061	-30,000	-34,000
14.00 Proceeds from sale of acquired property.....	-101	-70	-70
14.00 Guarantee fees.....	-729	-861	
14.00 Interest revenue.....	-465,172	-437,497	-381,114
14.00 Guaranteed loss recoveries.....	-587		
14.00 Other revenue.....	21	-3	-3
14.00 Insurance premium.....	-2	-2	-2
14.00 Sale of loans without recourse.....		-1,151,114	-756,000
31.00 Redemption of debt.....	30,000	1,645,000	720,000
32.47 Balance of authority to borrow withdrawn.....			180,614
39.00 Budget authority.....	1,001,964	1,648,086	842,682

Budget authority:

Current:			
40.00 Appropriation.....	556,627	656,645	842,682
Permanent:			
67.10 Authority to borrow (7 U.S.C. 1929 a(d)) (indefinite).....	180,337	991,441	
67.10 Authority to borrow (12 U.S.C. 2281-96) (indefinite).....	265,000		

Relation of obligations to outlays:

71.00 Obligations incurred, net.....	971,964	3,086	-57,932
Obligated balance, start of year:			
72.47 Authority to borrow.....	1,803,251	1,749,305	1,745,891
72.98 Fund balance.....	56,209	27,025	12,198
Obligated balance, end of year:			
74.47 Authority to borrow.....	-1,749,305	-1,745,891	-1,215,277
74.98 Fund balance.....	-27,025	-12,198	-65,993
77.00 Adjustments in expired accounts.....	-99,283		
90.00 Outlays.....	955,811	21,327	418,887

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	1,001,964	1,648,086	842,682
Outlays.....	955,811	21,327	418,887
Supplemental under existing legislation:			
Budget authority.....		-308,000	51,200
Outlays.....		-11,000	-51,200
Total:			
Budget authority.....	1,001,964	1,340,086	893,882
Outlays.....	955,811	10,327	367,687

Public enterprise funds—Continued

RURAL DEVELOPMENT INSURANCE FUND—Continued

Status of Direct Loans (in thousands of dollars)

Identification code 12-4155-0-3-452	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	421,080	426,080	.....
1150 Total direct loan obligations.....	421,080	426,080	.....
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	7,707,588	7,957,031	6,448,863
<b>Disbursements:</b>			
1231 Direct loan disbursements.....	453,126	394,221	422,327
1233 Purchase of loan assets from the public.....	9,855	5,346	238,655
<b>Repayments:</b>			
1251 Repayments and prepayments.....	-215,355	-82,305	-177,516
1253 Loan asset sales to the public.....	.....	-1,151,114	-756,000
<b>Adjustments:</b>			
1261 Capitalized interest.....	2,053	1,970	1,970
1262 Write-offs for default.....	-10	-10	-10
1264 Other adjustments, net <sup>1</sup> .....	-226	-676,276	-444,225
1290 Outstanding, end of year .....	7,957,031	6,448,863	5,734,064

<sup>1</sup> Amounts shown are based on advances on behalf of borrowers, acquired property, and discount from face value on sale of loans without recourse.

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders.....	95,700	114,840	.....
2112 Unused balance of limitation expiring.....	-40,897	.....	.....
2150 Total guaranteed loan commitments.....	54,803	114,840	.....
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	2,911,729	2,626,382	2,336,810
<b>Disbursements:</b>			
2231 Disbursements of new guaranteed loans.....	126,549	70,293	81,210
2251 Repayments: Repayments and prepayments.....	-320,208	-294,519	-257,967
<b>Adjustments:</b>			
2262 Terminations for default that result in acquisition of property.....	-5	.....	.....
2263 Terminations for default that result in claim payments.....	-81,828	-60,000	-50,000
2264 Other adjustments, net <sup>1</sup> .....	-9,855	-5,346	-238,655
2290 Outstanding, end of year .....	2,626,382	2,336,810	1,871,398

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	2,210,569	1,974,385	1,552,967
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<sup>1</sup> Includes \$19,140,000 in unused limitation on guaranteed loans for 1987 transferred from FY 1986 pursuant to section 641(b) of P.L. 99-500 and 99-591.

The Rural Development Insurance Fund (RDIF) was established on October 1, 1972, pursuant to section 116 of the Rural Development Act of 1972 (Public Law 92-419), approved August 30, 1972, which also provided for transfer of the assets and liabilities of the Agricultural Credit Insurance Fund applicable to loans for water systems and waste disposal facilities to this fund. The 1985 farm bill, signed December 23, 1985, extends authorization of the RDIF through fiscal year 1988.

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas.

No program is proposed for FY 1988 because adequate credit sources are available to finance such facilities.

The Food Security Act of 1985, Public Law 99-198, provided for rural development finance corporation loans to be made in conjunction with rural development finance grants authorized under the Rural development loan fund. The objective of this program is to guarantee loans made by public agencies to nonprofit national rural development and finance corporations that establish statewide rural development and finance programs for the purpose of providing loans, guarantees, and other financial assistance to local businesses to improve business, industry and employment opportunities in rural areas.

Starting in fiscal year 1987, the Agency will sell the loan portfolio without recourse to institutional and individual investors.

The following table shows the number of loans and the program levels for 1986 actual and estimated for 1987 and 1988. The guaranteed program levels reflect the full principal amount of the loans of which part is guaranteed by the U.S. Government.

LOAN OBLIGATIONS

[In millions of dollars]

	1986 actual		1987 estimate		1988 estimate	
	Number	Amount	Number	Amount	Number	Amount
Rural development loans:						
Water and waste disposal systems	698	325,380	688	330,380	.....	.....
Community facilities.....	192	95,700	186	95,700	.....	.....
Industrial development.....	37	54,803	62	95,700	.....	.....
Rural development finance corporation.....	.....	.....	19	19,140	.....	.....
Total, Rural development insurance fund.....	927	475,883	955	540,920	.....	.....

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
Revenue.....	456,225	498,157	412,281
Expense.....	-1,573,539	-1,560,484	-1,331,205
Net operating loss.....	-1,117,314	-1,062,327	-918,924
<b>Nonoperating income or loss (-):</b>			
Proceeds from sale of loan assets.....	.....	1,151,114	756,000
Net book value of assets sold.....	.....	-1,827,165	-1,200,000
Net loss from sale of loan assets.....	.....	-676,051	-444,000
<b>Proceeds from sale of acquired property:</b>			
Cash.....	101	70	70
Loans receivable.....	.....	.....	.....
Total proceeds from sale.....	101	70	70
Net book value of assets sold.....	-274	-200	-200
Net loss from sale of acquired property.....	-173	-130	-130
Net nonoperating loss.....	-173	-676,181	-444,130
Net loss for the year.....	-1,117,487	-1,738,508	-1,363,054

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury.....	56,209	27,025	12,198	65,993
Accounts receivable (net).....	289,054	280,843	337,353	363,874
Loans receivable (net).....	7,668,680	7,910,290	6,271,786	5,579,582
Real property.....	116	213	383	553
<b>Other assets:</b>				
Deferred charges and unamortized discount on loans sold.....	22	2,714	2,706	2,700

Guaranteed loans purchased from holders.....	260,957	258,678	288,678	311,678
<b>Total assets</b> .....	<b>8,275,038</b>	<b>8,479,763</b>	<b>6,913,104</b>	<b>6,324,380</b>
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accounts payable and accrued liabilities.....	448,223	505,101	457,351	406,135
Advances received.....	63,093	54,327	51,902	48,556
Debt issued under borrowing authority:				
Borrowings from Treasury.....	1,726,000	1,861,000	2,716,000	3,066,000
Borrowing from Federal Financing Bank.....	7,643,000	7,878,000	6,233,000	5,513,000
Other liabilities: Provision for potential losses on loans sold or guaranteed..	145,191	135,158	123,919	113,511
<b>Total liabilities</b> .....	<b>10,025,507</b>	<b>10,433,586</b>	<b>9,582,172</b>	<b>9,147,202</b>
<b>Government equity:</b>				
<b>Selected equities:</b>				
Undelivered orders.....	1,348,145	1,216,901	1,248,836	826,578
Unfinanced budget authority: Borrowing authority.....	-1,514,197	-1,468,462	-1,408,538	-851,402
Invested capital.....	-1,584,417	-1,702,262	-2,509,366	-2,797,998
<b>Total Government equity</b> .....	<b>-1,750,469</b>	<b>-1,953,823</b>	<b>-2,669,068</b>	<b>-2,822,822</b>

<b>Analysis of changes in Government equity:</b>				
<b>Paid-in capital:</b>				
Opening balance.....	1,526,770	1,884,276	2,250,894	
Transactions:				
Unfunded administrative expense.....	22,573	32,573	32,573	
Unfunded accrued annual leave.....	1	1	1	
Unfunded depreciation expense.....	44	44	44	
Imputed interest.....	334,888	334,000	334,000	
Closing balance.....	1,884,276	2,250,894	2,617,512	
<b>Retained income or loss (-):</b>				
Opening balance.....	-3,277,239	-3,838,099	-4,919,962	
Transactions:				
Net operating loss.....	-1,117,314	-1,062,327	-918,924	
Net non-operating loss.....	-173	-676,181	-444,130	
Appropriation to finance deficit.....	556,627	656,645	842,682	
Closing balance.....	-3,838,099	-4,919,962	-5,440,334	
<b>Total Government equity (end of year)</b> .....	<b>-1,953,823</b>	<b>-2,669,068</b>	<b>-2,822,822</b>	

Note.—This statement excludes unfunded contingent liabilities under insurance programs in principal amounts. 1985, \$2,449,902 thousand; 1986, \$2,210,569 thousand; 1987, \$1,974,385 thousand and 1988, \$1,552,967 thousand.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-4155-0-3-452			
25.0 Other services.....	75,562	58,674	47,829
33.0 Investments and loans.....	521,888	521,570	317,500
43.0 Interest and dividends.....	1,148,799	1,124,694	925,444
44.0 Refunds.....	9,843	9,200	9,000
92.0 Undistributed charges.....	2,701		
99.9 Total obligations.....	1,758,793	1,714,138	1,299,773

**RURAL DEVELOPMENT LOAN FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-4233-0-3-452			
<b>Program by activities:</b>			
<b>Capital investment:</b>			
00.01 Loans obligated.....		4,000	
00.02 Grants obligated.....		14,264	
00.03 Loans made: Advances on behalf of borrowers.....	3		
00.04 Acquired property.....	2		
10.00 Total obligations.....	5	18,264	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-3,295	-3,330	-3,476
21.98 Unobligated balance available, start of year: Fund balance.....	-13,763	-17,053	-2,119

24.98 Unobligated balance available, end of year: Fund balance.....	17,053	2,119	5,595
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-3,290	14,934	-3,476
72.98 Obligated balance, start of year: Fund balance.....	-424	350	
74.98 Obligated balance, end of year: Fund balance.....	-350		
90.00 Outlays.....	-4,064	15,284	-3,476

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	36,658	32,594	33,615
1231 Disbursements: Direct loan disbursements.....	-501	4,350	
1251 Repayments: Repayments and prepayments.....	-3,295	-2,929	-3,076
1262 Adjustments: Write-offs for default.....	-268	-400	-400
1290 Outstanding, end of year.....	32,594	33,615	30,139

This fund was transferred to FmHA from the Department of Health and Human Services pursuant to Public Law 99-198, the Food Security Act of 1985. This Act mandated that the unobligated balance in the Fund, as of the date of enactment (December 23, 1985), be made available for grants to rural development finance corporations. These grants are to be made in conjunction with rural development finance corporation loans authorized under FmHA's Rural development insurance fund. No rural development finance corporation loans or grants were made in 1986. It is estimated that \$14.3 million in grants will be made in 1987. In addition, Public Law 99-425, the Human Services Reauthorization Act of 1986, reauthorized the making of loans in fiscal year 1987, out of repayments or other funds made available to the Rural development loan fund by FmHA. It is estimated that \$4 million in loans will be made in 1987.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
Revenue.....	1,309	1,253	1,309
Expense.....	-6,337	-22,164	-7,653
<b>Net operating loss</b> .....	<b>-5,028</b>	<b>-20,911</b>	<b>-6,344</b>
<b>Nonoperating income or loss (-):</b>			
Proceeds from sale of acquired property: Cash.....	30	3	
Total proceeds from sale.....	30	3	
Net book value of assets sold.....	-36	-3	
<b>Net nonoperating loss</b> .....	<b>-6</b>		
<b>Net loss for the year</b> .....	<b>-5,034</b>	<b>-20,911</b>	<b>-6,344</b>

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Assets:</b>			
<b>Selected assets:</b>			
Fund balance with Treasury.....	17,403	2,119	5,595
Accounts receivable (net).....	877	953	1,042
Loans receivable (net).....	32,776	34,243	31,502
Real property.....	4		
Other assets (net).....	24	24	24
<b>Total assets</b> .....	<b>51,084</b>	<b>37,339</b>	<b>38,163</b>
<b>Liabilities:</b>			
Total liabilities.....			

**Public enterprise funds—Continued**

**RURAL DEVELOPMENT LOAN FUND—Continued**

**Financial Condition (in thousands of dollars)—Continued**

	1986 actual	1987 est.	1988 est.
<b>Government equity:</b>			
Selected equities:			
Unexpended balances:			
Unobligated balance .....	17,930	2,119	5,595
Undelivered orders .....	350		
Invested capital .....	32,804	35,220	32,568
<b>Total Government equity .....</b>	<b>51,084</b>	<b>37,339</b>	<b>38,163</b>
<b>Analysis of changes in Government equity:</b>			
Paid-in capital:			
Opening balance .....		56,118	63,285
Transactions:			
Transfers .....	50,775		
Unfunded administrative expense .....	506	666	667
Unfunded accrued annual leave .....	-2		
Unfunded depreciation expense .....	1	1	1
Imputed interest .....	4,838	6,500	6,500
<b>Closing balance .....</b>	<b>56,118</b>	<b>63,285</b>	<b>70,453</b>
Retained income or loss (-):			
Opening balance .....		-5,034	-25,946
Transactions:			
Net operating loss .....	-5,028	-20,911	-6,344
Net nonoperating loss .....	-6	-1	
<b>Closing balance .....</b>	<b>-5,034</b>	<b>-25,946</b>	<b>-32,290</b>
<b>Total Government equity (end of year) .....</b>	<b>51,084</b>	<b>37,339</b>	<b>38,163</b>

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-4233-0-3-452			
33.0 Investments and loans .....	5	4,000	
41.0 Grants .....		14,264	
99.9 Total obligations .....	5	18,264	

**ALLOTMENT AND ALLOCATIONS RECEIVED FROM OTHER AGENCIES**

Note.—Obligations incurred under allotments from other accounts are included in the schedules of the parent appropriations as follows:

- Agriculture: Soil Conservation Service:
  - “Watershed and flood prevention operations.”
  - “Resource conservation and development.”
- Appalachian Regional Commission: “Appalachian regional development programs.”
- Commerce:
  - General Administration: “Economic development assistance program.”
  - Regional Development Program: “Regional development programs.”

**SOIL CONSERVATION SERVICE**

*Federal Funds*

**General and special funds:**

**CONSERVATION OPERATIONS**

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100; purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, **[\$386,043,000] \$399,596,000**, of which not less than **[\$4,870,000] \$5,379,000** is for snow survey and water forecasting and not less than **[\$4,408,000] \$4,971,000** is for operation and establishment of the plant materials centers: *Provided*, [That of the foregoing amounts not less than \$293,400,000 is for personnel compen-

sation and benefits: *Provided further*,] That the cost of any permanent building, purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$10,000, except for one building to be constructed at a cost not to exceed \$100,000 and eight buildings to be constructed or improved at a cost not to exceed \$50,000 per building and except that alterations or improvements to other existing permanent buildings costing \$5,000 or more may be made in any fiscal year in an amount not to exceed \$2,000 per building: *Provided further*, That when buildings or other structures are erected on non-Federal land that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service: *Provided further*, That none of the funds in this Act shall be used for the purpose of consolidating equipment, personnel, or services of the Soil Conservation Service's national technical centers in Portland, Oregon; Lincoln, Nebraska; Chester, Pennsylvania; and Fort Worth, Texas, into a single national technical center. (7 U.S.C. 1010a, 1387, 1807, 2201-02, 2250; 16 U.S.C. 590q, 590q-1, 2001-09; 42 U.S.C. 3271-74; 26 Stat. 653; Reorg. Plan No. IV of 1940; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
12-1000-0-1-302			
<b>Program by activities:</b>			
Direct program:			
00.01 Technical assistance .....	270,520	297,761	314,239
00.02 Inventorying and monitoring .....	11,584	11,688	5,124
00.03 Soil surveys .....	54,309	58,156	67,717
00.04 Snow survey water forecasting .....	3,777	4,976	5,379
00.05 Operation of plant materials centers .....	3,877	4,553	4,971
00.06 Resource appraisal and program development .....	4,057	2,538	2,166
00.07 Rural clean water .....	221		
00.91 Total direct program .....	348,345	379,672	399,596
01.01 Reimbursable program .....	35,038	39,000	28,487
10.00 Total obligations .....	383,383	418,672	428,083
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-26,510	-27,827	-17,339
14.00 Non-Federal sources .....	-8,528	-11,173	-11,148
21.40 Unobligated balance available, start of year .....	-334	-1	
24.40 Unobligated balance available, end of year .....	1		
25.00 Unobligated balance lapsing .....	657		
39.00 <b>Budget authority .....</b>	<b>348,669</b>	<b>379,671</b>	<b>399,596</b>
Budget authority:			
40.00 Appropriation .....	355,599	367,043	399,596
41.00 Transferred to other accounts .....	-7,952		
42.00 Transferred from other accounts .....	1,022		
43.00 <b>Appropriation (adjusted) .....</b>	<b>348,669</b>	<b>367,043</b>	<b>399,596</b>
Transfers in for:			
46.20 Civilian pay raises .....		7,297	
46.40 Retirement contributions (P.L. 99-335) .....		5,331	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	348,345	379,672	399,596
72.40 Obligated balance, start of year .....	32,784	34,113	37,196
74.40 Obligated balance, end of year .....	-34,113	-37,196	-39,560
77.00 Adjustments in expired accounts .....	-740		
89.00 <b>Outlays .....</b>	<b>346,276</b>	<b>376,589</b>	<b>397,232</b>
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals .....	346,276	364,970	396,223
91.20 Outlays from civilian pay raise supplemental .....		6,714	583
91.40 Outlays from retirement contribution supplemental .....		4,905	426

*Technical assistance.*—Technical assistance is provided through 2,935 conservation districts to land users and decisionmakers, including individual landowners and operators, community groups, units of government, Indian tribes, and others for the planning of conservation programs and installation of needed conservation systems on the land, including design, layout, installation, and consultation services.

Combinations of needed soil and water conservation systems are planned in relation to each other to achieve well-balanced conservation programs. Technicians of the Soil Conservation Service explain the various soil conditions, develop alternative uses and treatments, help to evaluate the costs and returns of conservation work, and furnish onsite assistance to farmers, ranchers, and others in applying the needed treatments. About 70 percent of the total annual investment in conservation practices applied through the conservation technical assistance program is made by private landusers. Since 1981, accelerated technical assistance has been provided to targeted geographic areas with severe erosion, water conservation and water quality problems. During fiscal year 1988, SCS will continue to emphasize work on critical resource problems caused by excessive soil erosion and inefficient use of limited water supplies. Personnel funded within this account will be providing technical assistance to implement the Conservation Reserve Program and the highly erodible land and wetland conservation provisions of the Food Security Act of 1985.

**MAIN WORKLOAD FACTORS**

	1986 actual	1987 est.	1988 est.
Decisionmakers receiving technical services.....	972,411	1,000,000	1,000,000
Acres treated with conservation technical assistance.....	59,192,134	60,000,000	60,000,000
Tons of soil erosion reduced.....	207,000,000	242,000,000	242,000,000

*Inventorying and monitoring.*—Inventorying and monitoring provides soil, water, and related resource data. All activities under this program will be terminated by the end of fiscal year 1988.

*Soil surveys.*—Soil surveys and investigations are made of the Nation's soil resources, with interpretations and publications that provide physical land facts needed for program development, resource conservation planning, installation of planned practices, and for use by other Federal, State, and local agencies in making land-use decisions. This program is being continued in the fiscal year 1988 budget.

**MAIN WORKLOAD FACTORS**

	1986 actual	1987 est.	1988 est.
Acres mapped annually.....	41,974,745	45,487,000	48,987,000
Soil surveys ready for publication (number).....	78	80	80

*Snow survey water forecasting.*—Water supply forecasts prepared from snow surveys in western states are used in making efficient seasonal use of water for irrigation, flood control, fish and wildlife, recreation, power generation, municipal and industrial water supply, and water quality management. This program is being continued in the fiscal year 1988 budget.

*Operation of plant materials centers.*—The selection and evaluation of plant materials are made at 20 plant materials centers through field trials to determine their suitability for erosion control, conservation, and other

environmental improvements. This program is being continued in the fiscal year 1988 budget.

*Resource appraisal and program development.*—The Soil and Water Resources Conservation Act of 1977 as amended provides for periodic reports to the public and Congress beginning January 1980. A report was developed and submitted in December 1982. All activities under this program will be terminated by the end of fiscal year 1988.

**Object Classification (in thousands of dollars)**

Identification code 12-1000-0-1-302	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	234,706	252,021	252,527
11.3 Other than full-time permanent.....	5,559	5,973	5,959
11.5 Other personnel compensation.....	2,219	2,376	2,514
11.9 Total personnel compensation.....	242,484	260,370	261,000
12.1 Personnel benefits: Civilian.....	36,951	45,093	59,094
13.0 Benefits for former personnel.....	433	454	3,148
21.0 Travel and transportation of persons.....	7,161	7,713	9,498
22.0 Transportation of things.....	2,767	2,995	3,130
23.2 Rental payments to others.....	11,159	12,118	12,534
23.3 Communications, utilities, and miscellaneous charges.....	12,954	14,038	14,494
24.0 Printing and reproduction.....	2,625	2,795	2,879
25.0 Other services.....	14,715	14,807	15,051
26.0 Supplies and materials.....	7,752	8,360	8,375
31.0 Equipment.....	9,166	10,663	10,123
32.0 Lands and structures.....	86	167	167
42.0 Insurance claims and indemnities.....	88	95	99
43.0 Interest and dividends.....	4	4	4
99.0 Subtotal, direct obligations.....	348,345	379,672	399,596
99.0 Reimbursable obligations.....	35,038	39,000	28,487
99.9 Total obligations.....	383,383	418,672	428,083

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	8,215	9,037	8,905
Total compensable workyears:			
Full-time equivalent employment.....	8,981	9,456	9,374
Full-time equivalent of overtime and holiday hours.....	16	16	23
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	716	780	482
Total compensable workyears: Full-time equivalent employment.....	784	867	536

**RIVER BASIN SURVEYS AND INVESTIGATIONS**

For necessary expenses to [conduct research, investigations, and surveys of the watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006-1009), \$11,819,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$60,000 shall be available for employment under 5 U.S.C. 3109] close out activities previously funded under this account, \$8,308,000. (7 U.S.C. 2201-02; 16 U.S.C. 1101-05; 1007-09; 33 U.S.C. 701b-11; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code 12-1069-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 River basin surveys.....	10,180	8,578	5,871
00.02 Flood plain management assistance.....	2,068	1,861	1,274
00.03 Interagency coordination and program formulation.....	1,817	1,721	1,163
00.91 Total direct program.....	14,065	12,160	8,308
01.01 Reimbursable program.....	727	1,000	
10.00 Total obligations.....	14,792	13,160	8,308

General and special funds—Continued

RIVER BASIN SURVEYS AND INVESTIGATIONS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1069-0-1-301	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-583	-802	
14.00	Non-Federal sources	-144	-198	
21.40	Unobligated balance available, start of year	-21	-21	
24.40	Unobligated balance available, end of year	21		
25.00	Unobligated balance lapsing	115		
39.00	<b>Budget authority</b>	<b>14,180</b>	<b>12,139</b>	<b>8,308</b>
Budget authority:				
40.00	Appropriation	14,180	11,819	8,308
Transfers in for:				
46.20	Civilian pay raises		190	
46.40	Retirement contributions (P.L. 99-335)		130	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	14,065	12,160	8,308
72.40	Obligated balance, start of year	1,271	680	730
74.40	Obligated balance, end of year	-680	-730	-582
77.00	Adjustments in expired accounts	-65		
89.00	<b>Outlays</b>	<b>14,591</b>	<b>12,110</b>	<b>8,456</b>
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals	14,591	11,803	8,443
91.20	Outlays from civilian pay raise supplemental		182	8
91.40	Outlays from retirement contribution supplemental		125	5

The Department cooperates with other Federal, State, and local agencies in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated water and related land resources programs. The fiscal year 1988 budget proposes to terminate all activities under this program by the end of fiscal year 1988.

MAIN WORKLOAD FACTORS

Status of river basin surveys	1986 actual	1987 est.	1988 est.
USDA cooperative studies:			
Surveys in progress, start of year	58	57	60
Surveys initiated during year	11	16	
Surveys worked during year	69	73	60
Surveys completed during year	12	13	
Surveys in progress, end of year	57	60	
Cumulative total surveys initiated	248	264	264
Cumulative total surveys completed	191	204	204
Flood plain management assistance program:			
States involved	38	38	38
Completed studies	29	25	
Ongoing studies, end of year	73	73	
Cumulative total completed	398	423	423

Object Classification (in thousands of dollars)

Identification code	12-1069-0-1-301	1986 actual	1987 est.	1988 est.
SOIL CONSERVATION SERVICE				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	8,787	7,688	3,234
11.3	Other than full-time permanent	177	155	62
11.5	Other personnel compensation	86	75	23
11.9	Total personnel compensation	9,050	7,918	3,319
12.1	Personnel benefits: Civilian	1,301	1,258	502
13.0	Benefits for former personnel	29	25	3,296
21.0	Travel and transportation of persons	343	302	164
22.0	Transportation of things	89	78	42
23.2	Rental payments to others	144	127	69
23.3	Communications, utilities, and miscellaneous charges	363	320	172
24.0	Printing and reproduction	83	73	39
25.0	Other services	744	665	362

26.0	Supplies and materials	190	167	91
31.0	Equipment	525	462	250
32.0	Land and structures	2	2	2
42.0	Insurance claims and indemnities	1	1	
99.0	Subtotal, direct obligations	12,864	11,398	8,308
99.0	Reimbursable obligations	727	1,000	

ALLOCATION ACCOUNTS

Personnel compensation:				
11.1	Full-time permanent	761	471	
11.3	Other than full-time permanent	1	1	
11.9	Total personnel compensation	762	472	
12.1	Personnel benefits: Civilian	120	84	
21.0	Travel and transportation of persons	97	62	
22.0	Transportation of things	13	5	
23.1	Rental payments to GSA	36	25	
23.2	Rental payments to others	3		
23.3	Communications, utilities, and miscellaneous charges	15	8	
24.0	Printing and reproduction	11	7	
25.0	Other services	109	75	
26.0	Supplies and materials	15	10	
31.0	Equipment	20	14	
99.0	Subtotal, allocation accounts	1,201	762	
99.9	Total obligations	14,792	13,160	8,308

Obligations are distributed as follows:

Soil Conservation Service	13,591	12,398	8,308
Forest Service	1,034	762	
Economic Research Service	167		

Personnel Summary

SOIL CONSERVATION SERVICE			
Direct:			
Total number of full-time permanent positions	265	239	
Total compensable workyears:			
Full-time equivalent employment	291	249	77
Full-time equivalent of overtime and holiday hours			
Reimbursable:			
Total number of full-time permanent positions	16	17	
Total compensable workyears: Full-time equivalent employment	18	20	

ALLOCATION ACCOUNTS

Total number of full-time permanent positions	27	18	
Total compensable workyears: Full-time equivalent employment	27	18	

WATERSHED PLANNING

For necessary expenses [for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), \$8,480,000: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109] to close out activities previously funded under this account, \$5,520,000. (7 U.S.C. 2201-02; 33 U.S.C. 701b-11; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-1066-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program: Small watershed planning authorized by Public Law 566	8,423	8,713	5,520
01.01	Reimbursable program: Small watershed planning authorized by Public Law 566	237	600	
10.00	Total obligations	8,660	9,313	5,520
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-237	-600	

25.00	Unobligated balance lapsing.....	64		
39.00	<b>Budget authority</b> .....	<b>8,487</b>	<b>8,713</b>	<b>5,520</b>
	Budget authority:			
40.00	<b>Appropriation</b> .....	<b>8,487</b>	<b>8,480</b>	<b>5,520</b>
	Transfers in for:			
46.20	<b>Civilian pay raises</b> .....		<b>136</b>	
46.40	<b>Retirement contributions (P.L. 99-335)</b> .....		<b>97</b>	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	8,423	8,713	5,520
72.40	Obligated balance, start of year.....	1,491	1,163	1,220
74.40	Obligated balance, end of year.....	-1,163	-1,220	-331
77.00	Adjustments in expired accounts.....	-78		
89.00	<b>Outlays</b> .....	<b>8,673</b>	<b>8,656</b>	<b>6,409</b>
	Outlays:			
90.00	Outlays, excluding pay and retirement supplementals.....	8,673	8,456	6,376
91.20	Outlays from civilian pay raise supplemental.....		117	19
91.40	Outlays from retirement contribution supplemental.....		83	14

The Department cooperates with other agencies and the States in planning small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water.

**MAIN WORKLOAD FACTORS**

Activity	1986 actual	1987 est.	1988 est.
Applications for planning assistance:			
On hand, cumulative, start of year.....	2,331	2,340	2,362
Net change during year.....	9	22	
On hand, cumulative, end of year.....	2,340	2,362	
Consisting of:			
Authorized for planning.....	2,017	2,047	2,047
Available for planning.....	323	315	315
Status of planning:			
Authorized, cumulative, start of year.....	1,970	2,017	2,047
Suspended or terminated, cumulative, start of year.....	477	480	482
Completed, cumulative, start of year.....	1,350	1,382	1,427
Planning in process, start of year.....	143	155	138
New authorizations during year.....	47	30	
Terminated during year.....	3	2	138
Completions during year.....	32	45	
Planning in process, end of year.....	155	138	

The Department makes surveys of proposed small watershed projects, and work plans are prepared in cooperation with local sponsors. These plans outline the soil and water management problems in the watershed, the steps that have been or are authorized to be taken to alleviate these problems, the proposed works of improvement to be installed, the estimated benefits and costs, cost sharing, and operation and maintenance arrangements, and other facts necessary to justify Federal participation in project development. All activities of this program will be terminated by the end of fiscal year 1988.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	
12-1066-0-1-301				
<b>SOIL CONSERVATION SERVICE</b>				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	5,706	5,866	1,914
11.3	Other than full-time permanent.....	148	152	47
11.5	Other personnel compensation.....	43	44	9
11.9	Total personnel compensation.....	5,897	6,062	1,970
12.1	Personnel benefits: Civilian.....	793	910	252

13.0	Benefits for former employees.....	7	7	2,589
21.0	Travel and transportation of persons.....	290	301	128
22.0	Transportation of things.....	21	22	10
23.2	Rental payments to others.....	71	74	31
23.3	Communications, utilities, and miscellaneous charges.....	288	299	128
24.0	Printing and reproduction.....	35	36	16
25.0	Other services.....	425	407	227
26.0	Supplies and materials.....	135	140	60
31.0	Equipment.....	244	253	109
99.0	Subtotal, direct obligations.....	8,206	8,511	5,520
99.0	Reimbursable obligations.....	237	600	
<b>ALLOCATION TO FOREST SERVICE</b>				
11.1	Personnel compensation: Full-time permanent.....	123	113	
12.1	Personnel benefits: Civilian.....	18	17	
21.0	Travel and transportation of persons.....	15	13	
22.0	Transportation of things.....	1	1	
23.1	Rental payments to GSA.....	10	10	
23.3	Communications, utilities, and miscellaneous charges.....	3	2	
25.0	Other services.....	40	40	
26.0	Supplies and materials.....	3	3	
31.0	Equipment.....	4	3	
99.0	Subtotal obligations, Forest Service.....	217	202	
99.9	Total obligations.....	8,660	9,313	5,520

**Personnel Summary**

<b>SOIL CONSERVATION SERVICE</b>			
Direct:			
Total number of full-time permanent positions.....	172	179	
Total compensable workyears: Full-time equivalent employment.....	187	187	40
Reimbursable:			
Total number of full-time permanent positions.....	4	15	
Total compensable workyears: Full-time equivalent employment.....	5	15	
<b>ALLOCATION TO FOREST SERVICE</b>			
Total number of full-time permanent positions.....	4	4	
Total compensable workyears: Full-time equivalent employment.....	4	4	

**WATERSHED AND FLOOD PREVENTION OPERATIONS\***

\*See Part II for additional information.

For necessary expenses to [carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$165,885,000 (of which \$26,271,000 shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$4,755,000 shall be available for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That \$7,949,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further*, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.] *close out activities previously funded under this account, \$50,024,000.*

[For an additional amount, for emergency measures under title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), \$10,000,000 to remain available until expended.] (7 U.S.C. 2201-02; 33 U.S.C. 701b-1, 701b-11; Agriculture, Rural Development, and Related

General and special funds—Continued

WATERSHED AND FLOOD PREVENTION OPERATIONS—Continued

Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a.)

Program and Financing (in thousands of dollars)

Identification code 12-1072-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Watershed operations authorized by Public Law 534....	39,016	26,747	7,375
00.02 Loan services (Public Law 534) .....	167	80	.....
00.03 Emergency watershed protection operations .....	49,929	49,380	985
00.04 Small watershed operations authorized by Public Law 566 .....	137,067	146,754	41,664
00.05 Loan services (Public Law 566) .....	333	175	.....
00.91 Total direct program .....	226,512	223,136	50,024
01.01 Reimbursable program .....	5,869	19,000	.....
10.00 Total obligations .....	232,381	242,136	50,024
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-434	-1,405	.....
14.00 Non-Federal sources .....	-5,435	-17,595	.....
21.40 Unobligated balance available, start of year .....	-16,291	-47,251	.....
24.40 Unobligated balance available, end of year .....	47,251	.....	.....
39.00 Budget authority .....	257,472	175,885	50,024
Budget authority:			
40.00 Appropriation .....	249,520	175,885	50,024
42.00 Transferred from other accounts .....	7,952	.....	.....
43.00 Appropriation (adjusted) .....	257,472	175,885	50,024
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	226,512	223,136	50,024
72.40 Obligated balance, start of year .....	174,996	144,941	116,295
74.40 Obligated balance, end of year .....	-144,941	-116,295	-28,509
90.00 Outlays .....	256,567	251,782	137,810

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousand of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	257,472	175,885	50,024
Outlays .....	256,567	251,782	137,810
Rescission proposal:			
Budget authority .....	.....	-87,755	.....
Outlays .....	.....	-66,000	-30,000
Total:			
Budget authority .....	257,472	88,130	50,024
Outlays .....	256,567	185,782	107,810

This program provides for cooperation between the Federal Government and States and their political subdivisions to reduce damage from floodwater, sediment, and erosion, for the conservation, development, utilization, and disposal of water, and for the conservation and proper utilization of land. The fiscal year 1988 budget proposes to terminate all activities under these programs by the end of fiscal year 1988.

*Watershed operations authorized by Public Law 534.*—The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement for flood prevention in 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares the cost of works of improvement for flood prevention, agricultural water management, recreation, and fish and wildlife development.

Within the 11 authorized projects, 406 subwatershed areas have been identified for planning purposes. Installation progress in these subwatersheds is as follows:

MAIN WORKLOAD FACTORS

Subwatershed status	1986 actual	1987 est.	1988 est.
Projects in preconstruction, end of year .....	21	17	.....
Projects in construction, start of year .....	84	89	.....
Projects completed construction during year .....	.....	6	.....
Projects in preconstruction and construction, end of year .....	105	100	.....
Projects continuing land treatment, end of year .....	65	66	.....
Projects completed, end of year .....	160	165	.....
Projects not started, end of year .....	76	75	.....
Total subwatershed projects .....	406	406	.....

*Emergency watershed protection operations.*—This program authorizes the Secretary of Agriculture to undertake such emergency measures for runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever natural elements or force causes a sudden impairment of that watershed. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, wind, earthquake, or other natural cause and consequently life and property are endangered by floodwater, erosion, or sediment discharge. The emergency area need not be declared a national disaster area to be eligible for emergency watershed protection. Emergency watershed protection is applicable to small scale, localized disasters as well as large scale disasters. State environmental, natural resource, fish and game, and other agencies participate in planning and coordinating emergency work.

*Small watershed operations authorized by Public Law 566.*—The Department provides technical and financial assistance to local organizations to install measures for watershed protection, flood prevention, agricultural water management, recreation, and fish and wildlife enhancement.

Watershed work plans are prepared by sponsoring local organizations with the Department's assistance or through State and local resources. After work plans are approved by the Department or Congress (projects where the estimated Federal contribution will exceed \$5 million require congressional approval), technical services and financial assistance are provided for specific works of improvements.

The following tabulation shows the status of Public Law 566 projects:

MAIN WORKLOAD FACTORS

Status of projects approved for operations	1986 actual	1987 est.	1988 est.
Projects in preconstruction .....	145	170	.....
Projects under construction, start of year .....	384	394	.....
New construction starts .....	10	20	.....
Projects completed during year .....	15	10	.....
Projects Land Treatment continuing .....	41	31	.....
Subtotal projects requiring funds .....	595	625	.....
Projects not requiring funds .....	154	154	.....
Projects completed in prior years .....	633	648	.....
Total approved projects .....	1,382	1,427	.....

*Loan services.*—Loans are made to local sponsoring organizations to finance the local cost of installing works of improvement in Public Law 534 and approved Public Law 566 watershed projects. Repayment with interest is required within 50 years after the principal benefits of improvements first become available. Loans are made from funds available for this purpose from the Agricultural credit insurance fund of the Farmers

Home Administration. Loan services related to processing and making loans are financed from this appropriation.

The 1988 Budget proposes to terminate funding for construction starts and does not provide for new obligations for on-going projects after January 1987.

Object Classification (in thousands of dollars)

Identification code 12-1072-0-1-301	1986 actual	1987 est.	1988 est.
<b>SOIL CONSERVATION SERVICE</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	52,548	50,314	16,621
11.3 Other than full-time permanent .....	1,615	1,576	460
11.5 Other personnel compensation .....	2,485	2,826	317
11.9 Total personnel compensation .....	56,648	54,716	17,398
12.1 Personnel benefits: Civilian .....	8,696	9,316	2,774
13.0 Benefits for former personnel .....	84	78	18,347
21.0 Travel and transportation of persons .....	2,152	2,301	691
22.0 Transportation of things .....	575	540	260
23.2 Rental payments to others .....	1,315	1,274	565
23.3 Communications, utilities, and miscellaneous charges .....	2,346	2,253	1,020
24.0 Printing and reproduction .....	292	278	127
25.0 Other services .....	36,423	34,423	2,644
25.0 Construction contracts .....	78,842	77,552	3,092
26.0 Supplies and materials .....	2,025	1,983	684
31.0 Equipment .....	3,191	3,143	1,277
32.0 Lands and structures .....	1,230	1,476	.....
41.0 Grants, subsidies, and contributions .....	27,983	30,089	1,108
42.0 Insurance claims and indemnities .....	81	75	37
99.0 Subtotal, direct obligations .....	221,883	219,497	50,024
99.0 Reimbursable obligations .....	5,868	19,000	.....
<b>ALLOCATION ACCOUNTS</b>			
Personnel compensation:			
11.1 Full-time permanent .....	1,491	1,255	.....
11.3 Other than full-time permanent .....	277	225	.....
11.5 Other personnel compensation .....	109	85	.....
11.8 Special personal services payments .....	3	2	.....
11.9 Total personnel compensation .....	1,880	1,567	.....
12.1 Personnel benefits: Civilian .....	259	220	.....
13.0 Benefits for former personnel .....	52	23	.....
21.0 Travel and transportation of persons .....	68	52	.....
22.0 Transportation of things .....	71	61	.....
23.1 Rental payments to GSA .....	51	50	.....
23.2 Rental payments to others .....	93	73	.....
23.3 Communications, utilities, and miscellaneous charges .....	266	190	.....
24.0 Printing and reproduction .....	6	3	.....
25.0 Other services .....	907	626	.....
26.0 Supplies and materials .....	300	170	.....
31.0 Equipment .....	56	56	.....
32.0 Lands and structures .....	59	27	.....
41.0 Grants, subsidies, and contributions .....	546	504	.....
43.0 Interest and dividends .....	15	17	.....
99.0 Subtotal, obligations allocation accounts .....	4,629	3,639	.....
99.9 Total obligations .....	232,381	242,136	50,024
Obligations are distributed as follows:			
Soil Conservation Service .....	227,751	238,497	50,024
Farmers Home Administration .....	500	255	.....
Forest Service .....	4,130	3,384	.....

Personnel Summary

SOIL CONSERVATION SERVICE			
Direct:			
Total number of full-time permanent positions .....	1,802	1,698	.....
Total compensable workyears:			
Full-time equivalent employment .....	1,936	1,803	433
Full-time equivalent of overtime and holiday hours .....	67	77	7
Reimbursable:			
Total number of full-time permanent positions .....	2	2	.....
Total compensable workyears: Full-time equivalent employment .....	2	2	.....

ALLOCATION ACCOUNTS

Total number of full-time permanent positions .....	89	70	.....
Total compensable workyears: Full-time equivalent employment .....	89	70	.....

GREAT PLAINS CONSERVATION PROGRAM\*

\*See Part II for additional information.

For necessary expenses to [carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p(b)), \$20,474,000, to remain available until expended] close out activities previously funded under this account, \$2,831,000. (7 U.S.C. 2201-02; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-2268-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Cost-sharing assistance .....	11,540	10,648	.....
00.02 Cost-sharing programming and contract administration .....	2,869	3,149	906
00.03 Technical assistance .....	6,097	6,692	1,925
00.91 Total direct program .....	20,506	20,489	2,831
01.01 Reimbursable program .....	30	60	.....
10.00 Total obligations .....	20,536	20,549	2,831
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal sources .....	-17	-26	.....
14.00 Non-Federal sources .....	-13	-34	.....
21.40 Unobligated balance available, start of year .....	-39	-15	.....
24.40 Unobligated balance available, end of year .....	15	.....	.....
40.00 Budget authority (appropriation) .....	20,482	20,474	2,831
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	20,506	20,489	2,831
72.40 Obligated balance, start of year .....	33,511	33,977	32,944
74.40 Obligated balance, end of year .....	-33,977	-32,944	-20,538
90.00 Outlays .....	20,040	21,522	15,237

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousand of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	20,482	20,474	2,831
Outlays .....	20,040	21,522	15,237
Rescission proposal:			
Budget authority .....	.....	-8,000	.....
Outlays .....	.....	-5,000	-3,000
Total:			
Budget authority .....	20,482	12,474	2,831
Outlays .....	20,040	16,522	12,237

This program provides cost-share and technical services to participating landowners or operators in the Great Plains area in the development and installation of long-term conservation plans and practices for their land under contracts entered into in prior years. It is a voluntary program in 518 designated counties of 10 Great Plains States. Contracts with individual landowners range in time from 3 to 10 years.

MAIN WORKLOAD FACTORS

	1986 actual	1987 est.	1988 est.
Program participants:			
Number of new contracts during year .....	946	950	.....
Number of contracts serviced during year .....	6,697	6,566	1,642
Number of acres under contracts .....	15,313,074	15,176,739	12,449,739

As of September 30, 1986, there were 5,616 active contracts on hand. Co-landowners or operators finance

General and special funds—Continued

GREAT PLAINS CONSERVATION PROGRAM—Continued

the entire cost of installing recurring management-type practices and pay a specified part of the cost-shared practices installed on their land. Program regulations provide that cost-share rates offered in any contract shall not exceed 80 percent of the cost of installing eligible practices within the designated county. There is a cost-sharing limitation of \$35 thousand for any contract. The fiscal year 1988 budget does not include funding for this program. The budget proposes termination of the Great Plains Program by the end of fiscal year 1988.

Object Classification (in thousands of dollars)

Identification code	12-2268-0-1-302	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	6,304	6,793	1,321
11.3	Other than full-time permanent .....	88	97	15
11.5	Other personnel compensation .....	31	34	5
11.9	Total personnel compensation .....	6,423	6,924	1,341
12.1	Personnel benefits: Civilian .....	974	1,195	161
13.0	Benefits for former personnel .....	6	7	1,071
21.0	Travel and transportation of persons .....	142	156	23
22.0	Transportation of things .....	62	68	10
23.2	Rental payments to others .....	264	290	44
23.3	Communications, utilities, and miscellaneous charges .....	335	368	56
24.0	Printing and reproduction .....	8	9	1
25.0	Other services .....	296	324	49
26.0	Supplies and materials .....	169	185	28
31.0	Equipment .....	286	314	47
41.0	Grants, subsidies, and contributions .....	11,540	10,648	
42.0	Insurance claims and indemnities .....	1	1	
99.0	Subtotal, direct obligations .....	20,506	20,489	2,831
99.0	Reimbursable obligations .....	30	60	
99.9	Total obligations .....	20,536	20,549	2,831

Personnel Summary

Total number of full-time permanent positions .....	232	252	
Total compensable workyears: Full-time equivalent employment .....	250	260	40

RESOURCE CONSERVATION AND DEVELOPMENT\*

\*See Part II for additional information.

For necessary expenses [in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010-1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and the provisions of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$25,020,000: *Provided*, That \$1,207,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.] *to close out activities previously funded under this account, \$10,002,000. (7 U.S.C. 2201-02; 33 U.S.C. 701b-11; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)*

Program and Financing (in thousands of dollars)

Identification code	12-1010-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Technical assistance .....	17,339	18,363	9,902

00.02	Financial assistance .....	8,086	7,697	100
00.03	Loan services .....	114	75	
00.91	Total direct program .....	25,539	26,135	10,002
01.01	Reimbursable program .....	1,085	2,000	
10.00	Total obligations .....	26,624	28,135	10,002
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-34	-63	
14.00	Non-Federal sources .....	-1,051	-1,937	
21.40	Unobligated balance available, start of year .....	-1,617	-1,115	
24.40	Unobligated balance available, end of year .....	1,115		
40.00	Budget authority (appropriation) .....	25,037	25,020	10,002
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	25,539	26,135	10,002
72.40	Obligated balance, start of year .....	12,151	10,551	8,536
74.40	Obligated balance, end of year .....	-10,551	-8,536	-972
90.00	Outlays .....	27,139	28,150	17,566

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority .....	25,037	25,020	10,002	
Outlays .....	27,139	28,150	17,566	
<b>Rescission proposal:</b>				
Budget authority .....		-5,000		
Outlays .....		-3,000	-2,000	
<b>Total:</b>				
Budget authority .....	25,037	20,020	10,002	
Outlays .....	27,139	25,150	15,566	

This program provides for the Department to assist States, local units of government, groups and individuals in developing area plans for resource conservation and development (RC&D).

RC&D areas are provided technical and financial assistance to help States and local units of government prepare plans for resource development and economic improvement and to plan and install community-type conservation projects or measures. Financial contributions, loans, and other Federal assistance are used to help carry out measures specified in RC&D area plans. Loans were made through the Farmers Home Administration to qualified local organizations to help finance their share of the costs of installing the measures.

Under this proposal, the RC&D program would be terminated by the end of 1988.

The following tabulation shows the status of RC&D areas authorized to receive technical and financial assistance.

MAIN WORKLOAD FACTORS

	1986 actual	1987 est.	1988 est.
Areas authorized at beginning of year .....	194	191	189
Areas authorized at end of year .....	191	189	
RC&D financial assisted measures completed .....	197	150	
RC&D financial assisted measures planned .....	57	50	
RC&D measures completed with other than financial assistance .....	856	950	

Object Classification (in thousands of dollars)

Identification code	12-1010-0-1-302	1986 actual	1987 est.	1988 est.
<b>SOIL CONSERVATION SERVICE</b>				
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	10,782	11,163	3,470
11.3	Other than full-time permanent .....	661	684	200
11.5	Other personnel compensation .....	139	144	31
11.9	Total personnel compensation .....	11,582	11,991	3,701
12.1	Personnel benefits: Civilian .....	1,979	2,536	608

13.0	Benefits for former personnel.....	32	33	4,223
21.0	Travel and transportation of persons.....	367	382	166
22.0	Transportation of things.....	126	131	57
23.2	Rental payments to others.....	425	443	193
23.3	Communications, utilities, and miscellaneous charges...	571	595	259
24.0	Printing and reproduction.....	58	60	25
25.0	Other services.....	832	841	278
25.0	Construction contracts.....	2,632	2,506	34
26.0	Supplies and materials.....	546	550	152
31.0	Equipment.....	527	549	240
41.0	Grants, subsidies, and contributions.....	5,073	4,830	66
42.0	Insurance claims and indemnities.....	1	1	.....
99.0	Subtotal, direct obligations.....	24,751	25,448	10,002
99.0	Reimbursable obligations.....	1,085	2,000	.....
<b>ALLOCATION ACCOUNTS</b>				
Personnel compensation:				
11.1	Full-time permanent.....	170	138	.....
11.3	Other than full-time permanent.....	1	1	.....
11.9	Total personnel compensation.....	171	139	.....
12.1	Personnel benefits: Civilian.....	22	18	.....
21.0	Travel and transportation of persons.....	16	13	.....
22.0	Transportation of things.....	12	10	.....
23.1	Rental payments to GSA.....	10	11	.....
23.2	Rental payments to others.....	4	3	.....
23.3	Communications, utilities, and miscellaneous charges.....	9	7	.....
24.0	Printing and reproduction.....	1	.....	.....
25.0	Other services.....	61	51	.....
26.0	Supplies and materials.....	1	.....	.....
31.0	Equipment.....	3	3	.....
41.0	Grants, subsidies, and contributions.....	450	410	.....
44.0	Refunds.....	28	23	.....
99.0	Subtotal, allocation accounts.....	788	687	.....
99.9	Total obligations.....	26,624	28,135	10,002
Obligations are distributed as follows:				
	Soil Conservation Service.....	25,836	27,448	10,002
	Farmers Home Administration.....	114	75	.....
	Forest Service.....	674	612	.....

**Personnel Summary**

<b>SOIL CONSERVATION SERVICE</b>				
	Total number of full-time permanent positions.....	338	362	.....
	Total compensable workyears:			
	Full-time equivalent employment.....	397	408	87
	Full-time equivalent of overtime and holiday hours.....	2	2	.....
<b>ALLOCATION ACCOUNTS</b>				
	Total number of full-time permanent positions.....	6	5	.....
	Total compensable workyears: Full-time equivalent employment.....	6	5	.....

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 12-8210-0-7-300				
		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	2,195	6,656	560
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-7,547	-6,096	.....
24.40	Unobligated balance available, end of year.....	6,096	.....	.....
60.00	Budget authority (appropriation) (permanent, indefinite).....	744	560	560
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,195	6,656	560
72.40	Obligated balance, start of year.....	932	390	5,177
74.40	Obligated balance, end of year.....	-390	-5,177	-3,868
90.00	Outlays.....	2,738	1,869	1,869

Funds received from State and local organizations, and others are available for work under cooperative agreements for soil survey, watershed protection, and resource conservation and development activities. All activities of this program involving watershed protection and resource conservation and development will be terminated by the end of 1988.

**Object Classification (in thousands of dollars)**

Identification code 12-8210-0-7-300				
		1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	412	272	277
11.3	Other than full-time permanent.....	37	8	9
11.5	Other compensation.....	21	2	2
11.9	Total personnel compensation.....	470	282	288
12.1	Personnel benefits: Civilian.....	61	37	37
13.0	Benefits for former personnel.....	.....	.....	30
21.0	Travel and transportation of persons.....	4	3	3
23.2	Rental payments to others.....	8	8	8
23.3	Communications, utilities, and miscellaneous charges.....	15	15	15
24.0	Printing and reproduction.....	19	25	5
25.0	Other services.....	64	1,250	35
25.0	Construction contracts.....	1,459	5,000	125
26.0	Supplies and materials.....	10	10	8
31.0	Equipment.....	14	20	5
41.0	Grants, subsidies and contributions.....	71	6	1
99.9	Total obligations.....	2,195	6,656	560

**Personnel Summary**

	Total number of full-time permanent positions.....	15	11	11
	Total compensable workyears:			
	Full-time equivalent employment.....	19	12	12
	Full-time equivalent of overtime and holiday hours.....	1	1	1

**ALLOCATIONS RECEIVED FROM OTHER AGENCIES**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

- Agriculture: Soil Conservation Service:
  - “Watershed and flood prevention operations.”
  - “Resource conservation and development.”
- Agriculture: Agricultural Stabilization and Conservation Service, “Water Bank program.”
- Commerce:
  - General Administration: Economic development assistance programs:
    - Regional Development Program: “Regional development programs.”
  - Energy: “Building and community systems.”
  - Environmental Protection Agency: “Abatement control and compliance.”
  - Treasury: “Energy security reserve.”
  - Appalachian Regional Commission, “Appalachian regional development programs.”
  - Federal Emergency Management Administration, “Disaster relief.”
  - Interior: Office of Surface Mining Reclamation and Enforcement, “Abandoned mine reclamation fund.”

**ANIMAL AND PLANT HEALTH INSPECTION SERVICE**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

**(INCLUDING TRANSFERS OF FUNDS)**

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, **[\$300,967,000;]** **\$296,266,000**, of which **[\$10,000,000]** **\$4,500,000** shall be available for the control of outbreaks of insects, plant diseases and animal diseases to the extent necessary to meet emergency conditions: **[Provided,** That \$1,000,000 of the funds for control of the fire ant shall be placed

General and special funds—Continued

SALARIES AND EXPENSES—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

in reserve for matching purposes with States which may come into the program:] *Provided [further]*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 per centum: *Provided further*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed two, of which one shall be for replacement only: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious diseases or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts. (10 U.S.C. 2306; 15 U.S.C. 69e, 1321-31; 16 U.S.C. 1531-43; 18 U.S.C. 1114; 19 U.S.C. 1306; 21 U.S.C. 101-105, 111-114, 114a-114c; 114d-1, 114e-131, 134-135b, 151-158; 26 U.S.C. 4491-94; 45 U.S.C. 71-74; 46 U.S.C. 466a-466(b); 49 U.S.C. 1471(a)-1509(d), 1741; 46 Stat. 67; 78 Stat. 939-940; 99 Stat. 1645-1650, 1654-1656, 1658-1659; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-1600-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Plant disease and pest control.....	112,098	105,624	105,059
00.02 Animal disease and pest control.....	166,403	169,408	170,608
00.03 Animal damage control.....	20,500	21,596	12,099
00.04 Biotechnology.....			4,000
00.05 Construction of facilities.....		4	
00.06 Contingencies.....	1,727	10,000	4,500
00.91 Total direct program.....	300,728	306,632	296,266
01.01 Reimbursable program.....	28,008	14,351	14,101
10.00 Total obligations.....	328,736	320,983	310,367
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-16,051	-4,533	-4,533
14.00 Non-Federal sources.....	-8,860	-9,568	-9,568
21.40 Unobligated balance available, start of year.....	-3,352	-3,915	-3,915
22.40 Unobligated balance transferred, net.....	-4,436	-2,000	
24.40 Unobligated balance available, end of year.....	3,915		
25.00 Unobligated balance lapsing.....	916		
40.00 Budget authority (appropriation).....	300,869	300,967	296,266
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	303,825	306,882	296,266
72.40 Obligated balance, start of year.....	36,287	66,112	83,386
74.40 Obligated balance, end of year.....	-66,112	-83,386	-86,825
77.00 Adjustments in expired accounts.....	1,655		
90.00 Outlays.....	275,655	289,608	292,827

SUMMARY OF BUDGET AUTHORITY

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	300,869	300,967	296,266
Outlays.....	275,655	289,608	292,827
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-85,876

Outlays.....			-85,876
Total:			
Budget authority.....	300,869	300,967	210,390
Outlays.....	275,655	289,608	206,951

The major objectives of the Animal and Plant Health Inspection Service are to protect the animal and plant resources of the Nation from destructive pests and diseases.

*Plant disease and pest control.*—Through inspections at ports of entry, insects, plant diseases, nematodes and animal pests and diseases harmful to agriculture are prevented from entering this country. Cooperative programs with the States are conducted to prevent the spread of and/or to eradicate certain plant pests already established in this country. The 1988 estimates maintain support for plant disease and pest control efforts, by increasing the agricultural quarantine inspection, medfly and witchweed programs, while decreasing the boll weevil, grasshopper and pink bollworm programs and eliminating the imported fire ant, and noxious weeds programs. Legislation will be proposed to recover \$67.0 million in fees for agricultural quarantine inspection.

*Animal disease and pest control.*—Inspections and programs are conducted to keep communicable diseases of foreign origin from entering this country and to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics. In cooperation with States, programs are directed at the control and eradication of livestock diseases present in this country. Foreign animal diseases, should they enter this country, are rapidly diagnosed and outbreaks which are of economic significance and for which the Secretary of Agriculture declares a national emergency are controlled and eradicated. The 1988 estimates propose increases for animal health compliance and enforcement and foot-and-mouth (DG) programs and decreases for brucellosis and animal welfare. The budget proposes elimination of the pseudorabies program. Legislation will be proposed to recover total costs for the import-export and veterinary biologics programs through user fees, as well as \$1.6 million for diagnostic activities.

*Animal damage control.*—Conducted to reduce wild-life-caused damage to agricultural interests and protect land use and wildlife resource values through the maintenance of a Federal presence in cooperation with the States and other cooperators. The Department of the Interior conducted the program prior to 1986. The budget proposes a decrease for this program in fiscal year 1988.

*Biotechnology.*—This Agency has the responsibility to coordinate the development and implementation of all matters and functions pertaining to the Department's regulation of biotechnology and the responsibility to act as liaison on all matters and functions pertaining to the regulation of biotechnology between agencies within the Department, between the Department and governmental and private organizations. Additionally, this agency has been designated the lead agency within USDA for regulating and evaluating applications of biotechnologically derived products for test permits and commercial licenses. The budget proposes initial funding of \$4.0 million.

**Construction of facilities.**—In 1981, the Congress appropriated funds under a separate account to APHIS, Buildings and Facilities. The activity reflected shows obligations from prior year funds.

**Contingencies.**—The 1988 estimates provide a contingency fund of \$4.5 million.

**Object Classification (in thousands of dollars)**

Identification code 12-1600-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	122,713	123,769	121,624
11.3 Other than full-time permanent .....	5,748	6,291	6,142
11.5 Other personnel compensation .....	7,353	7,047	6,923
11.9 Total personnel compensation .....	135,814	137,107	134,689
12.1 Personnel benefits: Civilian .....	21,663	21,821	30,317
13.0 Benefits for former personnel .....	269	268	263
21.0 Travel and transportation of persons .....	10,017	9,862	9,389
22.0 Transportation of things .....	2,585	2,531	2,113
23.2 Rental payments to others .....	2,589	2,472	2,472
23.3 Communications, utilities, and miscellaneous charges .....	11,306	11,308	10,738
24.0 Printing and reproduction .....	795	811	839
25.0 Other services .....	52,372	57,346	46,629
26.0 Supplies and materials .....	21,638	20,339	15,748
31.0 Equipment .....	8,413	8,428	7,545
32.0 Lands and structures .....		4	
<b>Grants, subsidies, and contributions:</b>			
41.0 Mexican-United States Commission for the Prevention of Foot-and-Mouth Disease .....	135	137	84
41.0 Joint United States-Mexico Screwworm Commission .....	20,592	21,217	21,767
41.0 Joint United States-Panama Commission; United States-Colombia Mechanism to Prevent Introduction of Foot-and-Mouth Disease at Darien Gap .....	1,515	1,546	2,046
41.0 Joint Commission on the Mediterranean fruit fly .....	2,896	3,249	3,749
<b>Insurance claims and indemnities:</b>			
42.0 Brucellosis .....	6,244	6,406	6,168
42.0 Scrapie of sheep .....	447	450	450
42.0 Tuberculosis .....	1,299	1,310	1,250
42.0 Insurance claims .....	61	20	10
42.0 Exotic new cattle .....	78		
99.0 Subtotal, direct obligations .....	300,728	306,632	296,266
99.0 Reimbursable obligations .....	28,008	14,351	14,101
99.9 Total obligations .....	328,736	320,983	310,367

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	4,417	4,417	4,247
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	4,752	4,752	4,483
Full-time equivalent of overtime and holiday hours .....	128	128	128
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	175	175	175
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	252	184	182
Full-time equivalent of overtime and holiday hours .....	150	150	150

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 12-1600-2-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....			—85,876
40.00 Budget authority (appropriation) .....			—85,876
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			—85,876
90.00 Outlays .....			—85,876

This schedule reflects a legislative proposal to finance plant and animal disease, and pest control activities on a user-charge basis.

**BUILDINGS AND FACILITIES**

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, [\$2,246,000] \$2,347,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code 12-1601-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0) .....	1,351	8,518	2,647
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	—3,869	—6,572	—300
24.40 Unobligated balance available, end of year .....	6,572	300	
40.00 Budget authority (appropriation) .....	4,054	2,246	2,347
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,351	8,518	2,647
72.40 Obligated balance, start of year .....	3,343	1,932	6,806
74.40 Obligated balance, end of year .....	—1,932	—6,806	—3,667
90.00 Outlays .....	2,763	3,644	5,786

The 1988 estimates provide for construction, repairs, and alterations as needed for APHIS operated facilities, which include animal quarantine stations, border inspection stations, sterile insect rearing facilities, and laboratories.

**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 12-9971-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Expenses and refunds, inspection, certification and quarantine of animal products .....	1		
00.02 Expenses, feed, and attendants for animals in quarantine .....	2,218	2,125	2,125
00.03 Miscellaneous contributed funds .....	2,528	2,610	2,610
10.00 Total obligations .....	4,746	4,735	4,735
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	—887	—1,155	—1,155
24.40 Unobligated balance available, end of year .....	1,155	1,155	1,155
60.00 Budget authority (appropriation) (permanent, indefinite) .....	5,013	4,735	4,735
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	4,746	4,735	4,735
72.40 Obligated balance, start of year .....	311	458	458
74.40 Obligated balance, end of year .....	—458	—458	—458
90.00 Outlays .....	4,598	4,735	4,735
<b>Distribution of budget authority by account:</b>			
Expenses, feed, and attendants for animals in quarantine .....	2,495	2,125	2,125
Miscellaneous contributed funds .....	2,518	2,610	2,610
<b>Distribution of outlays by account:</b>			
Expenses and refunds, inspection, certification, and quarantine of animal products .....	—1		
Expenses, feed, and attendants for animals in quarantine .....	2,127	2,125	2,125
Miscellaneous contributed funds .....	2,473	2,610	2,610

MISCELLANEOUS TRUST FUNDS—Continued

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others:

*Expenses and refunds, inspection, certification, and quarantine of animal products.*—This includes inspection of animal hides and other animal materials to be exported. Fees are paid in advance for services to be rendered (7 U.S.C. 1621-1627) (21 U.S.C. 111).

*Expenses, feed, and attendants for animals in quarantine.*—Costs associated with the care of animals are paid from fees advanced by importers (21 U.S.C. 102).

*Miscellaneous contributed funds.*—Funds are received from States, local organizations, individuals, and others and are available for plant and animal quarantine inspection and cooperative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220). Commencing with 1979, fees were collected for the importation of commercial birds.

Object Classification (in thousands of dollars)

Identification code	12-9971-0-7-352	1986 actual	1987 est.	1988 est.
	Personnel compensation:			
11.1	Full-time permanent.....	1,139	1,170	1,170
11.3	Other than full-time permanent.....	354	356	356
11.5	Other personnel compensation.....	299	315	315
11.9	Total personnel compensation.....	1,792	1,841	1,841
12.1	Personnel benefits: Civilian.....	204	190	190
21.0	Travel and transportation of persons.....	467	438	438
22.0	Transportation of things.....	41	36	36
23.2	Rental payments to others.....	227	198	198
23.3	Communications, utilities, and miscellaneous charges.....	337	400	400
24.0	Printing and reproduction.....		3	3
25.0	Other services.....	1,197	1,307	1,307
26.0	Supplies and materials.....	342	306	306
31.0	Equipment.....	26	16	16
44.0	Refunds.....	113		
99.9	Total obligations.....	4,746	4,735	4,735

Personnel Summary

Total number of full-time permanent positions.....	47	47	47
Total compensable workyears:			
Full-time equivalent employment.....	62	64	64
Full-time equivalent of overtime and holiday hours.....	6	6	6

FEDERAL GRAIN INSPECTION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, **[\$6,697,000] \$7,122,000.** *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further*, That none of the funds provided by this Act may be used to pay the salaries of any person or persons who require, or who authorize payments from fee-supported funds to any person or persons who require nonexport, nonterminal interior elevators to maintain records not involving official inspection or official weighing in the United

States under Public Law 94-582 other than those necessary to fulfill the purposes of such Act. (7 U.S.C. 71, 74-79, 84-87h, 1621-27; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-2400-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	6,401	6,878	7,122
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	301		
39.00	Budget authority.....	6,702	6,878	7,122
<b>Budget authority:</b>				
40.00	Appropriation.....	6,702	6,697	7,122
<b>Transfers in for:</b>				
46.20	Civilian pay raises.....		105	
46.40	Retirement contributions (P.L. 99-335).....		76	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	6,401	6,878	7,122
72.40	Obligated balance, start of year.....	2,146	1,509	1,509
74.40	Obligated balance, end of year.....	-1,509	-1,509	-1,509
77.00	Adjustments in expired accounts.....	-22		
89.00	Outlays.....	7,016	6,878	7,122
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals.....	7,016	6,697	7,122
91.20	Outlays from civilian pay raise supplemental.....		105	
91.40	Outlays from retirement contribution supplemental.....		76	

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	6,702	6,878	7,122
Outlays.....	7,016	6,878	7,122
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			7,122
Outlays.....			7,122
<b>Total:</b>			
Budget authority.....	6,702	6,878	
Outlays.....	7,016	6,878	

The FGIS provides for the establishment of official United States standards for grain, promotes the uniform application thereof by official inspection personnel, provides for an official inspection system for grain, and regulates the weighing and certification of the weight of grain shipped in interstate or foreign commerce as authorized by the U.S. Grain Standards Act (USGSA), as amended, and the regulations thereof, and the Agricultural Marketing Act of 1946.

Standardization activities include establishing and updating U.S. grain standards and research and developing and improving methods to ensure the accurate and uniform application of the standards.

Compliance activities include: evaluating alleged violations and initiating preliminary investigations; initiating preliminary investigations; initiating the implementation of all necessary corrective actions; conducting management and technical reviews; administering the designation of agencies and the delegation of State agencies to perform official functions; identifying conflicts of interest; licensing agency personnel; responding to audits of FGIS programs; and reviewing and, when appropriate, approving fee schedules.

The International Monitoring Staff will brief foreign buyers, assess foreign inspection and weighing tech-

niques, and respond to foreign quality and quantity complaints.

An advisory committee consisting of members from the grain industry was established to advise the agency regarding efficient and economical implementations of the USGSA.

The Grain Quality Improvement Act of 1986 was enacted on November 10, 1986, to improve the quality of U.S. grain by prohibiting the introduction and reintroduction of dockage and foreign material to grain. FGIS will draft action plans for implementation of the provisions of the new law which becomes effective May 1, 1987. The financial impact of this legislation is under analysis.

	1986 actual	1987 est.	1988 est.
U.S. standards in effect at end of year.....	20	20	20
New and revised standards issued during fiscal year.....	1	13	4
Standards reviews in progress.....	18	16	5
Standards reviews completed.....	0	15	4
Inspection techniques developed.....	8	8	9
Equipment evaluated.....	10	10	8
On-site investigations.....	8	12	12
Designations renewed.....	27	27	27
Registration certificates issued.....	110	110	110

**Object Classification (in thousands of dollars)**

Identification code 12-2400-0-1-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,729	3,923	3,862
11.3 Other than full-time permanent.....	11	27	24
11.5 Other personnel compensation.....	28	29	68
11.9 Total personnel compensation.....	3,768	3,979	3,954
12.1 Personnel benefits: Civilian.....	494	573	767
13.0 Benefits for former personnel.....	22	68	22
21.0 Travel and transportation of persons.....	244	291	236
22.0 Transportation of things.....	32	20	31
23.2 Rental payments to others.....	19	21	18
23.3 Communications, utilities, and miscellaneous charges.....	270	259	277
24.0 Printing and reproduction.....	34	84	23
25.0 Other services.....	1,115	1,213	1,418
26.0 Supplies and materials.....	147	135	134
31.0 Equipment.....	256	235	242
99.9 Total obligations.....	6,401	6,878	7,122

**Personnel Summary**

Total number of full-time permanent positions.....	118	120	120
Total compensable workyears: Full-time equivalent employment.....	122	156	156

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 12-2400-2-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			-7,122
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			-7,122
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-7,122
90.00 Outlays.....			-7,122

Legislation will be proposed to fund all standardization and compliance activities in the Inspection and Weighing Services revolving fund from user fees.

**Object Classification (in thousands of dollars)**

Identification Code 12-2400-2-1-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			-3,862
11.3 Other than full-time permanent.....			-24
11.5 Other personnel compensation.....			-68
11.9 Total personnel compensation.....			-3,954
12.1 Personnel benefits: Civilian.....			-767
13.0 Benefits for former personnel.....			-22
21.0 Travel and transportation of persons.....			-236
22.0 Transportation of things.....			-31
23.2 Rental payments to others.....			-18
23.3 Communications, utilities, and miscellaneous charges.....			-277
24.0 Printing and reproduction.....			-23
25.0 Other services.....			-1,418
26.0 Supplies and materials.....			-134
31.0 Equipment.....			-242
99.9 Total obligations.....			-7,122

**Personnel Summary**

Total number of full-time permanent positions.....			-120
Total compensable workyears: Full-time equivalent employment.....			-156

**Public enterprise funds:**

**INSPECTION AND WEIGHING SERVICES**

**LIMITATION ON INSPECTION AND WEIGHING EXPENSES**

Not to exceed **[\$36,829,000]** \$36,856,000 (from fees collected) shall be obligated during the current fiscal year for Inspection and Weighing Services. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing (in thousands of dollars)**

Identification code 12-4050-0-3-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	29,902	36,829	36,856
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-28,485	-36,829	-36,856
21.98 Unobligated balance available, start of year: Fund balance.....	-10,131	-8,714	-8,714
24.98 Unobligated balance available, end of year: Fund balance.....	8,714	8,714	8,714
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,417		
72.98 Obligated balance, start of year: Fund balance.....	-1,939	-1,287	-1,287
74.98 Obligated balance, end of year: Fund balance.....	1,287	1,287	1,287
90.00 Outlays.....	765		

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....			
Outlays.....	765		
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			
Outlays.....			
<b>Total:</b>			
Budget authority.....			
Outlays.....	765		

The Federal Grain Inspection Service provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee supported revolving fund.

Fee supported programs include direct services, supervision activities and administrative functions. Direct

Public enterprise funds—Continued

INSPECTION AND WEIGHING SERVICES—Continued

LIMITATION ON INSPECTION AND WEIGHING EXPENSES—Continued

services include official grain inspection and weighing by FGIS employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. FGIS supervises the inspection and weighing activities performed by its own employees. The agency also oversees the inspection and weighing of grain performed by employees of 8 delegated States and 80 designated State and private agencies. FGIS provides an appeal service of original grain inspections and a registration system for grain exporting firms. Through support from the Association of American Railroads and user fees, FGIS conducts a railroad track scale testing program. In addition, the agency provides grading services on request for rice and grain related products under the authority of the Agricultural Marketing Act of 1946 (AMA).

	1986 actual	1987 est.	1988 est.
Export grain inspected and weighed (million metric tons):			
By Federal personnel.....	64.7	68.6	68.6
By delegated States.....	18.1	19.4	19.4
Quantity of grain inspected (all official inspections) million metric tons.....	247.6	252.8	252.8
Number of inspections and reinspections:			
By Federal personnel.....	205,275	205,000	205,000
By delegated state/official agency personnel.....	2,817,161	2,817,000	2,817,000
Number of appeals.....	11,353	11,400	11,400
Number of appeals carried to the Board of Appeals.....	1,841	1,800	1,800
Quantity of rice inspected (million metric tons).....	4.1	4.1	4.1
Quantity of rice exports (million metric tons).....	2.4	2.6	2.6

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss: Inspection and weighing services:			
Revenue.....	28,485	36,829	36,856
Expense.....	29,902	36,829	36,856
Net income or loss (—) for the year <sup>1</sup> .....	—1,417		

<sup>1</sup> This amount reflects prior year transactions recorded in 1986. Program operations for fiscal year 1986 generated obligations of \$29,558,411 and revenues of \$27,506,836 resulting in a negative margin of \$2,051,575.

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	2,507	4,332	4,332	4,332
Investments, U.S. securities (par).....	5,685	3,095	3,095	3,095
Accounts receivable (net).....	5,041	3,770	3,770	3,770
Total assets.....	13,233	11,197	11,197	11,197
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	3,102	2,483	2,483	2,483
<b>Government equity:</b>				
Selected equities:				
Unobligated balance (total Government equity).....	10,131	8,714	8,714	8,714
<b>Analysis of changes in Government equity:</b>				
Retained income: Opening balance.....		10,131	8,714	8,714
Transactions: Net income or loss (—) for the year.....		—1,417		
Total Government equity (end of year).....		8,714	8,714	8,714

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-4050-0-3-352			
Personnel compensation:			
11.1 Full-time permanent.....	15,954	19,826	19,826
11.3 Other than full-time permanent.....	736	1,447	1,447

11.5	Other personnel compensation.....	2,794	3,311	3,311
11.9	Total personnel compensation.....	19,484	24,584	24,584
12.1	Personnel benefits: Civilian.....	2,427	2,765	2,765
13.0	Benefits for former personnel.....	321	407	407
21.0	Travel and transportation of persons.....	950	1,170	1,170
22.0	Transportation of things.....	125	102	102
23.1	Rental payments to GSA.....	374	762	762
23.2	Rental payments to others.....	288	386	386
23.3	Communications, utilities, and miscellaneous charges.....	1,256	1,419	1,419
24.0	Printing and reproduction.....	139	173	173
25.0	Other services.....	3,661	4,010	4,037
26.0	Supplies and materials.....	383	481	481
31.0	Equipment.....	492	568	568
42.0	Insurance claims and indemnities.....	2	2	2
99.9	Total obligations.....	29,902	36,829	36,856

Personnel Summary

Total number of full-time permanent positions.....	586	591	591
Total compensable workyears:			
Full-time equivalent employment.....	779	784	784
Full-time equivalent of overtime and holiday hours.....	71	120	120

INSPECTION AND WEIGHING SERVICES

LIMITATION ON ADMINISTRATIVE EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-4050-2-3-352			
<b>Program by activities:</b>			
10.00 Total obligations.....			7,122
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			—7,122
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

Legislation will be proposed to fund all compliance and standardization activities in the inspection and weighing services revolving fund from user fees.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-4050-2-3-352			
Personnel compensation:			
11.1 Full-time permanent.....			3,862
11.3 Other than full-time permanent.....			24
11.5 Other personnel compensation.....			68
11.9 Total personnel compensation.....			3,954
12.1 Personnel benefits: Civilian.....			767
13.0 Benefits for former personnel.....			22
21.0 Travel and transportation of persons.....			236
22.0 Transportation of things.....			31
23.2 Rental payments to others.....			18
23.3 Communications, utilities, and miscellaneous charges.....			277
24.0 Printing and reproduction.....			23
25.0 Other services.....			1,418
26.0 Supplies and materials.....			134
31.0 Equipment.....			242
99.9 Total obligations.....			7,122

Personnel Summary

Total number of full-time permanent positions.....	120
Total compensable workyears: Full-time equivalent employment.....	156

**AGRICULTURAL MARKETING SERVICE**

*Federal Funds*

**General and special funds:**

**MARKETING SERVICES**

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution and regulatory programs as authorized by law, and for administration and coordination of payments to states; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$70,000 for employment under 5 U.S.C. 3109, \$30,945,000 \$33,081,000; of which not less than \$1,618,000 shall be available for the Wholesale Market Development Program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (5 U.S.C. 5542; 15 U.S.C. 714-714p; 21 U.S.C. 1031-56; 26 U.S.C. 4851-54, 4861-65, 4871-77, 6804, 7233, 7263, 7492-93, 7701; 31 U.S.C. 725d. *Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**LIMITATION ON ADMINISTRATIVE EXPENSES**

Not to exceed \$28,164,000 \$30,742,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	12-2500-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Market news service.....	14,039	14,625	15,388
00.02	Inspection and standardization.....	12,358	13,319	13,983
00.03	Market protection and promotion.....	1,998	1,963	2,092
00.04	Wholesale market development.....	1,614	1,528	1,618
00.91	Total direct program.....	30,009	31,435	33,081
01.01	Reimbursable program.....	33,385	37,730	32,525
10.00	Total obligations.....	63,394	69,165	65,606
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-460	-351	-351
Non-Federal sources:				
14.00	User fees.....	-29,266	-28,878	-30,742
14.00	Miscellaneous reimbursements.....	-1,352	-1,432	-1,432
21.40	Unobligated balance available, start of year.....	-9,377	-7,069	
24.40	Unobligated balance available, end of year.....	7,069		
25.00	Unobligated balance lapsing.....	507		
39.00	Budget authority.....	30,516	31,435	33,081
Budget authority:				
40.00	Appropriation.....	30,644	30,945	33,081
41.00	Transferred to other accounts.....	-128		
43.00	Appropriation (adjusted).....	30,516	30,945	33,081
46.40	Transfer in for retirement contributions (P.L. 99-335).....		490	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	32,316	38,504	33,081
72.10	Receivables in excess of obligations, start of year.....		-7,646	-7,646
72.40	Obligated balance, start of year.....	6,411		
74.10	Receivables in excess of obligations, end of year.....	7,646	7,646	7,646
77.00	Adjustments in expired accounts.....	-1,145		
89.00	Outlays.....	45,228	38,504	33,081
Outlays:				
90.00	Outlays, excluding retirement contribution supplemental.....	45,228	38,014	33,081
91.40	Outlays from retirement contribution supplemental.....		490	

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	30,516	31,435	33,081
Outlays.....	45,228	38,504	33,081
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-33,081
Outlays.....			-33,081
Total:			
Budget authority.....	30,516	31,435	
Outlays.....	45,228	38,504	

AMS activities assist producers and handlers of agricultural commodities by providing a variety of marketing services. These services continue to become more complex as the volume of agricultural commodities increases, as a greater number of new processed commodities are developed, and as the agricultural market structure undergoes extensive changes. Marketing changes include increased concentration in food retailing, direct buying, decentralization of processing, growth of interregional competition, vertical integration, and contract farming. The individual activities include:

**Market news service.**—The market news program provides the agricultural community with information pertaining to the movement of agricultural products. This nationwide service provides daily reports on the supply, demand and price of over 400 commodities throughout the country.

**Inspection and standardization.**—Nationally uniform standards of quality for agricultural products are established and applied to specific lots of products to: promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of uniform quality products for market; and furnish consumers with more definite information on the quality of products they buy. Grading services are provided for cotton and domestic and imported tobacco.

Continuous in-plant inspection of all plants manufacturing liquid, frozen or dried egg products is provided with quarterly inspection of egg handlers and hatcheries to ensure the proper disposition of shell eggs unfit for human consumption. Imported egg products are controlled to make certain that the inspection systems in exporting countries have standards equal to those of the United States.

A uniform government food specification system is maintained to provide a more efficient Federal food procurement service.

**COTTON, TOBACCO, AND WAREHOUSE USER FEE PROGRAM**

	1986 actual	1987 est.	1988 est.
Cotton classed (samples in thousands).....	12,642	9,324	10,664
Tobacco auction markets (million pounds).....	1,421	1,440	1,460
Tobacco inspected at markets and ports of entry (million pounds).....	187	187	187

**FEDERALLY FUNDED INSPECTION AND PROCUREMENT ACTIVITIES**

	1986 actual	1987 est.	1988 est.
Federally inspected establishments: Egg products plants.....	99	99	99
Federally inspected production (billion pounds): Egg products.....	1.4	1.4	1.4
States and Commonwealths with cooperative agreements: Egg products inspection.....	52	52	52
Laboratory services (samples analyzed):			
Food chemistry and microbiology.....	37,000	37,000	37,000
Chemical residues.....	575	575	575

General and special funds—Continued

MARKETING SERVICES—Continued

STANDARDIZATION ACTIVITIES

	1986 actual	1987 est.	1988 est.
International and U.S. standards in effect, end of fiscal year.....	589	590	589
Number of commodities covered.....	181	183	184
Standards revised.....	16	54	10

**Market protection and promotion.**—This program consists of: (1) the research and promotion programs which are designed to improve the competitive position and expand markets for cotton, eggs, and egg products, honey, pork, beef, milk and dairy products, wool, mohair, and potatoes; (2) the Federal Seed Act, Plant Variety Protection Act, and the Export Fruit Acts; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act.

Amendments to the 1985 Food Security Act provided legislative authority for the beef, pork, and watermelon research and promotion programs. Assessments on producers to fund the beef and pork programs began in 1986. Hearings on the watermelon program will be held in 1987.

Federal seed inspectors conduct tests on samples to help assure truthful labeling of agricultural and vegetable seeds sold in interstate commerce. Plant variety protection provides for the issuance of certificates to assure that developers of novel varieties of sexually reproduced plants have exclusive rights to sell, reproduce, import and export such varieties for a period of 18 years.

The Export Fruit Acts promote U.S. foreign trade of various fruits by protecting the reputation of U.S. grown fruit in foreign markets and by preventing deception as to the quality of such products moving in foreign commerce.

The Capper-Volstead Act and the Agricultural Fair Practices Act protect producers against discriminatory practices by handlers, permit producers to engage in cooperative efforts, and assure that such cooperatives do not engage in practices that monopolize or restrain trade.

MARKET PROTECTION AND PROMOTION ACTIVITIES

	1986 actual	1987 est.	1988 est.
<b>Seed Act:</b>			
Interstate investigations:			
Completed.....	742	800	800
Pending.....	378	300	300
Seed samples tested.....	3,374	3,300	3,300
<b>Plant Variety Protection Act:</b>			
Number of applications received.....	164	185	199
Certificates of protection issued.....	208	200	200
<b>Research and promotion collections (dollars in millions):</b>			
Beef.....		33.0	36.0
Cotton.....	33.3	25.3	27.5
Dairy—MMO.....	14.3	13.8	14.2
Dairy—National.....	81.7	77.3	79.0
Honey.....		2.0	2.0
Pork.....		16.0	20.0
Egg.....	7.6	7.6	7.6
Wool.....	5.0	5.0	5.0
Wheat and wheat foods.....	1.5	.4	
Potato.....	5.6	5.6	5.8

**Wholesale market development.**—This program is designed to enhance the marketing of agricultural commodities in the United States by conducting research into more efficient marketing methods for agricultural commodities and by providing technical assistance to

urban areas interested in improving their food distribution facilities.

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	1986 actual	1987 est.	1988 est.
Studies and projects completed.....	8	10	8

For 1988, legislation will be proposed to finance the agency programs on a user fee basis.

Object Classification (in thousands of dollars)

Identification code 12-2500-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	17,574	18,672	18,990
11.3 Other than full-time permanent.....	602	551	567
11.5 Other personnel compensation.....	224	198	204
11.9 Total personnel compensation.....	18,400	19,421	19,761
12.1 Personnel benefits: Civilian.....	2,362	2,997	4,492
13.0 Benefits for former personnel.....	67	72	72
21.0 Travel and transportation of persons.....	1,131	1,348	1,276
22.0 Transportation of things.....	178	169	160
23.2 Rental payments to others.....	237	252	239
23.3 Communications, utilities, and miscellaneous charges.....	1,704	1,717	1,725
24.0 Printing and reproduction.....	194	183	173
25.0 Other services.....	4,264	4,206	4,170
26.0 Supplies and materials.....	566	543	514
31.0 Equipment.....	904	527	499
43.0 Interest and dividends.....	2		
99.0 Subtotal, direct obligations.....	30,009	31,435	33,081
99.0 Reimbursable obligations.....	33,385	37,730	32,525
99.9 Total obligations.....	63,394	69,165	65,606

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	627	651	651
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	656	681	681
Full-time equivalent of overtime and holiday hours.....	4	4	4
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	190	198	198
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	627	651	651
Full-time equivalent of overtime and holiday hours.....	40	41	41

MARKETING SERVICES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-2500-2-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			—33,081
40.00 Budget authority (appropriation).....			—33,081
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			—33,081
90.00 Outlays.....			—33,081

Legislation will be proposed to finance these activities on a user fee basis.

[PAYMENTS TO STATES AND POSSESSIONS]

[For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$942,000.] (Agriculture, Rural Development, and Related

Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).

Program and Financing (in thousands of dollars)

Identification code	12-2501-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	942	942	
<b>Financing:</b>				
40.00	Budget authority (appropriation)	942	942	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	942	942	
72.40	Obligated balance, start of year	844	749	
74.40	Obligated balance, end of year	-749		
77.00	Adjustments in expired accounts	-103		
90.00	Outlays	934	1,691	

Grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved programs designed to enhance marketing efficiency. Under this activity, specialists have worked with farmers, marketing firms, and other agencies in solving marketing problems and in using research results. Since State agencies are now able to carry on these activities by themselves, no program is being proposed in 1988.

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Program and Financing (in thousands of dollars)

Identification code	12-5070-0-2-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	3,460	4,014	4,240
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-736	-563	-563
24.40	Unobligated balance available, end of year	563	563	563
60.00	Budget authority (appropriation) (permanent, indefinite, special fund)	3,288	4,014	4,240
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	3,460	4,014	4,240
72.10	Receivables in excess of obligations, start of year		-8	-8
72.40	Obligated balance, start of year	242		
74.10	Receivables in excess of obligations, end of year	8	8	8
90.00	Outlays	3,710	4,014	4,240

License fees are deposited in this special fund and are used to meet the costs of administering the Perishable Agricultural Commodities and the Produce Agency Acts (7 U.S.C. 491-497, 499a-499s). The current annual license fee is set at \$216 plus \$108 for each additional business facility operated by the applicant in excess of nine facilities, up to a maximum of \$1,800.

The Acts are intended to assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (a) informal agreements between the two parties, (b) formal decisions involving payment of reparation awards, and/or (c) suspension or revocation of license and/or publication of the facts.

A 1984 amendment to the Perishable Agricultural Commodities Act requires traders to have trust assets on hand to meet their obligations to fruit and vegetable

suppliers. To preserve their trust and establish their rights ahead of other creditors, unpaid suppliers file notice with both the Department and their debtors that payment is due.

Object Classification (in thousands of dollars)

Identification code	12-5070-0-2-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	2,177	2,523	2,542
11.3	Other than full-time permanent	29	20	20
11.5	Other personnel compensation	57	55	56
11.9	Total personnel compensation	2,263	2,598	2,618
12.1	Personnel benefits: Civilian	319	421	558
13.0	Benefits for former personnel	13	15	15
21.0	Travel and transportation of persons	204	230	267
22.0	Transportation of things	16	25	25
23.1	Rental payments to GSA	151	165	172
23.2	Rental payments to others	35	39	41
23.3	Communications, utilities, and miscellaneous charges	136	152	159
24.0	Printing and reproduction	38	41	42
25.0	Other services	233	258	267
26.0	Supplies and materials	33	42	47
31.0	Equipment	18	28	29
99.9	Total obligations	3,460	4,014	4,240

Personnel Summary

Total number of full-time permanent positions	95	99	99
Total compensable workyears:			
Full-time equivalent employment	93	97	97
Full-time equivalent of overtime and holiday hours	2	2	2

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY  
(SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$7,147,000 \$7,704,000 for formulation and administration of Marketing Agreements and Orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-5209-0-2-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Commodity program payments:</b>				
00.01	Child nutrition program purchases	344,350	350,900	350,900
00.02	Emergency surplus removal	44,122	7,300	
00.91	Subtotal	388,472	358,200	350,900
01.01	Administrative expenses	8,150	10,349	10,755
01.92	Total direct program	396,622	368,549	361,655
02.01	Reimbursable program	285	291	291
10.00	Total obligations	396,907	368,840	361,946
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-285	-291	-291
21.40	Unobligated balance available, start of year	-178,830	-158,931	-224,667
24.40	Unobligated balance available, end of year	158,931	224,667	225,000
39.00	Budget authority	376,723	434,285	361,988
<b>Budget authority:</b>				
60.00	Appropriation (permanent, indefinite, special fund)	3,692,022	3,787,648	3,788,000

General and special funds—Continued

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY  
(SECTION 32)—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-5209-0-2-605	1986 actual	1987 est.	1988 est.
61.00	Transferred to other accounts.....	-3,315,299	-3,353,363	-3,426,012
63.00	<b>Appropriation (adjusted).....</b>	<b>376,723</b>	<b>434,285</b>	<b>361,988</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	396,622	368,549	361,655
72.10	Receivables in excess of obligations, start of year.....	-956		
72.40	Obligated balance, start of year.....		36,007	36,007
74.40	Obligated balance, end of year.....	-36,007	-36,007	-36,007
90.00	Outlays.....	359,658	368,549	361,655

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	376,723	434,285	361,988
Outlays.....	359,658	368,549	361,655
Proposed for later transmittal under proposed legislation:			
Budget authority.....			
Outlays.....			-7,704
Total:			
Budget authority.....	376,723	434,285	361,988
Outlays.....	359,658	368,549	353,951

Under section 32 of the act of August 24, 1935, as amended (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each calendar year is automatically appropriated for expanding outlets for nonbasic commodities. An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of Commerce. Most of the funds are transferred to the Food and Nutrition Service and are used to purchase commodities under section 6 of the National School Lunch Act and other authorities specified in the child nutrition appropriation. If unforeseen commodity surpluses should develop, unobligated reserve balances are available for surplus removal.

Object Classification (in thousands of dollars)

Identification code	12-5209-0-2-605	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	3,967	5,133	5,170
11.3	Other than full-time permanent.....	98	85	86
11.5	Other personnel compensation.....	97	21	21
11.9	Total personnel compensation.....	4,162	5,239	5,277
12.1	Personnel benefits: Civilian.....	510	730	995
13.0	Benefits for former personnel.....	8	8	8
21.0	Travel and transportation of persons.....	206	232	261
22.0	Transportation of things.....	65	73	73
22.0	Transportation of things: Commodities.....	19,560	18,036	17,668
23.1	Rental payments to GSA.....	298	426	437
23.2	Rental payments to others.....	15	34	34
23.3	Communications, utilities, and miscellaneous charges... ..	316	432	448
24.0	Printing and reproduction.....	401	610	636
25.0	Other services.....	2,016	2,348	2,366
25.0	Other services: Commodities.....	753	694	680
26.0	Supplies and materials.....	55	86	87
26.0	Supplies and materials: Grants of commodities to States.....	368,159	339,470	332,552
31.0	Equipment.....	97	131	133
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	396,622	368,549	361,655

99.0	Reimbursable obligations.....	285	291	291
99.9	Total obligations.....	396,907	368,840	361,946

Personnel Summary

Direct:				
Total number of full-time permanent positions.....	134	151	151	
Total compensable workyears:				
Full-time equivalent employment.....	124	147	147	
Full-time equivalent of overtime and holiday hours.....	2			
Reimbursable:				
Total compensable workyears: Full-time equivalent employment.....	6	6	6	

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY  
(SECTION 32)

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-5209-2-2-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
01.01	Direct program: Administrative expenses.....			-7,704
02.01	Reimbursable program.....			-90
10.00	Total obligations.....			-7,794
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....			90
24.40	Unobligated balance available, end of year.....			7,704
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			-7,704
90.00	Outlays.....			-7,704

Legislation will be proposed to finance the Federal administration of Marketing Agreements and Orders on a user fee basis, with collections reflected in the Marketing Services account.

Object Classification (in thousands of dollars)

Identification code	12-5209-2-2-605	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....			-4,411
11.3	Other than full-time permanent.....			-84
11.5	Other personnel compensation.....			-14
11.9	Total personnel compensation.....			-4,509
12.1	Personnel benefits: Civilian.....			-858
13.0	Benefits for former personnel.....			-6
21.0	Travel and transportation of persons.....			-245
22.0	Transportation of things.....			-73
23.1	Rental payments to GSA.....			-409
23.2	Rental payments to others.....			-14
23.3	Communications, utilities, and miscellaneous charges... ..			-353
24.0	Printing and reproduction.....			-605
25.0	Other services.....			-488
26.0	Supplies and materials.....			-59
31.0	Equipment.....			-85
99.0	Subtotal, direct obligations.....			-7,704
99.0	Reimbursable obligations.....			-90
99.9	Total obligations.....			-7,794

**Trust Funds**  
**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	12-9972-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Expenses and refunds, inspection and grading of farm products:				
00.01	Dairy products.....	9,131	12,002	11,422
00.02	Fruits and vegetables.....	31,978	37,000	34,155
00.03	Meat grading.....	20,790	21,155	20,258
00.04	Poultry products.....	18,253	19,798	18,326
00.05	Miscellaneous agricultural commodities.....	450	310	259
00.11	Price support assessments.....	417	1,616	1,559
10.00	Total obligations.....	81,019	91,881	85,979
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-8,039	-9,654	.....
24.40	Unobligated balance available, end of year.....	9,654	.....	.....
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>82,633</b>	<b>82,227</b>	<b>85,979</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	81,019	91,881	85,979
72.10	Receivables in excess of obligations, start of year.....	-6,018	-13,072	-13,072
74.10	Receivables in excess of obligations, end of year.....	13,072	13,072	13,072
90.00	Outlays.....	88,072	91,881	85,979

*Expenses and refunds, inspection and grading of farm products.*—The commodity inspection and grading programs provide grading, examination, and certification services for a wide variety of fresh and processed food commodities using federally approved grade standards and purchase specifications. Commodities graded include poultry, livestock, meat, dairy products, and fresh and processed fruits and vegetables. These programs use official grade standards which reflect the relative quality of a particular food commodity based on laboratory testing and characteristics such as taste, color, weight and physical condition. Producers voluntarily request grading and certification services which are provided on a fee for service basis.

	1986 actual	1987 est.	1988 est.
Cottonseed grade certificates issued (in thousands).....	35	30	30
Livestock graded (million pounds).....	209	184	184
Poultry products graded (includes rabbits—million pounds).....	13,580	14,320	14,840
Shell eggs graded (million dozens).....	1,758	1,725	1,690
Poultry accepted (million pounds).....	686	820	860
Eggs accepted (million dozens).....	452	440	430
Meat graded (million pounds).....	13,071	13,000	13,000
Meat accepted (million pounds).....	900	800	800
Processed fruits and vegetables inspected (million pounds).....	14,893	14,900	14,900
Fresh fruits and vegetables inspected (million pounds).....	69,000	71,500	72,300
Dairy products graded (million pounds).....	4,730	4,208	4,208
Market reports issued (in thousands).....	2,338	2,384	2,422

**Object Classification (in thousands of dollars)**

Identification code	12-9972-0-7-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	41,424	43,236	43,554
11.3	Other than full-time permanent.....	5,090	5,076	5,113
11.5	Other personnel compensation.....	6,317	6,701	6,750
11.9	Total personnel compensation.....	52,831	55,013	55,417
12.1	Personnel benefits: Civilian.....	6,990	7,977	10,072
13.0	Benefits for former personnel.....	619	643	663
21.0	Travel and transportation of persons.....	5,070	5,206	5,953
22.0	Transportation of things.....	296	269	273
23.1	Rental payments to GSA.....	1,233	1,317	1,341
23.2	Rental payments to others.....	289	314	355
23.3	Communications, utilities, and miscellaneous charges.....	1,532	1,740	1,789
24.0	Printing and reproduction.....	505	534	549
25.0	Other services.....	6,908	7,871	8,185
26.0	Supplies and materials.....	696	807	833

31.0	Equipment.....	373	536	549
33.0	Investments and loans.....	3,676	9,654	.....
99.9	Total obligations.....	81,019	91,881	85,979

**Personnel Summary**

Total number of full-time permanent positions.....	1,699	1,711	1,690
Total compensable workyears:			
Full-time equivalent employment.....	1,946	1,950	1,929
Full-time equivalent of overtime and holiday hours.....	167	183	183

**MILK MARKET ORDERS ASSESSMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	12-8412-0-8-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Administration.....	28,393	30,195	30,195
00.02	Marketing service.....	4,243	4,915	4,915
10.00	Total obligations.....	32,636	35,110	35,110
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Administration.....	-24,849	-28,491	-28,491
14.00	Marketing service.....	-4,045	-4,844	-4,844
14.00	Interest.....	-1,775	-1,775	-1,775
21.98	Unobligated balance available, start of year: Fund balance.....	-24,032	-22,065	-22,065
24.98	Unobligated balance available, end of year: Fund balance.....	22,065	22,065	22,065
39.00	<b>Budget authority.....</b>	.....	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,967	.....	.....
72.10	Receivables in excess of obligations, start of year.....	-1,432	.....	-1,584
72.98	Obligated balance, start of year: Fund balance.....	.....	535	.....
74.10	Receivables in excess of obligations, end of year.....	.....	1,584	1,584
74.98	Obligated balance, end of year: Fund balance.....	-535	.....	.....
90.00	Outlays.....	.....	2,119	.....

Note.—The administration fund totals are comprised of 44 separate independent order accounts in 1986. The Marketing Service fund totals are comprised of 35 separate independent order accounts in 1986.

The Secretary of Agriculture is authorized by the Agricultural Marketing Agreement Act of 1937, as amended—under certain conditions—to issue Federal milk marketing orders establishing minimum prices which handlers are required to pay for milk purchased from producers.

Market administrators are appointed by the Secretary and are responsible for carrying out the terms of specific marketing orders. Their operating expenses, partly financed by assessments on regulated handlers and partly by deductions from producers, are reported in these schedules. These funds are collected locally, deposited in local banks, and disbursed directly by the market administrator.

The expenses of each local office are met from an administrative fund and a marketing service fund which are prescribed in each order. The administrative fund is derived from prorated handler assessments. The marketing service fund of the individual order provides for the expense of disseminating market information to producers who are not members of a qualified cooperative. It also provides for the verification of the weights, sampling, and testing of milk from these producers. The cost of these services is borne by such producers.

The maximum rates for administrative assessment and for marketing services are set forth in each order and adjustments below these rates are made from time

MILK MARKET ORDERS ASSESSMENT FUND—Continued

to time upon recommendations by the market administrator and upon approval of the Agricultural Marketing Service to provide reserves at about a 6-month operating level. Upon termination of any order, the statute provides for distributing the proceeds from net assets pro rata to contributing handlers or producers as the case may be.

As of October 1, 1986, as required by the Food Security Act of 1985 and the Food Security Improvements Act of 1986, the Agricultural Marketing Service, as agent for the Commodity Credit Corporation, collected over \$287 million by charging 52 cents per hundredweight on all milk produced in the forty-eight contiguous States and marketed by producers for commercial use. These funds were used to partially offset the costs of the Dairy Termination Program.

Milk sold by regulated handlers supplied almost 177 million persons in calendar year 1985.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Administrative fund:			
Revenue .....	24,849	28,491	28,491
Expense .....	28,393	30,195	30,195
Net operating income or loss (-), administrative fund ..	-3,544	-1,704	-1,704
Marketing service fund:			
Revenue .....	4,045	4,844	4,844
Expense .....	4,243	4,915	4,915
Net operating income or loss (-), marketing service fund.....	-198	-71	-71
Net operating income or loss (-), total.....	-3,742	-1,775	-1,775
Nonoperating income:			
Interest revenue .....	1,775	1,775	1,775
Net loss for the year.....	-1,967		

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Cash in banks .....	18,900	18,500	18,884	18,884
U.S. securities (par value) .....	3,700	4,100	1,597	1,597
Accounts receivable, net .....	4,132	1,867	3,986	3,986
Total assets.....	26,732	24,467	24,467	24,467
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	2,700	2,402	2,402	2,402
<b>Government equity:</b>				
Selected equities:				
Unobligated balance (total Government equity) .....	24,032	22,065	22,065	22,065
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....		24,032	22,065	22,065
Net income or loss (-) .....		-1,967		
Total Government equity (end of year) .....		22,065	22,065	22,065

Object Classification (in thousands of dollars)

Identification code 12-8412-0-8-351	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	22,189	23,447	23,447
11.3 Other than full-time permanent .....	130	136	136
11.5 Other personnel compensation .....	15	15	15
Total personnel compensation.....	22,334	23,598	23,598
12.1 Personnel benefits: Civilian.....	2,614	3,047	3,047
21.0 Travel and transportation of persons.....	2,082	2,175	2,175
23.2 Rental payments to others .....	1,732	2,032	2,032
23.3 Communications, utilities, and miscellaneous charges.....	1,517	1,781	1,781
25.0 Other services .....	236	261	261
26.0 Supplies and materials.....	847	885	885
31.0 Equipment .....	1,274	1,331	1,331
99.9 Total obligations.....	32,636	35,110	35,110

Personnel Summary <sup>1</sup>

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	616	621	621
Total compensable workyears: Full-time equivalent employment .....	602	604	604

<sup>1</sup> Excludes New York-New Jersey order operated under Federal and State orders.

OFFICE OF TRANSPORTATION

Federal Funds

General and special funds:

OFFICE OF TRANSPORTATION

For necessary expenses to carry on services related to agricultural transportation programs as authorized by law; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$20,000 for employment under 5 U.S.C. 3109, **[\$2,340,000] \$1,372,000: Provided,** That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (7 U.S.C. 1291, 1621-27; 49 U.S.C. 1653; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-2800-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	2,260	2,419	1,372
01.01 Reimbursable program .....	11	20	
10.00 Total obligations.....	2,270	2,439	1,372
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-11	-20	
25.00 Unobligated balance lapsing .....	86		
39.00 Budget authority .....	2,346	2,419	1,372
<b>Budget authority:</b>			
40.00 Appropriation .....	2,346	2,340	1,372
<b>Transfers in for:</b>			
46.20 Civilian pay raises.....		45	
46.40 Retirement contributions (P.L. 99-335) .....		34	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,260	2,419	1,372
72.40 Obligated balance, start of year .....	445	350	388
74.40 Obligated balance, end of year .....	-350	-388	-388
77.00 Adjustments in expired accounts.....	-122		
89.00 Outlays.....	2,233	2,381	1,372
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	2,233	2,303	1,371
91.20 Outlays from civilian pay raise supplemental.....		44	1
91.40 Outlays from retirement contribution supplemental .....		34	

The principal purpose of the Office of Transportation is to facilitate an efficient domestic and international transportation system for U.S. agricultural products. This is done by providing assistance to exporters and firms by helping to solve international transportation problems relating to agriculture; assisting agricultural shippers and carriers in the new deregulation environment; and providing technical assistance to producers, producer groups, and rural communities to help them solve specific transport problems. Because the process of deregulation of the transportation industry is virtually complete, this program is proposed for termination at the end of fiscal year 1988.

**Object Classification** (in thousands of dollars)

Identification code 12-2800-0-1-352	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent	1,635	1,791	876
11.3 Other than full-time permanent	6		
11.5 Other personnel compensation	22		
11.9 Total personnel compensation	1,663	1,791	876
12.1 Personnel benefits: Civilian	169	219	91
13.0 Benefits for former personnel			202
21.0 Travel and transportation of persons	46	42	15
23.3 Communications, utilities, and miscellaneous charges	69	79	59
24.0 Printing and reproduction	11	11	
25.0 Other services	254	241	124
26.0 Supplies and materials	30	23	5
31.0 Equipment	18	13	
99.0 Subtotal, direct obligations	2,260	2,419	1,372
99.0 Reimbursable obligations	11	20	
99.9 Total obligations	2,270	2,439	1,372

**Personnel Summary**

Total number of full-time permanent positions	49	49	
Total compensable workyears: Full-time equivalent employment	41	49	25

**FOOD SAFETY AND INSPECTION SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, and the Poultry Products Inspection Act, as amended, **[\$361,400,000]** \$397,130,000: *Provided*, That this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building. (7 U.S.C. 450, 1901-06; 10 U.S.C. 2306; 18 U.S.C. 1114; 21 U.S.C. 451-470, 601-624, 641-645, 661, 671-680, 691-692, 694-695; Public Law 99-641; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing** (in thousands of dollars)

Identification code 12-3700-0-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program	355,728	373,969	397,130
01.01 Reimbursable program	41,465	42,000	43,000
10.00 Total obligations	397,193	415,969	440,130

<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-908	-950	-950
14.00 Non-Federal sources	-40,557	-41,050	-42,050
21.40 Unobligated balance available, start of year	-110		
25.00 Unobligated balance lapsing	293		
39.00 Budget authority	355,911	373,969	397,130
<b>Budget authority:</b>			
40.00 Appropriation	355,911	361,400	397,130
<b>Transfers in for:</b>			
46.20 Civilian pay raises		7,996	
46.40 Retirement contributions (P.L. 99-335)		4,573	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	355,728	373,969	397,130
72.40 Obligated balance, start of year	23,907	33,670	34,577
74.40 Obligated balance, end of year	-33,670	-34,577	-33,670
77.00 Adjustments in expired accounts	1,569		
89.00 Outlays	347,534	373,062	398,037
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	347,534	361,400	397,130
91.20 Outlays from civilian pay raise supplemental		7,419	577
91.40 Outlays from retirement contribution supplemental		4,243	330

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	355,911	373,969	397,130
Outlays	347,534	373,062	398,037
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			-397,130
Outlays			-398,037
<b>Total:</b>			
Budget authority	355,911	373,969	
Outlays	347,534	373,062	

The major objectives of the Food Safety and Inspection Service are to assure that meat and poultry products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The Meat and Poultry Inspection program of the Food Safety and Inspection Service provides continuous inplant inspection of all domestic plants preparing meat or poultry products for sale or distribution; reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs.

Legislative changes which will permit collection of user fees to fund FSIS programs and provide for more efficient inspection are included in the 1988 FSIS budget proposal to allow recovery of full program costs.

**FEDERALLY FUNDED INSPECTION ACTIVITIES**

Federally inspected establishments:	1986 actual	1987 est.	1988 est.
Slaughter plants	433	430	430
Processing plants	5,051	5,070	5,090
Combination slaughter and processing plants	1,404	1,390	1,380
Import establishments	214	214	214
<b>Federally inspected production (millions of pounds):</b>			
Meat slaughter	37,042	36,300	36,300
Meat processing	67,000	60,800	60,800
Poultry slaughter	24,273	25,700	26,500
Poultry processing	56,951	61,500	64,000
<b>Import/export activity (millions of pounds):</b>			
Meat and poultry imported	2,437	2,506	2,577
Meat and poultry exported	1,900	2,000	2,100
Imports refused entry	15	15	16
<b>States and territories with cooperative agreements:</b>			
Intrastate inspection	27	27	27
Talmadge-Aiken inspection	21	21	21

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

FEDERALLY FUNDED INSPECTION ACTIVITIES—Continued

Number of slaughter and/or processing plants (excludes exempt plants) .....	3,708	3,700	3,700
Pounds inspected slaughter and processing (millions) .....	2,988	3,000	3,000
Compliance activities:			
Hazardous product detained (millions of pounds) .....	23	9	9
Compliance reviews .....	53,118	53,000	53,000
Detention actions .....	992	1,000	1,000
Laboratory services (samples analyzed):			
Food chemistry .....	77,101	80,000	80,000
Food microbiology .....	15,733	16,000	16,000
Chemical residues .....	37,204	40,000	40,000
Antibiotic residues .....	172,751	175,000	175,000
Pathology samples .....	11,723	8,400	8,400

Object Classification (in thousands of dollars)

Identification code 12-3700-0-1-554	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	225,248	233,905	237,185
11.3 Other than full-time permanent .....	7,722	8,019	9,183
11.5 Other personnel compensation .....	6,940	7,207	7,607
11.9 Total personnel compensation .....	239,910	249,131	253,975
12.1 Personnel benefits: Civilian .....	36,647	43,997	55,506
13.0 Benefits for former personnel .....	1,390	1,411	1,415
21.0 Travel and transportation of persons .....	15,967	18,286	19,644
22.0 Transportation of things .....	965	1,110	1,149
23.3 Communications, utilities, and miscellaneous charges .....	6,521	6,865	7,307
24.0 Printing and reproduction .....	950	1,220	1,480
25.0 Other services .....	13,774	12,627	14,953
26.0 Supplies and materials .....	2,541	2,484	2,615
31.0 Equipment .....	3,188	1,394	2,218
41.0 Grants, subsidies, and contributions .....	33,857	35,425	36,846
42.0 Insurance claims and indemnities .....	18	19	22
99.0 Subtotal, direct obligations .....	355,728	373,969	397,130
99.0 Reimbursable obligations .....	41,465	42,000	43,000
99.9 Total obligations .....	397,193	415,969	440,130

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	9,509	9,509	9,509
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	9,106	9,346	9,347
Full-time equivalent of overtime and holiday hours .....	74	80	80
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	167	167	167
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	164	169	169
Full-time equivalent of overtime and holiday hours .....	869	871	871

FOOD SAFETY AND INSPECTION SERVICE

SALARIES AND EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-3700-2-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			-440,130
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....			950
14.00 Non-Federal sources .....			42,050
40.00 Budget authority (appropriation) .....			-397,130
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-397,130
74.40 Obligated balance, end of year .....			-907
90.00 Outlays .....			-398,037

These schedules reflect proposed legislation to finance this activity on a user fee basis.

Object Classification (in thousands of dollars)

Identification code 12-3700-2-1-554	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....			-237,185
11.3 Other than full-time permanent .....			-9,183
11.5 Other personnel compensation .....			-7,607
11.9 Total personnel compensation .....			-253,975
12.1 Personnel benefits: Civilian .....			-55,506
13.0 Benefits for former personnel .....			-1,415
21.0 Travel and transportation of persons .....			-19,644
22.0 Transportation of things .....			-1,149
23.3 Communications, utilities, and miscellaneous charges .....			-7,307
24.0 Printing and reproduction .....			-1,480
25.0 Other services .....			-14,953
26.0 Supplies and materials .....			-2,615
31.0 Equipment .....			-2,218
41.0 Grants, subsidies, and contributions .....			-36,846
42.0 Insurance claims and indemnities .....			-22
99.0 Subtotal, direct obligations .....			-397,130
99.9 Total obligations .....			-440,130

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Program and Financing (in thousands of dollars)

Identification code 12-8137-0-7-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	822	825	825
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-125	-198	-198
24.40 Unobligated balance available, end of year .....	198	198	198
60.00 Budget authority (appropriation) (permanent, indefinite) .....	895	825	825
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	822	825	825
72.40 Obligated balance, start of year .....	76	96	96
74.40 Obligated balance, end of year .....	-96	-96	-96
90.00 Outlays .....	802	825	825

Under authority of the Agricultural Marketing Act of 1946, Federal meat and poultry inspection services are provided upon request and for a fee in cases where inspection is not mandated by statute. This service includes: certifying products for export beyond the requirements of export certificates; inspecting certain animals and poultry intended for human food, where inspection is not required by statute, such as buffalo, rabbit, and quail; and inspecting products intended for animal consumption.

Object Classification (in thousands of dollars)

Identification code 12-8137-0-7-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	546	542	535
11.3 Other than full-time permanent .....	17	18	18
11.5 Other personnel compensation .....	117	122	125
11.9 Total personnel compensation .....	680	682	678
12.1 Personnel benefits: Civilian .....	85	89	91
13.0 Benefits for former personnel .....	3	3	3
21.0 Travel and transportation of persons .....	8	8	8

23.2	Rental payments to others .....	9	10	10
23.3	Communications, utilities, and miscellaneous charges .....	11	15	16
24.0	Printing and reproduction .....	2	2	2
25.0	Other services .....	22	14	15
26.0	Supplies and materials .....	1	1	1
31.0	Equipment .....	1	1	1
99.9	Total obligations .....	822	825	825

**Personnel Summary**

Total number of full-time permanent positions .....	24	24	24
Total compensable workyears:			
Full-time equivalent employment .....	22	27	27
Full-time equivalent of overtime and holiday hours .....	4	2	2

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows: Office of International Cooperation and Development, "Salaries and expenses."

**FOOD AND NUTRITION SERVICE**

*Federal Funds*

**General and special funds:**

**FOOD PROGRAM ADMINISTRATION**

For necessary administrative expenses of the Domestic Food Programs funded under this Act, **[\$82,578,000] \$87,942,000**; of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code 12-3508-0-1-605	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Child nutrition .....	25,377	27,426	28,444
00.02	Special milk .....	145	149	154
00.03	Supplemental nutrition assistance (WIC) .....	6,420	6,936	7,194
00.04	Food stamp .....	44,704	48,503	50,303
00.05	Food donations .....	1,648	1,780	1,847
00.91	Total direct program .....	78,294	84,794	87,942
01.01	Reimbursable program .....	302	200	200
10.00	Total obligations .....	78,596	84,994	88,142
Financing:				
11.00	Offsetting collections from: Federal funds .....	-302	-200	-200
25.00	Unobligated balance lapsing .....	187		
39.00	Budget authority .....	78,481	84,794	87,942
Budget authority:				
40.00	Appropriation .....	78,481	82,578	87,942
Transfers in for:				
46.20	Civilian pay raises .....		713	
46.40	Retirement contributions (P.L. 99-335) .....		1,503	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	78,294	84,794	87,942
72.40	Obligated balance, start of year .....	7,257	6,646	7,105
74.40	Obligated balance, end of year .....	-6,646	-7,105	-7,342
77.00	Adjustments in expired accounts .....	-1,033		
89.00	Outlays .....	77,872	84,335	87,705
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals .....	77,872	82,231	87,593

91.20	Outlays from civilian pay raise supplemental .....	677	36
91.40	Outlays from retirement contribution supplemental .....	1,427	76

Food program administration funds Federal operating expenses of the Food and Nutrition Service related to administration of child nutrition, special milk, supplemental nutrition assistance for women, infants, and children (WIC), food stamps, and cash and commodity subsidies for selected groups.

**Object Classification (in thousands of dollars)**

Identification code 12-3508-0-1-605	1986 actual	1987 est.	1988 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	58,141	56,519	57,671
11.3	Other than full-time permanent .....	1,296	1,260	1,286
11.5	Other personnel compensation .....	275	267	275
11.9	Total personnel compensation .....	59,712	58,046	59,232
12.1	Personnel benefits: Civilian .....	7,221	8,319	12,294
13.0	Benefits for former personnel .....	81	50	46
21.0	Travel and transportation of persons .....	2,264	3,255	3,255
22.0	Transportation of things .....	62	55	57
23.2	Rental payments to others .....	258	417	436
23.3	Communications, utilities, and miscellaneous charges .....	4,165	4,851	5,027
24.0	Printing and reproduction .....	360	291	302
25.0	Other services .....	3,246	5,049	5,246
26.0	Supplies and materials .....	633	563	584
31.0	Equipment .....	291	3,898	1,463
42.0	Insurance claims and indemnities .....	1		
99.0	Subtotal, direct obligations .....	78,294	84,794	87,942
99.0	Reimbursable obligations .....	302	200	200
99.9	Total obligations .....	78,596	84,994	88,142

**Personnel Summary**

Total number of full-time permanent positions .....	2,078	2,028	1,997
Total compensable workyears:			
Full-time equivalent employment .....	1,980	1,950	1,886
Full-time equivalent of overtime and holiday hours .....	1		

**FOOD STAMP PROGRAM**

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011-2027, 2029), **[\$12,684,665,000] \$11,962,550,000**: *Provided*, That funds provided herein shall remain available through September 30, **[1987] 1988** in accordance with section 18(a) of the Food Stamp Act: *Provided further*, That up to 5 per centum of the foregoing amount may be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That \$345,000,000 of the funds provided herein shall be available only to the extent necessary after the Secretary has employed the regulatory and administrative methods available to him under the law to curtail fraud, waste and abuse in the program: *Provided further*, **[That \$852,750,000 of the foregoing amount shall be available for Nutrition Assistance for Puerto Rico as authorized by 7 U.S.C. 2028] That to be eligible for payment from funds appropriated under this heading, States must submit final claims for State administrative costs, including anti-fraud activity, within 90 days after the close of the fiscal year. Exceptions to these claims submission requirements may be made at the discretion of the Secretary. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).**

General and special funds—Continued

FOOD STAMP PROGRAM—Continued

Program and Financing (in thousands of dollars)

Identification code	12-3505-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Properly issued benefits .....	9,776,232	9,864,292	10,221,707
00.02	Estimated State overissuance .....	850,107	811,349	816,853
00.03	State administration .....	946,953	1,006,000	1,034,948
00.04	Other .....	79,233	111,647	122,042
00.91	Total direct program .....	11,652,525	11,793,288	12,195,550
01.01	Reimbursable program .....	500		
10.00	Total obligations .....	11,653,025	11,793,288	12,195,550
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-500		
14.00	Non-Federal sources .....			-233,000
25.00	Unobligated balance lapsing .....	109,791		
39.00	Budget authority .....	11,762,316	11,793,288	11,962,550
<b>Budget authority:</b>				
40.00	Appropriation .....	11,817,653	11,831,915	11,962,550
41.00	Transferred to other accounts .....	-55,337	-38,627	
43.00	Appropriation (adjusted) .....	11,762,316	11,793,288	11,962,550
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	11,652,525	11,793,288	11,962,550
72.40	Obligated balance, start of year .....	222,587	244,353	154,906
74.40	Obligated balance, end of year .....	-244,353	-154,906	-161,024
77.00	Adjustments in expired accounts .....	-11,320		
90.00	Outlays .....	11,619,439	11,882,735	11,956,432

Note.—Amounts for Nutrition Assistance for Puerto Rico for 1987 are shown under that title. Amounts for 1987 were appropriated under the title Food stamp program.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	11,762,316	11,793,288	11,962,550
Outlays .....	11,619,439	11,882,735	11,956,432
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-278,000
Outlays .....			-277,368
Total:			
Budget authority .....	11,762,316	11,793,288	11,684,550
Outlays .....	11,619,439	11,882,735	11,679,064

The food stamp program increases the food purchasing power of eligible low income households. Participants purchase food at retail stores with food stamp coupons.

Object Classification (in thousands of dollars)

Identification code	12-3505-0-1-605	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
11.1	Personnel compensation: Full-time permanent .....		384	
12.1	Personnel benefits: Civilian .....		45	
21.0	Travel and transportation of persons .....		71	
22.0	Transportation of things .....	2,366	5,111	5,290
24.0	Printing and reproduction .....	22,023	31,684	32,793
25.0	Other services .....	21,471	24,352	23,959
41.0	Grants, subsidies, and contributions .....	11,606,665	11,731,641	12,133,508
99.0	Subtotal, direct obligations .....	11,652,525	11,793,288	12,195,550
99.0	Reimbursable obligations .....	500		
99.9	Total obligations .....	11,653,025	11,793,288	12,195,550

Personnel Summary

Total number of full-time permanent positions .....	15
Total compensable workyears: Full-time equivalent employment .....	15

FOOD STAMP PROGRAM

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	12-3505-2-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Properly issued benefits .....			-3,708
00.02	Estimated State overissuance .....			-11,292
00.03	State administration .....			-263,000
10.00	Total obligations (object class 41.0) .....			-278,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			-278,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....			-278,000
74.40	Obligated balance, end of year .....			632
90.00	Outlays .....			-277,368

Legislation will be proposed to authorize prospective withholding of liabilities incurred by States that issue an excessive amount of benefits erroneously to contain State administrative costs, and to revise the treatment of recipient income from certain sources.

NUTRITION ASSISTANCE FOR PUERTO RICO

For monthly payments to the Commonwealth of Puerto Rico for nutrition assistance, as authorized by 7 U.S.C. 2023, \$825,000,000: Provided, That \$825,000,000 shall be the maximum amount available.

Program and Financing (in thousands of dollars)

Identification code	12-3550-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	820,050	852,750	825,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	820,050	852,750	825,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	820,050	852,750	825,000
72.40	Obligated balance, start of year .....	22,047	18,401	22,598
74.40	Obligated balance, end of year .....	-18,401	-22,598	-21,863
90.00	Outlays .....	823,696	848,553	825,736

Note.—Amounts for 1987 were appropriated under the title Food stamp program.

As a result of the Omnibus Budget Reconciliation Act of 1981, a grant for nutrition assistance was instituted in Puerto Rico. This grant replaced the food stamp program in Puerto Rico, and gave the Commonwealth broad flexibility to establish a food assistance program specifically tailored to the needs of its low-income households.

SPECIAL MILK PROGRAM\*

\*See Part II for additional information.

For necessary expenses, to carry out the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), [\$14,869,000] \$33,974,000, to remain available through September 30, [1988: Provided, That only] 1989. Only final reimbursement claims for milk submitted to State agencies within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary. (Agriculture, Rural Development, and

*Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, Section 101(a.)*

**Program and Financing** (in thousands of dollars)

Identification code 12-3502-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	16,461	16,383	33,974
<b>Financing:</b>			
21.40 Unobligated balance, available, start of year	-6,475	-1,514	
24.40 Unobligated balance available, end of year	1,514		
<b>40.00 Budget authority (appropriation)</b>	<b>11,500</b>	<b>14,869</b>	<b>33,974</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	16,461	16,383	33,974
72.40 Obligated balance, start of year	3,991	4,896	
74.40 Obligated balance, end of year	-4,896		-5,198
77.00 Adjustments in expired accounts	-289		
<b>90.00 Outlays</b>	<b>15,267</b>	<b>21,279</b>	<b>28,776</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	11,500	14,869	33,974
Outlays	15,267	21,279	28,776
Proposed for later transmittal under proposed legislation:			
Budget authority			-33,974
Outlays		-2,204	-29,646
Supplemental under existing legislation:			
Budget authority		3,426	
Outlays		395	3,031
<b>Total:</b>			
Budget authority	11,500	18,295	
Outlays	15,267	19,470	2,161

The program subsidizes schools and institutions that do not participate in other federally funded meal programs for milk served to students, and also subsidizes milk served to students in split session kindergartens who do not have access to the school's meal service program.

**SPECIAL MILK PROGRAM**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 12-3502-2-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-4,911	-31,806
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			-4,911
24.40 Unobligated balance available, end of year		4,911	
25.00 Unobligated balance lapsing			2,743
<b>40.00 Budget authority (appropriation)</b>			<b>-33,974</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-4,911	-31,806
72.40 Obligated balance, start of year			-2,707
74.40 Obligated balance, end of year		2,707	4,867
<b>90.00 Outlays</b>		<b>-2,204</b>	<b>-29,646</b>

Legislation will be proposed to discontinue subsidies to institutions for milk served to non-needy students.

**CHILD NUTRITION PROGRAMS**

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. [1751-1761, 1766 and 1769b]) 1751-1769b, except 1766(i), and the applicable provisions other than sections 3 [and 17], 17, 18, and 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785, and

1788-1789); [\$4,233,617,000,] \$4,475,226,000, to remain available through September 30, [1988] 1989, of which [\$937,680,000] \$1,106,614,000 is hereby appropriated and [\$3,295,937,000] \$3,368,612,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, That, [Of funds provided herein, \$775,281,000 shall be available only to the extent an official budget request is transmitted to the Congress: *Provided further*, That] funds appropriated for the purpose of section 7 of the Child Nutrition Act of 1966 shall be allocated among the States but the distribution of such funds to an individual State is contingent upon that State's agreement to participate in studies and surveys of programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966, when such studies and surveys have been directed by the Congress and requested by the Secretary of Agriculture: *Provided further*, That if the Secretary of Agriculture determines that a State's administration of any program under the National School Lunch Act or the Child Nutrition Act of 1966 (other than section 17), or the regulations issued pursuant to these Acts, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under section 7 of the Child Nutrition Act of 1966 and under section 13(k)(1) of the National School Lunch Act; upon a subsequent determination by the Secretary that the programs are operated in an acceptable manner some or all of the funds withheld may be allocated: [Provided further, That if the funds available for nutrition education and training grants authorized under section 19 of the Child Nutrition Act of 1966, as amended, require a ratable reduction in those grants, the minimum grant for each State shall be \$50,000:] *Provided further*, That only final reimbursement claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps, institutions, and service institutions within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act for meals, supplements, and milk served during any month only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary: *Provided further*, That funds available under this heading for State administrative expenses, together with funds previously obligated for such purpose which remain unobligated by the States at the beginning of fiscal year 1988, shall be deemed to meet the funding level pursuant to section 7 of the Child Nutrition Act of 1966. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

**Program and Financing** (in thousands of dollars)

Identification code 12-3539-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Cash payments to States:			
School lunch:			
00.01 Upper income	255,771	275,477	290,811
00.02 Lower income	237,272	255,575	275,215
00.03 Low income	2,187,993	2,357,133	2,494,423
School Breakfast:			
00.04 Upper income	6,665	9,348	9,846
00.05 Lower income	12,118	14,215	15,371
00.06 Low income	386,091	430,166	454,602
00.07 Child care feeding	475,818	537,174	602,096
00.08 Summer feeding	121,807	128,290	137,649
00.09 State administrative expenses	40,646	51,217	33,814
00.10 Commodity procurement	133,129	127,295	154,314
Nutrition studies and education:			
00.11 Nutrition studies and surveys	2,347	2,470	2,085
00.12 Nutrition education and training	5,000	5,000	5,000
<b>10.00 Total obligations</b>	<b>3,864,657</b>	<b>4,193,360</b>	<b>4,475,226</b>
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-8,390	
24.40 Unobligated balance available, end of year	8,390		
25.00 Unobligated balance lapsing			8,390
<b>39.00 Budget authority</b>	<b>3,873,047</b>	<b>4,193,360</b>	<b>4,475,226</b>

General and special funds—Continued

CHILD NUTRITION PROGRAMS—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 12-3539-0-1-605	1986 actual	1987 est.	1988 est.
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 <b>Appropriation</b> .....	<b>601,455</b>	<b>897,423</b>	<b>1,106,614</b>
<b>Permanent:</b>			
62.00 Transferred from other accounts.....	3,271,592	3,295,937	3,368,612
63.00 <b>Appropriation (adjusted)</b> .....	<b>3,271,592</b>	<b>3,295,937</b>	<b>3,368,612</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,864,657	4,193,360	4,475,226
72.40 Obligated balance, start of year.....	380,817	424,892	419,336
74.40 Obligated balance, end of year.....	-424,892	-419,336	-447,523
77.00 Adjustments in expired accounts.....	-848		
90.00 <b>Outlays</b> .....	<b>3,819,734</b>	<b>4,198,916</b>	<b>4,447,039</b>

Note.—Of the \$775,281 thousand that is available with the transmittal of this budget, the 1987 appropriation shown above reflects a request of \$735,024 thousand.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	3,873,047	4,193,360	4,475,226
Outlays.....	3,819,734	4,198,916	4,447,039
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....		-73,015	-826,014
Outlays.....		-65,714	-750,714
<b>Total:</b>			
Budget authority.....	3,873,047	4,120,345	3,649,212
Outlays.....	3,819,734	4,133,202	3,696,325

The child nutrition programs provide cash and commodity meal subsidies through the school lunch, school breakfast, summer food service and child care food programs. Federal funds are also made available for nutrition studies and State administrative expenses.

Object Classification (in thousands of dollars)

Identification code 12-3539-0-1-605	1986 actual	1987 est.	1988 est.
11.3 Personnel compensation: Other than full-time permanent..	463	463	
12.1 Personnel benefits: Civilian.....	8	46	
21.0 Travel and transportation of persons.....	92	92	
23.3 Communications, utilities, and miscellaneous charges.....	43	43	
25.0 Other services.....	2,713	2,830	2,085
26.0 Supplies and materials (grants of commodities to States).....	133,129	127,295	154,314
41.0 Grants, subsidies, and contributions.....	3,728,209	4,062,591	4,318,827
99.9 <b>Total obligations</b> .....	<b>3,864,657</b>	<b>4,193,360</b>	<b>4,475,226</b>

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	15	15	
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CHILD NUTRITION PROGRAMS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 12-3539-2-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Cash payments to States:</b>			
<b>School Lunch:</b>			
00.01 Upper income.....		-35,812	-290,811
00.02 Lower income.....		-4,534	-32,783
00.03 Low income.....		-31,882	-212,799

<b>School Breakfast:</b>			
00.04 Upper income.....		-1,150	-9,846
00.05 Lower income.....			-612
00.06 Low income.....			-14,886
00.07 Child care feeding.....			-228,535
00.08 Summer feeding.....			-22,227
00.09 State administrative expenses.....			-18,100
00.10 Commodity procurement.....		363	9,585
00.12 Nutrition studies and education: Nutrition education and training.....			-5,000
10.00 <b>Total obligations</b> .....		<b>-73,015</b>	<b>-826,014</b>
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....		<b>-73,015</b>	<b>-826,014</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		-73,015	-826,014
72.40 Obligated balance, start of year.....			-7,301
74.40 Obligated balance, end of year.....		7,301	82,601
90.00 <b>Outlays</b> .....		<b>-65,714</b>	<b>-750,714</b>

Proposed legislation will better target nutrition subsidies to needy students by discontinuing subsidies to institutions for meals served to upper income students. Legislation will also be proposed to lower State administrative expenses and correct inconsistencies among the programs reimbursement rates.

Object Classification (in thousands of dollars)

Identification code 12-3539-2-1-605	1986 actual	1987 est.	1988 est.
26.0 Supplies and materials (grants of commodities to States).....		363	9,585
41.0 Grants, subsidies, and contributions.....		-73,378	-835,599
99.9 <b>Total obligations</b> .....		<b>-73,015</b>	<b>-826,014</b>

【FEEDING PROGRAM】 SUPPLEMENTAL NUTRITION ASSISTANCE FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), [ \$1,663,497,000 ] \$1,687,541,000, to remain available through September 30, [1988: ] 1989. [ Provided, That none of the funds provided herein shall be used to issue interim or final regulations before May 1, 1987, to modify the formula used during fiscal year 1986 to divide funds among State agencies under section 17(i) of such Act to carry out such program, or to implement such regulations before October 1, 1987. ] (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3510-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 <b>Total obligations</b> .....	<b>1,580,306</b>	<b>1,663,551</b>	<b>1,687,541</b>
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-372	-54	
24.40 Unobligated balance available, end of year.....	54		
25.00 Unobligated balance lapsing.....	506		
40.00 <b>Budget authority (appropriation)</b> .....	<b>1,580,494</b>	<b>1,663,497</b>	<b>1,687,541</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,580,306	1,663,551	1,687,541
72.40 Obligated balance, start of year.....	144,203	146,495	108,131
74.40 Obligated balance, end of year.....	-146,495	-108,131	-109,690
77.00 Adjustments in expired accounts.....	-491		
90.00 <b>Outlays</b> .....	<b>1,577,523</b>	<b>1,701,915</b>	<b>1,685,982</b>

Supplemental nutrition assistance for women, infants and children (WIC) gives grants to States for the provision of nutritious foods to low-income pregnant, post-

partum and breastfeeding women, infants and children who are at nutritional risk.

Object Classification (in thousands of dollars)

Identification code 12-3510-0-1-605	1986 actual	1987 est.	1988 est.
25.0 Other services	2,336	2,000	2,100
26.0 Supplies and materials (grants of commodities to States)	116		
41.0 Grants, subsidies, and contributions	1,577,854	1,661,551	1,685,441
99.9 Total obligations	1,580,306	1,663,551	1,687,541

COMMODITY SUPPLEMENTAL FOOD PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), [including not less than \$2,950,000 for the projects in Detroit, New Orleans, and Des Moines, \$41,497,000] \$34,590,000. Provided, That funds provided herein shall remain available through September 30, [1988:] 1989. [Provided further, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.] (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, Section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3512-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	36,909	41,506	34,590
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-141	-9	
24.40 Unobligated balance available, end of year	9		
40.00 Budget authority (appropriation)	36,777	41,497	34,590
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	36,909	41,506	34,590
72.40 Obligated balance, start of year	888	1,803	1,785
74.40 Obligated balance, end of year	-1,803	-1,785	-1,487
90.00 Outlays	35,993	41,524	34,888

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority			
Outlays			
Proposed for later transmittal under proposed legislation:			
Budget authority			
Outlays			
Total:			
Budget authority			
Outlays			

The commodity supplemental food program provides commodity packages to low-income pregnant, postpartum and breastfeeding women, infants and children who are at nutritional risk and to low-income elderly.

Object Classification (in thousands of dollars)

Identification code 12-3512-0-1-605	1986 actual	1987 est.	1988 est.
26.0 Supplies and materials (grants of commodities to States)	29,209	33,111	27,064
41.0 Grants, subsidies and contributions	7,700	8,395	7,526
99.9 Total obligations	36,909	41,506	34,590

Program and Financing (in thousands of dollars)

Identification code 12-3512-2-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Commodity procurement			1,554
00.02 Administrative costs			-1,554
10.00 Total obligations			
<b>Financing:</b>			
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

Proposed legislation would reduce the rate of administrative funds earned from 15 to 5 percent of the value of donated commodities. The additional funds will be made available for foods to support additional low-income participants.

Object Classification (in thousands of dollars)

Identification code 12-3512-2-1-605	1986 actual	1987 est.	1988 est.
26.0 Supplies and materials (grants of commodities to States)			1,554
41.0 Grants, subsidies, and contributions			-1,554
99.9 Total obligations			

[FOOD DONATIONS PROGRAMS] CASH AND COMMODITIES FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)) [and], section 4(b) of the Food Stamp Act (7 U.S.C. 2013), and section 311 of the Older Americans Act of 1965, as amended (42 U.S.C. 303(a)), [\$193,589,000] \$193,203,000. (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 12-3503-0-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Commodities and cash subsidies:</b>			
00.01 Commodities in lieu of food stamps	39,114	40,676	37,088
00.02 Distributing agency administrative costs	14,881	15,756	15,803
00.03 Elderly feeding	139,583	137,157	140,312
10.00 Total obligations	193,578	193,589	193,203
<b>Financing:</b>			
25.00 Unobligated balance lapsing	11		
40.00 Budget authority (appropriation)	193,589	193,589	193,203
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	193,578	193,589	193,203
72.40 Obligated balance, start of year	25,591	37,635	19,786
74.40 Obligated balance, end of year	-37,635	-19,786	-21,171
77.00 Adjustments in expired accounts	1,837		
90.00 Outlays	183,371	211,438	191,818

Commodities and cash subsidies.—

Commodities in lieu of food stamps.—Nutritious commodities for needy persons on Indian reservations and the Island of Palau.

Distributing agency administrative costs.—Payments to assist distributing agencies in meeting the expenses of operating food distribution programs.

Elderly feeding.—Cash and commodity subsidies for meals served to the elderly, regardless of their in-

General and special funds—Continued

**FOOD DONATIONS PROGRAMS** CASH AND COMMODITIES FOR SELECTED GROUPS—Continued

comes, under titles III and VI of the Older Americans Act of 1965.

Object Classification (in thousands of dollars)				
Identification code	12-3503-0-1-605	1986 actual	1987 est.	1988 est.
26.0	Supplies and materials (grants of commodities to States) .....	44,190	48,476	45,688
41.0	Grants, subsidies, and contributions .....	149,388	145,113	147,515
99.9	Total obligations .....	193,578	193,589	193,203

**HUMAN NUTRITION INFORMATION SERVICE**

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to enable the Human Nutrition Information Service to perform applied research and demonstrations relating to human nutrition and consumer use and economics of food utilization, **[\$6,876,000] \$8,704,000: Provided.** That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (7 U.S.C. 3178a; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-3501-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	12,457	6,985	8,704
01.01	Reimbursable program .....	75	75	.....
10.00	Total obligations .....	12,532	7,060	8,704
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-75	-75	.....
25.00	Unobligated balance lapsing .....	444	.....	.....
39.00	Budget authority .....	12,901	6,985	8,704
<b>Budget authority:</b>				
40.00	Appropriation .....	12,901	6,876	8,704
<b>Transfers in for:</b>				
46.20	Civilian pay raises .....	.....	34	.....
46.40	Retirement contributions (P.L. 99-335) .....	.....	75	.....
<b>Relations of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	12,457	6,985	8,704
72.40	Obligated balance, start of year .....	5,076	9,337	9,341
74.40	Obligated balance, end of year .....	-9,337	-9,341	-9,337
77.00	Adjustments in expired accounts .....	-106	.....	.....
89.00	Outlays .....	8,090	6,981	8,708
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals .....	8,090	6,876	8,704
91.20	Outlays from civilian pay raise supplemental .....	.....	32	2
91.40	Outlays from retirement contribution supplemental .....	.....	73	2

The Human Nutrition Information Service plans and conducts nutritional and dietary intake assessment surveys of the total U.S. population and selected groups; provides consultative assistance and sound guidance material to assist people in selecting adequate diets within different budget limitations; maintains and expands the Nutrient Data Bank and revises sections of Agriculture Handbook No. 8, "Composition of Foods"; responds to many different requests for guidance on practical food-related problems as well as on national and international food programs; and conducts nutri-

tion education research and performs technical clearance of nutrition information for the Department.

Object Classification (in thousands of dollars)

Identification code	12-3501-0-1-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	2,298	2,446	2,524
11.3	Other than full-time permanent .....	349	422	436
11.9	Total personnel compensation .....	2,647	2,868	2,960
12.1	Personnel benefits: Civilian .....	301	333	569
21.0	Travel and transportation of persons .....	30	50	50
22.0	Transportation of things .....	3	4	4
23.3	Communications, utilities, and miscellaneous charges .....	90	200	200
24.0	Printing and reproduction .....	251	100	100
25.0	Other services .....	8,597	3,190	4,461
26.0	Supplies and materials .....	56	150	150
31.0	Equipment .....	482	90	210
99.0	Subtotal, direct obligations .....	12,457	6,985	8,704
99.0	Reimbursable obligations .....	75	75	.....
99.9	Total obligations .....	12,532	7,060	8,704

Personnel Summary

Total number of full-time permanent positions .....	74	83	83
Total compensable workyears: Full-time equivalent employment .....	87	95	95

**PACKERS AND STOCKYARDS ADMINISTRATION**

Federal Funds

General and special funds:

PACKERS AND STOCKYARDS ADMINISTRATION

For necessary expenses for administration of the Packers and Stockyards Act, as authorized by law, and for certifying procedures used to protect purchasers of farm products, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$5,000 for employment under 5 U.S.C. 3109, **[\$8,945,000] \$9,423,000.** (7 U.S.C. 181-229; Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code	12-2600-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	8,749	9,159	9,423
<b>Financing:</b>				
22.40	Unobligated balance transferred, net .....	.....	-214	.....
25.00	Unobligated balance lapsing .....	84	.....	.....
40.00	Budget authority (appropriation) .....	8,833	8,945	9,423
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	8,749	9,159	9,423
72.40	Obligated balance, start of year .....	932	1,052	1,052
74.40	Obligated balance, end of year .....	-1,052	-1,052	-1,052
77.00	Adjustments in expired accounts .....	78	.....	.....
90.00	Outlays .....	8,707	9,159	9,423

The goal of this program is to assure the integrity of the livestock, meat, and poultry markets and the marketplace in order to protect producers against unfair, deceptive, or discriminatory practices as well as those that are predatory or monopolistic in nature. Consumers and members of the livestock, poultry, and meat industries are also protected against unfair business practices in the marketing of meat and poultry, and from restrictions on competition which could unduly affect meat and poultry prices. The Agency also carries

out the Secretary's responsibilities under Section 1324 of the Food Security Act of 1985 covering "central filing systems" established by States for pre-notification of security interests against farm products.

**Object Classification** (in thousands of dollars)

Identification code	12-2600-0-1-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	5,829	6,210	6,319
11.3	Other than full-time permanent.....	9	10	10
11.9	Total personnel compensation.....	5,838	6,220	6,329
12.1	Personnel benefits: Civilian.....	934	876	1,212
13.0	Benefits for former personnel.....	14	5	5
21.0	Travel and transportation of persons.....	498	585	575
22.0	Transportation of things.....	106	64	60
23.2	Rental payments to others.....	114	125	130
23.3	Communications, utilities, and miscellaneous charges.....	333	336	340
24.0	Printing and reproduction.....	31	23	23
25.0	Other services.....	612	616	562
26.0	Supplies and materials.....	103	84	87
31.0	Equipment.....	166	225	100
99.9	Total obligations.....	8,749	9,159	9,423

**Personnel Summary**

Total number of full-time permanent positions.....	185	188	188
Total compensable workyears: Full-time equivalent employment.....	183	188	188

**AGRICULTURAL COOPERATIVE SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to carry out the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457), and for activities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and for activities with institutions or organizations throughout the world concerning the development and operation of agricultural cooperatives (7 U.S.C. 3291), [ \$4,469,000; of which \$99,000 shall be available for a field office in Hawaii ] \$3,722,000: *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$15,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 451-457, 1621-1627, 2225, 3291; *Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing** (in thousands of dollars)

Identification code	12-3000-0-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	4,402	4,579	3,722
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	82		
39.00	<b>Budget authority</b> .....	<b>4,484</b>	<b>4,579</b>	<b>3,722</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>4,484</b>	<b>4,469</b>	<b>3,722</b>
<b>Transfers in for:</b>				
46.20	Civilian pay raises.....		64	
46.40	Retirement contributions (P.L. 99-335).....		46	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	4,402	4,579	3,722
72.40	Obligated balance, start of year.....	1,985	2,102	2,215
74.40	Obligated balance, end of year.....	-2,102	-2,215	-2,215
77.00	Adjustments in expired accounts.....	105		
89.00	Outlays.....	4,390	4,466	3,722

Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	4,390	4,358	3,720
91.20	Outlays from civilian pay raise supplemental.....		63	1
91.40	Outlays from retirement contribution supplemental.....		45	1

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested	1986 actual	1987 est.	1988 est.
Budget authority.....	4,484	4,579	3,722
Outlays.....	4,390	4,466	3,722
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			-3,722
Outlays.....			-3,722
<b>Total</b>			
Budget authority.....	4,484	4,579	
Outlays.....	4,390	4,466	

The Agricultural Cooperative Service performs research and provides technical assistance and advice to farmer cooperatives.

The agency's research program includes studies of economic, financial, organizational, managerial, legal, social, and policy related issues that affect cooperatives. Data on membership, business volume, and financial condition are collected to detect changes in the structure, operation, and growth trends of cooperatives.

Technical assistance is provided in response to requests from cooperative boards of directors or steering committees. Such assistance includes feasibility analyses, merger and other organizational studies, strategic assessment and planning, and review of operations.

Educational materials are prepared by ACS to promote the knowledge of cooperative principles and practices.

**Object Classification** (in thousands of dollars)

Identification code	12-3000-0-1-352	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,418	2,489	2,507
11.3	Other than full-time permanent.....	56	36	36
11.5	Other personnel compensation.....	25	37	37
11.9	Total personnel compensation.....	2,499	2,562	2,580
12.1	Personnel benefits: Civilian.....	281	330	455
21.0	Travel and transportation of persons.....	135	170	115
22.0	Transportation of things.....	1		
23.2	Rental payments to others.....	1	2	2
23.3	Communications, utilities, and miscellaneous charges.....	155	162	112
24.0	Printing and reproduction.....	97	133	
25.0	Other services.....	1,066	1,047	383
26.0	Supplies and materials.....	62	68	30
31.0	Equipment.....	106	105	45
99.9	Total obligations.....	4,402	4,579	3,722

**Personnel Summary**

Total number of full-time permanent positions.....	64	64	64
Total compensable workyears: Full-time equivalent employment.....	63	64	64

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code	12-3000-2-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....			

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 12-3000-2-1-352	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....			-3,722
40.00 <b>Budget authority (appropriation)</b> .....			-3,722
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-3,722
90.00 <b>Outlays</b> .....			-3,722

Legislation will be proposed to finance this program on a user charge basis.

**FOREST SERVICE**

*Federal Funds*

**General and special funds:**

**NATIONAL FOREST SYSTEM**

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for repayment of advances made in the preceding fiscal [year] years pursuant to 16 U.S.C. 556d for forest fire [protection] fighting and emergency rehabilitation of National Forest System lands, and [including] for administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", [\$1,158,294,000, of which \$263,323,000 for reforestation and timber stand improvement, cooperative law enforcement, firefighting, and maintenance of forest development roads and trails shall remain available for obligation until September 30, 1988.] \$1,016,417,000, to remain available until expended.

[The Forest Service is to continue to complete as expeditiously as possible development of land and resource management plans to meet the requirements of the National Forest Management Act of 1976 (NFMA). Notwithstanding the date in section 6(c) of the NFMA (16 U.S.C. 1600), the Forest Service may continue the management of units of the National Forest System under existing land and resource management plans pending the completion of plans developed in accordance with the Act. Nothing shall limit judicial review of particular activities on management units of the National Forest System: Provided, however, That there shall be no challenges to any existing plan on the sole basis that the plan in its entirety is outdated: Provided further, That any and all particular activities to be carried out under existing plans may nevertheless be challenged.] (7 U.S.C. 1010-12, 2201, 2250; 16 U.S.C. 472a-583i, 556d, 594, 670o(b), 1601-14; 30 U.S.C. 601-604; 611-614; 43 U.S.C. 1181h-j, 1241-43, 1901-08; Public Law 96-487; Public Law 98-478; Public Law 99-570; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code 12-1106-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Land and resource protection .....	479,970	481,584	413,362
00.02 Renewable resource management and utilization .....	427,860	440,814	378,368
00.03 General administration .....	251,229	263,097	225,827
00.91 Total direct program .....	1,159,059	1,185,495	1,017,557
01.01 Reimbursable program .....	39,086	39,830	35,000
10.00 Total obligations .....	1,198,145	1,225,325	1,052,557
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-33,900	-34,545	-30,355
13.00 Trust funds .....	-5,185	-5,285	-4,645
17.00 Recovery of prior year obligations .....	-1,166		
21.40 Unobligated balance available, start of year .....	-4,746	-4,741	-5,035

22.40 Unobligated balance transferred, net .....		-14,798	
24.40 Unobligated balance available, end of year .....	4,741	5,035	3,895
25.00 Unobligated balance lapsing .....	11,035		
39.00 <b>Budget authority</b> .....	<b>1,168,924</b>	<b>1,170,991</b>	<b>1,016,417</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>1,168,924</b>	<b>1,158,294</b>	<b>1,016,417</b>
<b>Transfers in for:</b>			
46.20 <b>Civilian pay raises</b> .....		<b>2,285</b>	
46.40 <b>Retirement contributions (P.L. 99-335)</b> .....		<b>10,412</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,159,059	1,185,495	1,017,557
72.40 Obligated balance, start of year .....	131,518	144,291	146,139
74.40 Obligated balance, end of year .....	-144,291	-146,139	-142,127
78.00 Adjustments in unexpired accounts .....	-1,166		
89.00 <b>Outlays</b> .....	<b>1,145,120</b>	<b>1,183,647</b>	<b>1,021,569</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	1,145,120	1,171,585	1,020,934
91.20 Outlays from civilian pay raise supplemental .....		2,171	114
91.40 Outlays from retirement contribution supplemental .....		9,891	521

The 156 National Forests, 19 National Grasslands, and 18 land utilization projects located in 44 States, Puerto Rico and the Virgin Islands are managed under multiple use and sustained yield principles. The natural resources of timber, minerals, range, wildlife, outdoor recreation, watershed, and soil are utilized in a planned combination that will best meet the needs of the Nation, without impairing productivity of the land or damaging the environment. These management and utilization principles are recognized in the Multiple-Use Sustained-Yield Act of June 12, 1960 (16 U.S.C. 528-531). Work programs and budget estimates reflect the increased demands for specific National Forest resource needs through 1987 and for long-term objectives for the year 2020. Increases are provided in the budget for further attainment of these program objectives.

**Land and resource protection.**—Provides for the protection and/or maintenance of National Forest System users, resources, lands and facilities, including roads and trails.

**Renewable resource management and utilization.**—Provides for the management and utilization of the timber, mineral, range, recreation, wildlife, watershed, and soil resources on National Forest System lands.

**General administration.**—This activity represents that share of the cost which contributes to the support of programs financed from National forest system, Construction, Forest research, State and private forestry, and Land acquisition appropriations.

For 1988, funding will be reduced because of eliminating resource improvement and investment activities not cost effective and reducing forest fire protection costs.

**MAIN WORKLOAD FACTORS**

Description:	1986 actual	1987 est.	1988 est.
Area administered and protected (million acres) .....	191	191	191
Timber sales prepared and offered (billion board-feet) .....	11.7	11.2	11.1
Timber volume harvested (billion board feet) .....	11.8	11.5	11.2
Reforestation (thousand acres) (appropriated) .....	149	140	85
Timber stand improvement (thousand acres) (appropriated) .....	243	186	134
Minerals management (operating plans) .....	26,635	22,952	23,407
Landline location (miles) .....	4,828	4,717	4,050
Fuel treatment including fuelbreaks (thousand acres) .....	321	286	275
Estimated number of visitor-days to national forests (millions) <sup>1</sup> .....	225.0	227.0	227.0
Wildlife habitat improvement (thousand acres) .....	114	74	65
Grazing use (millions AUM's permitted livestock) .....	10.1	10.1	10.0
Soil and water resource improvement (thousand acres) .....	8.1	6.7	4.4

Receipts (in thousands of dollars):			
<b>National forests fund:</b>			
Timber sales .....	726,046	691,700	751,000
Timber sales betterment .....	151,460	189,000	190,000
Minerals .....	12,280	15,000	16,200
Grazing .....	7,484	7,500	7,500
Recreation admission and user fees .....	30,263	30,826	52,000
Other .....	4,215	5,200	5,550
<b>National grasslands and land utilization:</b>			
Grazing .....	1,131	900	900
Minerals .....	30,664	36,000	40,000
Other .....	592	525	565
Oregon and California grant lands .....	19,130	24,000	24,000
<b>Total receipts .....</b>	<b>983,265</b>	<b>1,000,651</b>	<b>1,087,715</b>

<sup>1</sup> Including wilderness areas.

**Object Classification (In thousands of dollars)**

Identification code	12-1106-0-1-302	1986 actual	1987 est.	1988 est.
<b>FOREST SERVICE</b>				
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	473,211	475,442	422,641
11.3	Other than full-time permanent .....	86,207	86,616	77,026
11.5	Other personnel compensation .....	45,891	46,084	40,977
11.8	Special personal services payments .....	7,707	7,775	6,925
11.9	<b>Total personnel compensation .....</b>	<b>613,016</b>	<b>615,917</b>	<b>547,569</b>
12.1	Personnel benefits: Civilian .....	92,823	93,262	82,913
13.0	Benefits for former personnel .....	10,799	10,850	9,645
21.0	Travel and transportation of persons .....	38,888	41,175	32,866
22.0	Transportation of things .....	11,578	12,259	9,785
23.1	Rental payments to GSA .....	16,762	15,330	17,934
23.2	Rental payments to others .....	15,568	16,484	13,158
23.3	Communications, utilities, and miscellaneous charges .....	43,844	46,423	37,056
24.0	Printing and reproduction .....	4,772	5,053	4,033
25.0	Other services .....	202,514	214,427	171,160
26.0	Supplies and materials .....	56,814	60,155	48,017
31.0	Equipment .....	42,732	45,245	36,115
32.0	Lands and structures .....	5,958	6,308	5,035
41.0	Grants, subsidies, and contributions .....	317	336	268
42.0	Insurance claims and indemnities .....	541	573	457
44.0	Refunds .....	55	58	46
99.0	<b>Subtotal, direct obligations .....</b>	<b>1,156,981</b>	<b>1,183,855</b>	<b>1,016,057</b>
99.0	Reimbursable obligations .....	39,086	39,830	35,000
<b>ALLOCATION ACCOUNTS</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	904	735	704
11.3	Other than full-time permanent .....	441	365	339
11.5	Other personnel compensation .....	5	5	5
11.9	<b>Total personnel compensation .....</b>	<b>1,350</b>	<b>1,105</b>	<b>1,048</b>
12.1	Personnel benefits: Civilian .....	144	120	114
21.0	Travel and transportation of persons .....	277	197	161
22.0	Transportation of things .....	108	77	63
23.2	Rental payments to others .....	5	4	3
23.3	Communications, utilities, and miscellaneous charges .....	4	3	2
25.0	Other services .....	118	82	67
26.0	Supplies and materials .....	53	38	31
31.0	Equipment .....	19	14	11
99.0	<b>Subtotal obligations, allocation accounts .....</b>	<b>2,078</b>	<b>1,640</b>	<b>1,500</b>
99.9	<b>Total obligations .....</b>	<b>1,198,145</b>	<b>1,225,325</b>	<b>1,052,557</b>
<b>Obligations are distributed as follows:</b>				
	National Forest System, Agriculture .....	1,196,067	1,223,685	1,051,057
	Bureau of Land Management, Interior .....	2,078	1,640	1,500

**Personnel Summary**

<b>Direct:</b>			
Total number of permanent positions .....	18,809	18,362	16,673
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	23,702	23,278	21,006
Full-time equivalent of overtime and holiday hours .....	2,307	2,266	2,045
<b>Reimbursable:</b>			
Total number of permanent positions .....	156	152	137

<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	233	228	206
Full-time equivalent of overtime and holiday hours .....	60	59	53

**ALLOCATION ACCOUNTS**

Total number of permanent positions .....	32	25	25
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	34	27	27
Full-time equivalent of overtime and holiday hours .....	1	1	1

**CONSTRUCTION**

For necessary expenses of the Forest Service, not otherwise provided for, for construction, **[\$261,436,000]** \$221,543,000, to remain available until expended, of which **[\$25,632,000]** \$15,894,000 is for construction and acquisition of buildings and other facilities; and **[\$236,104,000]** \$205,649,000 is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That funds becoming available in fiscal year **[1987]** 1988 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States: *Provided further*, That the Forest Service shall achieve a 5 per centum reduction in the average cost per timber road mile as compared to the adjusted fiscal year 1985 average cost by a combination of the following two actions: (1) the application of road construction standards used to construct or reconstruct Forest Service timber roads, purchaser credit roads, or purchaser elect roads, and (2) reducing the direct personnel cost of designing and constructing timber roads to these standards: *Provided further*, That the Forest Service shall take administrative cost saving actions, including reductions in indirect personnel, overhead charges, and productivity improvements, in fiscal year 1987 in a manner so as to achieve a 5 per centum reduction in the average cost per timber road mile as compared to the adjusted fiscal year 1985 average cost: *Provided further*, That such actions shall be taken so as to achieve these 5 per centum reductions in each Forest Service region: *Provided further*, That no more than \$117,799,000, to remain available without fiscal year limitation, shall be obligated for the construction of forest roads by timber purchasers.

*Pursuant to section (b)(2), the Act of December 23, 1980, Public Law 96-581 (94 Stat. 3372), not to exceed \$300,000 from the sale of 18.13 acres to the Flagstaff Medical Regional Center, Flagstaff, Arizona, are hereby appropriated and made available, until expended, to the Forest Service for the specific purpose of contract administration and overruns resulting from the construction of administrative improvements at the Mt. Elden Work Center, Flagstaff, Arizona: Provided*, That the Secretary of Agriculture shall ensure that outlays associated with such action shall not cause the total outlays during fiscal year 1987 from Forest Service land acquisition and construction activities and construction activities in region 3 (including Arizona and New Mexico) to exceed the total that otherwise would have occurred as a result of enactment of this or previous appropriations Acts.

*[There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account), \$9,915,000 to be transferred to the Forest Service for road construction to serve the Mount St. Helens National Volcanic Monument, Washington: Provided*, That the funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except the Federal share of the cost of this project shall be 100 per centum, and such funds shall remain available until expended: *Provided further*, That the foregoing shall not alter the amount of funds or contract authority that would otherwise be available for road construction to serve any State other than the State of Washington.] (7 U.S.C. 2250; 16 U.S.C. 501, 532-538, 555b, 571c, 1241-51, 1601, 1643; 42 U.S.C. 8259; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code	12-1103-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Construction of facilities .....	26,825	33,695	16,243
00.02	Road and trail construction .....	184,113	233,210	210,197

General and special funds—Continued

CONSTRUCTION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	12-1103-0-1-302	1986 actual	1987 est.	1988 est.
00.03	Pollution abatement.....	160	202	165
00.04	Land acquisition.....	36	45	37
00.05	Mt. St. Helens timber salvage.....	5	3	2
00.06	Mt. Elden work center.....		300	
00.91	Total direct program.....	211,137	267,455	226,644
01.01	Reimbursable program.....	3,170	4,200	3,500
10.00	Total obligations.....	214,307	271,655	230,144
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-1,318	-1,765	-1,439
14.00	Non-Federal sources.....	-1,852	-2,435	-2,061
21.40	Unobligated balance available, start of year.....	-19,036	-22,553	-16,834
24.40	Unobligated balance available, end of year.....	22,553	16,834	11,733
40.00	Budget authority (appropriation).....	214,654	261,736	221,543
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	211,137	267,455	226,644
72.40	Obligated balance, start of year.....	133,235	91,164	112,370
74.40	Obligated balance, end of year.....	-91,164	-112,370	-105,834
90.00	Outlays.....	253,208	246,249	233,180

Construction of facilities—

**Recreation facilities.**—Provides facilities necessary to safely meet recreation demand without sacrificing environmental values and without unduly impinging upon other resource uses of the National Forests.

**Other facilities.**—Provides for construction and acquisition of fire, administrative, and other improvements and related facilities necessary to carry out National Forest and State and private forestry programs. Includes fire lookouts, offices, dwellings and barracks for employee housing, service, and storage buildings, insectories, tree nursery buildings, dams, and other forest resource management projects. Efforts to make buildings more energy efficient (retrofit) will be continued.

**Research construction.**—Provides for construction, alteration, and improvement of research laboratories and related facilities, and for procurement and installation of necessary initial equipment needed to put the facility into operating condition. Efforts to make research facilities more energy efficient (retrofit) will be continued.

**Mt. Elden Work Center.**—Provides for contract administration and overruns resulting from the construction of administrative improvements at the Mt. Elden Work Center, Flagstaff, Arizona.

Road and trail construction—

**Road and trail construction.**—Roads and trails are essential to the protection and management of the National Forest System, as well as providing access to National Forest System areas for recreation and utilization of their resources. Of the revenues received annually from National Forest activities, 10 percent is being transferred to the General Fund with a comparable amount appropriated to the construction program for road and trail construction activities.

**Timber purchaser construction.**—Roads may be constructed and/or reconstructed by a timber purchaser who in turn receives credit against timber value as a reimbursement. These roads are those required

within a timber sale area specifically for the removal of the timber, but which will remain on the National Forest development road system for resource management purposes after the timber sale contract is completed. (16 U.S.C. 535, 1608.)

For 1988, construction will be reduced by eliminating all new facility construction and reducing road construction slightly.

Object Classification (in thousands of dollars)

Identification code	12-1103-0-1-302	1986 actual	1987 est.	1988 est.
<b>FOREST SERVICE</b>				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	81,506	90,890	83,821
11.3	Other than full-time permanent.....	8,178	9,099	8,375
11.5	Other personnel compensation.....	1,210	1,346	1,263
11.8	Special personal services payments.....	68	88	75
11.9	Total personnel compensation.....	90,962	101,423	93,534
12.1	Personnel benefits: Civilian.....	12,779	14,249	13,141
13.0	Benefits for former personnel.....	984	1,097	1,012
21.0	Travel and transportation of persons.....	3,079	4,457	3,487
22.0	Transportation of things.....	1,202	1,740	1,361
23.1	Rental payments to GSA.....	2,970	2,745	3,204
23.2	Rental payments to others.....	2,304	3,335	2,609
23.3	Communications, utilities, and miscellaneous charges.....	3,711	5,371	4,202
24.0	Printing and reproduction.....	688	996	779
25.0	Other services.....	42,429	61,414	48,054
26.0	Supplies and materials.....	6,854	9,921	7,762
31.0	Equipment.....	7,017	10,157	7,947
32.0	Lands and structures.....	34,104	49,363	38,624
41.0	Grants, subsidies, and contributions.....	2	3	2
42.0	Insurance claims and indemnities.....	499	722	565
44.0	Refunds.....	319	462	361
99.0	Subtotal, direct obligations.....	209,903	267,455	226,644
99.0	Reimbursable obligations.....	3,170	4,200	3,500
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>				
11.1	Personnel compensation: Full-time permanent.....	351		
12.1	Personnel benefits: Civilian.....	31		
21.0	Travel and transportation of persons.....	84		
22.0	Transportation of things.....	20		
23.3	Communications, utilities and miscellaneous charges.....	7		
24.0	Printing and reproduction.....	10		
25.0	Other services.....	330		
26.0	Supplies and materials.....	8		
31.0	Equipment.....	1		
32.0	Lands and structures.....	392		
99.0	Subtotal, obligations, Federal Highway Administration.....	1,234		
99.9	Total obligations.....	214,307	271,655	230,144

Personnel Summary

FOREST SERVICE			
Direct:			
Total number of full-time permanent positions.....	3,076	3,349	3,128
Total compensable workyears:			
Full-time equivalent employment.....	3,447	3,778	3,505
Full-time equivalent of overtime and holiday hours.....	39	42	39
Reimbursable:			
Total number of full-time permanent positions.....	38	41	39
Total compensable workyears:			
Full-time equivalent employment.....	53	57	53
Full-time equivalent of overtime and holiday hours.....	2	2	2
FEDERAL HIGHWAY ADMINISTRATION			
Total number of full-time permanent positions.....	10		
Total compensable workyears:			
Full-time equivalent employment.....	11		
Full-time equivalent of overtime and holiday hours.....	1		

FOREST RESEARCH

For necessary expenses of forest research as authorized by law, **[\$128,882,000] \$122,212,000.** [of which \$6,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307.] (16 U.S.C. 1601-10, 1641-47; Public Law 95-495; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 12-1104-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Fire and atmospheric sciences research.....	8,306	8,237	8,336
00.02 Forest insect and disease research.....	20,136	22,009	21,028
00.03 Forest inventory and analysis research.....	15,422	17,732	16,805
00.04 Renewable resources economics research.....	4,329	4,477	4,648
00.05 Timber management research.....	22,040	23,845	23,681
00.06 Watershed management and rehabilitation research.....	14,221	16,488	15,628
00.07 Wildlife, range and fish habitat research.....	9,292	11,759	11,459
00.08 Forest recreation research.....	2,017	2,427	2,427
00.09 Forest products and harvesting research.....	17,554	18,789	18,200
00.91 Total direct program.....	113,317	125,763	122,212
01.01 Reimbursable program.....	9,057	11,300	8,300
10.00 Total obligations.....	122,374	137,063	130,512
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-8,045	-10,035	-7,371
14.00 Non-Federal sources.....	-1,012	-1,265	-929
22.40 Unobligated balance transferred, net.....		-1,381	
25.00 Unobligated balance lapsing.....	304		
39.00 Budget authority.....	113,621	124,382	122,212
Budget authority:			
40.00 Appropriation.....	120,127	128,882	122,212
41.00 Transferred to other accounts.....	-6,506	-4,500	
43.00 Appropriation (adjusted).....	113,621	124,382	122,212
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	113,317	125,763	122,212
72.40 Obligated balance, start of year.....	21,348	22,198	24,340
74.40 Obligated balance, end of year.....	-22,198	-24,340	-23,995
90.00 Outlays.....	112,468	123,621	122,557

Research is conducted and disseminated through eight regional forest experiment stations and the Forest Products Laboratory and includes both in-house and extramural programs.

**Fire and atmospheric sciences research.**—Research is conducted to develop improved methods to prevent and control wildfires; reduce loss of life, property, and forest resources; reduce wind and weather-related losses; and use fire to achieve forest and range objectives.

**Forest insect and disease research.**—Research is conducted to provide technology to optimize productivity, value, and land resource usefulness and to protect wood in use and in storage.

**Forest inventory and analysis research.**—Research is conducted to provide comprehensive, continuing information about forest land resources of the United States.

**Renewable resources economics research.**—Research is conducted to provide economic methodology and analyses for forest and rangeland activities and for related forest product distributed systems.

**Timber management research.**—Research is conducted to develop improved silvicultural alternatives and management guidelines to increase the productivity and

multiple-use benefits of forest lands, maximize tree growth and quality, and maintain land productivity.

**Watershed management and rehabilitation research.**—Research is conducted to provide and test methods for protecting, managing, and improving forest and rangeland watersheds and to rehabilitate lands disturbed by mining.

**Wildlife, range, and fish habitat research.**—Research is conducted to maintain or improve wildlife and fish habitat; increase forage production; improve soil stability and vegetation cover; and integrate wildlife, fish, and livestock with other uses.

**Forest recreation research.**—Research is conducted to provide land managers with the technology for increasing and improving outdoor recreation experiences; and to develop knowledge to manage urban vegetation to obtain optimum benefits.

**Forest products and harvesting research.**—Research is conducted to provide technology to harvest and utilize timber more efficiently and in ways that are environmentally acceptable, to improve the performance of wood products, and to expand opportunities for wood products exports.

For 1988, forest research will be reduced by focusing on basic research thus allowing the private sector to concentrate on developmental and applied research. Competitive research grants will be terminated.

Object Classification (in thousands of dollars)

Identification code 12-1104-0-1-302	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	61,862	66,328	61,995
11.3 Other than full-time permanent.....	6,389	6,851	6,405
11.5 Other personnel compensation.....	235	246	237
11.8 Special personal service payments.....	17	11	11
11.9 Total personnel compensation.....	68,503	73,436	68,648
12.1 Personnel benefits: Civilian.....	8,727	9,164	8,745
13.0 Benefits for former personnel.....	187	196	187
21.0 Travel and transportation of persons.....	2,878	3,770	3,578
22.0 Transportation of things.....	465	609	578
23.1 Rental payments to GSA.....	1,625	1,507	1,760
23.2 Rental payments to others.....	90	118	112
23.3 Communications, utilities, and miscellaneous charges.....	3,539	4,636	4,400
24.0 Printing and reproduction.....	637	834	792
25.0 Other services.....	10,846	14,209	13,488
26.0 Supplies and materials.....	2,823	3,698	3,510
31.0 Equipment.....	4,548	5,959	5,656
32.0 Lands and structures.....	147	193	182
41.0 Grants, subsidies, and contributions.....	8,252	7,370	10,516
42.0 Insurance claims and indemnities.....	8	10	9
44.0 Refunds.....	42	54	51
99.0 Subtotal, direct obligations.....	113,317	125,763	122,212
99.0 Reimbursable obligations.....	9,057	11,300	8,300
99.9 Total obligations.....	122,374	137,063	130,512

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	1,995	2,037	1,985
Total compensable workyears:			
Full-time equivalent employment.....	2,288	2,350	2,276
Full-time equivalent of overtime and holiday hours.....	8	8	8
Reimbursable:			
Total number of full-time permanent positions.....	39	40	39
Total compensable workyears:			
Full-time equivalent employment.....	92	95	91
Full-time equivalent of overtime and holiday hours.....	2	2	2

General and special funds—Continued

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical [and financial] assistance to States, Territories, possessions, and others; and for forest pest management activities, [\$58,946,000] \$35,434,000, to remain available until expended [, to carry out activities authorized in Public Law 95-313: *Provided, That*] as authorized by law, of which a grant of \$2,800,000 shall be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495. (16 U.S.C. 2101-2106, 2109-2111; Public Law 95-495; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 12-1105-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Forest pest management .....	27,487	30,552	28,408
00.02 Fire protection .....	12,221	13,488	4,778
00.03 Forest management and utilization .....	10,013	11,060	.....
00.04 Special projects .....	4,666	4,400	2,800
00.91 Total direct program .....	54,387	59,500	35,986
01.01 Reimbursable program .....	5,615	4,800	2,500
10.00 Total obligations .....	60,002	64,300	38,486
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-5,355	-4,580	-2,365
14.00 Non-Federal sources .....	-260	-220	-135
17.00 Recovery of prior year obligations .....	-228	.....	.....
21.40 Unobligated balance available, start of year .....	-1,506	-2,295	-944
24.40 Unobligated balance available, end of year .....	2,295	944	392
25.00 Unobligated balance lapsing .....	373	.....	.....
39.00 Budget authority .....	55,321	58,149	35,434
Budget authority:			
40.00 Appropriation .....	55,321	58,946	35,434
45.00 Transfers out for pay raises and retirement contributions .....	.....	-797	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	54,387	59,500	35,986
72.40 Obligated balance, start of year .....	19,521	20,023	21,044
74.40 Obligated balance, end of year .....	-20,023	-21,044	-17,405
78.00 Adjustments in unexpired accounts .....	-228	.....	.....
90.00 Outlays .....	53,657	58,479	39,625

Cooperative forestry assistance is provided to all the States, Puerto Rico, Virgin Islands, Guam, the Northern Mariana Islands and the Trust Territory of the Pacific to promote protection and management of forest lands.

**Forest pest management.**—Protects forest resources and processed wood from insects and diseases directly on National Forests and other Federal lands and in cooperation with States on non-Federal lands.

**Fire protection.**—Helps State forestry organizations to achieve fire protection efficiency through activities of national interest on non-Federal wildlands.

**Forest management and utilization.**—Improves management of non-industrial private forest resources; increases wood utilization; increases seedling production and nursery capacity of State tree nurseries; expands State tree improvement programs; and provides management and planning assistance.

**Special projects.**—Assistance will be provided to Minnesota for forestry impacts of the Boundary Waters Canoe Area Wilderness.

For 1988, financial assistance to the States will be terminated and limited technical assistance will be pro-

vided. State forestry programs have matured sufficiently to justify reduced Federal assistance.

MAIN WORKLOAD FACTORS

	1986 actual	1987 est.	1988 est.
Forest land management plans (thousand acres) .....	3,821	3,600	.....
Woodland owners assisted (thousands assisted) .....	138	135	.....
Reforestation (thousand acres) .....	667	750	.....
Timber stand improvement (thousand acres) .....	282	270	.....

Object Classification (in thousands of dollars)

Identification code 12-1105-0-1-302	1986 actual	1987 est.	1988 est.
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FOREST SERVICE

Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	10,475	11,018	9,272
11.3 Other than full-time permanent .....	1,573	1,652	1,446
11.5 Other personnel compensation .....	570	547	426
11.8 Special personal service payments .....	8	8	6
11.9 Total personnel compensation .....	12,626	13,225	11,150
12.1 Personnel benefits: Civilian .....	1,702	1,783	1,503
13.0 Benefits for former personnel .....	342	360	303
21.0 Travel and transportation of persons .....	532	569	846
22.0 Transportation of things .....	162	173	257
23.1 Rental payments to GSA .....	1,578	1,471	988
23.2 Rental payments to others .....	111	119	177
23.3 Communications, utilities, and miscellaneous charges .....	490	524	779
24.0 Printing and reproduction .....	144	154	229
25.0 Other services .....	7,223	7,938	11,798
26.0 Supplies and materials .....	1,793	1,917	2,849
31.0 Equipment .....	644	689	1,024
32.0 Lands and structures .....	541	578	859
41.0 Grants, subsidies, and contributions .....	25,435	29,000	2,300
42.0 Insurance claims and indemnities .....	6	6	9
44.0 Refunds .....	104	111	165
99.0 Subtotal, direct obligations .....	53,433	58,617	35,236
99.0 Reimbursable obligations .....	5,615	4,800	2,500

ALLOCATION TO THE DEPARTMENT OF THE INTERIOR

Personnel compensation:			
11.1 Full-time permanent .....	373	381	244
11.3 Other than full-time permanent .....	220	225	160
11.5 Other personnel compensation .....	24	25	24
11.8 Special personal service payments .....	19	19	19
11.9 Total personnel compensation .....	636	650	447
12.1 Personnel benefits: Civilian .....	62	63	43
21.0 Travel and transportation of persons .....	27	18	28
22.0 Transportation of things .....	46	31	47
23.2 Rental payments to others .....	5	3	5
25.0 Other services .....	114	75	114
26.0 Supplies and materials .....	58	39	60
31.0 Equipment .....	6	4	6
99.0 Subtotal, obligations, Department of the Interior .....	954	883	750
99.9 Total obligations .....	60,002	64,300	38,486

Obligations are distributed as follows:

State and Private Forestry, Agriculture .....	59,048	63,417	37,736
National Park Service, Interior .....	238	364	310
Bureau of Land Management, Interior .....	238	171	145
U.S. Fish and Wildlife Service, Interior .....	12	30	25
Bureau of Indian Affairs, Interior .....	466	318	270

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	423	432	357
Total compensable workyears:			
Full-time equivalent employment .....	518	532	438
Full-time equivalent of overtime and holiday hours .....	47	48	40
Reimbursable:			
Total number of full-time permanent positions .....	14	14	12
Total compensable workyears:			
Full-time equivalent employment .....	14	14	12
Full-time equivalent of overtime and holiday hours .....	1	1	1

OTHER APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 12-9911-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Acquisition of lands for Winema National Forest, OR.....	219		
00.02 Forest management, protection and utilization.....	660	64	
10.00 Total obligations (object class 32.0).....	879	64	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-469	-64	
24.40 Unobligated balance available, end of year.....	64		
25.00 Unobligated balance restored.....	-474		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	879	64	
72.40 Obligated balance, start of year.....		433	
74.40 Obligated balance, end of year.....	-433		
90.00 Outlays.....	925	497	
Distribution of outlays by account:			
Winema National Forest.....	219		
Youth Conservation Corps.....			
Forest management, protection and utilization.....	706	497	

*Acquisition of lands for Winema National Forest, OR.*—This special account is established for receipt of a donation to the Secretary of Agriculture for acquisition of lands or interests therein within the Winema National Forest.

OPERATION AND MAINTENANCE OF RECREATION FACILITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification Code 12-5072-2-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			50,000
<b>Financing:</b>			
24.40 Unobligated balance available, end of year.....			2,000
40.00 <b>Budget authority (appropriation) (special fund)</b> .....			<b>52,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			50,000
74.40 Obligated balance, end of year.....			-5,280
90.00 Outlays.....			44,720

Outdoor recreation occurs throughout National Forest System lands. Legislation will be proposed to provide for the operation and maintenance of National Forest recreation areas and facilities from recreation receipts. Recreationists who enjoy National Forest System lands will receive direct benefit from the revenues collected. Land and Water Conservation Fund receipts will be used in 1988 to provide time for sufficient funds to accrue.

Object Classification (in thousands of dollars)

Identification code 12-5072-2-2-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			29,772
11.3 Other than full-time permanent.....			3,219
11.5 Other personnel compensation.....			504
11.9 Total personnel compensation.....			33,495
12.1 Personnel benefits: Civilian.....			4,671

13.0 Benefits for former personnel.....			693
21.0 Travel and transportation of persons.....			216
22.0 Transportation of things.....			85
23.2 Rental payments to others.....			128
23.3 Communications, utilities, and miscellaneous charges.....			206
24.0 Printing and reproduction.....			41
25.0 Other services.....			6,101
26.0 Supplies and materials.....			390
31.0 Equipment.....			246
32.0 Lands and structures.....			3,687
42.0 Insurance claims and indemnities.....			32
44.0 Refunds.....			9
99.9 Total obligations.....			50,000

Personnel Summary

Total number of full-time permanent positions.....	1,099
Total compensable workyears:	
Full-time equivalent employment.....	1,235
Full-time equivalent of overtime and holiday hours.....	14

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended [ ], of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements. (43 U.S.C. 1751, 1901-1908; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 12-5207-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	3,670	4,140	3,750
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-8		
21.40 Unobligated balance available, start of year.....	-523	-496	
24.40 Unobligated balance available, end of year.....	496		
40.00 <b>Budget authority (appropriation) (indefinite).....</b>	<b>3,635</b>	<b>3,644</b>	<b>3,750</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,670	4,140	3,750
72.40 Obligated balance, start of year.....	1,018	993	1,491
74.40 Obligated balance, end of year.....	-993	-1,491	-1,512
78.00 Adjustments in unexpired accounts.....	-8		
90.00 Outlays.....	3,686	3,642	3,729

Fifty percent of the grazing fees from the National Forests in the 16 western States, once appropriated, are used to protect and improve the productivity of the range, mainly by revegetation, construction, and maintenance of improvements. Capital improvement funding is currently being collected under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

Object Classification (in thousands of dollars)

Identification code 12-5207-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	675	693	680
11.3 Other than full-time permanent.....	630	645	634
11.5 Other personnel compensation.....	67	71	67
11.8 Special personal service payments.....	28	35	42
11.9 Total personnel compensation.....	1,400	1,444	1,423
12.1 Personnel benefits: Civilian.....	151	156	154
13.0 Benefits for former personnel.....	19	20	20

General and special funds—Continued

RANGE BETTERMENT FUND—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	12-5207-0-2-302	1986 actual	1987 est.	1988 est.
21.0	Travel and transportation of persons.....	21	27	22
22.0	Transportation of things.....	36	46	38
23.1	Rental payments to GSA.....	1	1	1
23.2	Rental payments to others.....	1	1	1
23.3	Communications, utilities, and miscellaneous charges.....	16	20	16
24.0	Printing and reproduction.....	7	9	7
25.0	Other services.....	603	768	632
26.0	Supplies and materials.....	1,248	1,436	1,261
31.0	Equipment.....	45	57	47
32.0	Lands and structures.....	121	154	127
42.0	Insurance claims and indemnities.....	1	1	1
99.9	Total obligations.....	3,670	4,140	3,750

Personnel Summary

Total number of full-time permanent positions.....	29	29	29
Total compensable workyears:			
Full-time equivalent employment.....	74	74	74
Full-time equivalent of overtime and holiday hours.....	3	3	3

LAND ACQUISITION\*

\*See Part II for additional information.

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, **[\$49,236,000]** \$3,907,000, to be derived from the Land and Water Conservation Fund, [and \$3,000,000 for acquisition of land and interests therein in the Columbia River Gorge, Oregon and Washington, as depicted on a map entitled "Columbia Gorge Acquisitions—1986" on file with the Forest Service, pursuant to the Department of Agriculture Organic Act of 1956 (7 U.S.C. 428(a)),] to remain available until expended. (16 U.S.C. 4601, 516-517a, 555a; Public Law 96-586; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	12-5004-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Land acquisition.....	40,969	60,000	8,500
00.02	Columbia River Gorge.....		3,000	
10.00	Total obligations.....	40,969	63,000	8,500
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-374		
21.40	Unobligated balance available, start of year.....	-60,507	-46,832	-8,998
22.40	Unobligated balance transferred, net.....	4,436	27,070	
24.40	Unobligated balance available, end of year.....	46,832	8,998	4,405
40.00	Budget authority (appropriation).....	31,356	52,236	3,907
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	40,969	63,000	8,500
72.40	Obligated balance, start of year.....	6,149	8,810	30,524
74.40	Obligated balance, end of year.....	-8,810	-30,524	-32,122
78.00	Adjustments in unexpired accounts.....	-374		
90.00	Outlays.....	37,934	41,286	6,902

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	31,356	52,236	3,907
Outlays.....	37,934	41,286	6,902
Rescission proposal:			
Budget authority.....		-42,430	

Outlays.....		-7,883	-25,477
Total:			
Budget authority.....	31,356	9,806	3,907
Outlays.....	37,934	33,403	-18,575

Recreation lands and interests are acquired within areas of the National Forest System, wilderness, wild-life habitat management areas, endangered species and other areas for public outdoor recreation purposes.

The land acquisition program includes a rescission of the fiscal year 1987 congressional increase of \$49 million. The 1988 program will initiate a 3-year moratorium on new land acquisitions, complete purchases already started, and meet the most critical court deficiency awards.

Object Classification (in thousands of dollars)

Identification code	12-5004-0-2-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	2,319	2,339	2,273
11.3	Other than full-time permanent.....	113	116	114
11.5	Other personnel compensation.....	17	17	17
11.9	Total personnel compensation.....	2,449	2,472	2,404
12.1	Personnel benefits: Civilian.....	383	387	376
13.0	Benefits for former personnel.....	6	6	6
21.0	Travel and transportation of persons.....	115	181	129
22.0	Transportation of things.....	15	24	17
23.1	Rental payments to GSA.....	53	48	34
23.2	Rental payments to others.....	52	82	59
23.3	Communications, utilities, and miscellaneous charges.....	62	98	70
24.0	Printing and reproduction.....	2	3	2
25.0	Other services.....	967	1,526	1,089
26.0	Supplies and materials.....	3,788	5,977	4,266
31.0	Equipment.....	29	46	33
32.0	Lands and structures.....	33,034	52,128	
42.0	Insurance claims and indemnities.....	10	16	11
44.0	Refunds.....	4	6	4
99.9	Total obligations.....	40,969	63,000	8,500

Personnel Summary

Total number full-time permanent positions.....	78	77	76
Total compensable workyears:			
Full-time equivalent employment.....	82	81	80
Full-time equivalent of overtime and holiday hours.....	1	1	1

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, [and] Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, \$966,000, to be derived from forest receipts. (49 Stat. 866; 52 Stat. 347; 52 Stat. 1205; 54 Stat. 299; 75 Stat. 699; 79 Stat. 899; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	77	243	243
Receipts.....	424	966	966
Appropriation.....	-744	-966	-966
Unappropriated balance, end of year.....	243	243	243

Program and Financing (in thousands of dollars)

Identification code	12-5208-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Cache National Forest, Utah.....	47	20	20

00.02	Uinta and Wasatch National Forests, Utah .....	30	30	30
00.03	Toiyabe National Forest, Nev. ....	10	10	10
00.04	San Bernardino and Cleveland National Forests, Calif. ....	446	446	446
00.05	Angeles National Forest, Calif. ....	39	260	260
00.06	Cleveland National Forest, Calif. ....	210	200	200
10.00	Total obligations .....	306	966	966
<b>Financing:</b>				
25.00	Unobligated balance lapsing .....	438		
40.00	Budget authority (appropriation) .....	744	966	966
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	306	966	966
72.40	Obligated balance, start of year .....	379	7	29
74.40	Obligated balance, end of year .....	-7	-29	-29
90.00	Outlays .....	678	944	966

On the basis of various public laws and agreements with certain counties in Utah, Nevada, and California, National Forest receipts, including the portions which would normally be paid to the State to benefit county roads and schools, are used by the Federal Government for purchase of privately owned lands within the National Forests boundaries to aid in the control of soil erosion and flood damage.

**Object Classification (in thousands of dollars)**

Identification code	12-5208-0-2-302	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent .....	82	87	91
12.1	Personnel benefits: Civilian .....	10	11	12
21.0	Travel and transportation of persons .....	1	4	4
25.0	Other contractual services .....	4	16	16
26.0	Supplies and materials .....	1	4	4
32.0	Lands and structures .....	208	844	839
99.9	Total obligations .....	306	966	966

**Personnel Summary**

Total number of permanent positions .....	3	3	3
Total compensable workyears: Full-time equivalent employment .....	3	3	3

**ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES**

For acquisition of lands, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code	12-5216-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Acquisition of land:</b>				
00.01	Arizona .....	346	566	238
00.02	California .....		835	250
00.03	Colorado .....		279	480
00.04	Georgia .....	37	30	
00.05	Michigan .....	32		
00.06	Montana .....	48		
00.07	New Mexico .....	5		
00.08	Texas .....		420	230
10.00	Total obligations (object class 32.0) .....	468	2,130	1,198
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-932	-1,550	-314
24.40	Unobligated balance available, end of year .....	1,550	314	106
40.00	Budget authority (appropriation) (indefinite) .....	1,086	895	990

<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	468	2,130	1,198
72.40	Obligated balance, start of year .....	23	369	1,604
74.40	Obligated balance, end of year .....	-369	-1,604	-1,812
90.00	Outlays .....	122	895	990

This is a special account for deposits made by State, county, or municipal governments, public school districts or other public school authorities for cash equalization of certain land exchanges. When appropriated, the funds are used to acquire similar lands suitable for National Forest System purposes in the same State as the National Forest lands conveyed in the land exchange (16 U.S.C. 484a as amended).

**Object Classification (in thousands of dollars)**

Identification code	12-5216-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	26	30	33
11.3	Other than full-time permanent .....	1	1	1
11.9	Total personnel compensation .....	27	31	34
12.1	Personnel benefits: Civilian .....	3	3	3
25.0	Other services .....	54	259	143
26.0	Supplies and materials .....	5	24	13
31.0	Equipment .....	1	5	3
32.0	Lands and structures .....	378	1,808	1,002
99.9	Total obligations .....	468	2,130	1,198

**Personnel Summary**

Total number of permanent positions .....	1	1	1
Total compensable workyears: Full-time equivalent employment .....	1	1	1

**OPERATIONS AND MAINTENANCE OF QUARTERS**

**Program and Financing (in thousands of dollars)**

Identification code	12-5219-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	4,765	6,916	5,500
01.01	Reimbursable program .....	3		
10.00	Total obligations .....	4,768	6,916	5,500
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-3		
21.40	Unobligated balance available, start of year .....	-928	-1,516	
24.40	Unobligated balance available, end of year .....	1,516		
60.00	Budget authority (appropriation) (permanent, indefinite, special fund) .....	5,352	5,400	5,500
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	4,765	6,916	5,500
72.40	Obligated balance, start of year .....	693	764	2,384
74.40	Obligated balance, end of year .....	-764	-2,384	-2,404
90.00	Outlays .....	4,694	5,296	5,480

Quarterly rental deductions are collected from employees occupying Forest Service facilities. Amounts are deposited into a special fund and are available for the maintenance and operation of employee occupied quarters.

**Object Classification (in thousands of dollars)**

Identification code	12-5219-0-2-302	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,282	1,316	1,299

General and special funds—Continued

OPERATIONS AND MAINTENANCE OF QUARTERS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	12-5219-0-2-302	1986 actual	1987 est.	1988 est.
11.3	Positions other than permanent .....	511	526	520
11.5	Other personnel compensation .....	24	26	26
11.8	Special personal services payments .....	1		
11.9	Total personnel compensation .....	1,818	1,868	1,845
12.1	Personnel benefits: Civilian .....	215	221	218
13.0	Benefits for former personnel .....	1	1	1
21.0	Travel and transportation of persons .....	46	81	58
22.0	Transportation of things .....	14	25	18
23.2	Rental payments to others .....	43	76	54
23.3	Communications, utilities, and miscellaneous charges .....	239	422	300
24.0	Printing and reproduction .....	1	2	1
25.0	Other services .....	1,009	1,780	1,267
26.0	Supplies and materials .....	1,154	2,042	1,455
31.0	Equipment .....	125	221	157
32.0	Lands and structures .....	82	145	103
41.0	Grants, subsidies, and contributions .....	1	2	1
42.0	Insurance claims and indemnities .....	2	4	3
44.0	Refunds .....	15	26	19
99.0	Subtotal, direct obligations .....	4,765	6,916	5,500
99.0	Reimbursable obligations .....	3		
99.9	Total obligations .....	4,768	6,916	5,500

Personnel Summary

Total number of full-time permanent positions .....	56	56	56
Total compensable workyears: Full-time equivalent employment .....	81	81	81

FOREST SERVICE PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	12-9922-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Expenses, brush disposal .....	40,942	47,835	48,363
00.02	Licensee programs, Forest Service .....	34	537	542
00.03	Restoration of forest lands and improvements .....	161	250	253
00.04	Timber purchaser roads constructed by Forest Service .....	5,957	18,100	30,330
00.05	Timber salvage sales .....	19,508	26,000	26,286
00.06	Tongass timber supply fund .....	48,627	54,626	55,226
10.00	Total obligations .....	115,229	147,348	161,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-1,481		
21.40	Unobligated balance available, start of year .....	-225,391	-260,240	-236,276
24.40	Unobligated balance available, end of year .....	260,240	236,276	214,965
39.00	Budget authority .....	148,597	123,384	139,689
<b>Budget authority:</b>				
<b>Current:</b>				
45.00	Transfers out for pay raises and retirement contributions .....		-11,900	
<b>Permanent:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite) (special fund) .....	148,597	135,284	139,689
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	115,229	147,348	161,000
72.40	Obligated balance, start of year .....	36,196	37,171	45,705
74.40	Obligated balance, end of year .....	-37,171	-45,705	-68,323
78.00	Adjustments in unexpired accounts .....	-1,481		
90.00	Outlays .....	112,773	138,814	138,382
<b>Distribution of budget authority by account:</b>				
	Expenses, brush disposal .....	52,935	47,835	54,438
	Licensee programs, Forest Service .....	96	100	100
	Restoration of forest lands and improvements .....	176	100	100
	Timber purchaser roads constructed by Forest Service .....	22,911	3,534	21,037
	Timber salvage sales .....	20,677	26,000	18,635
	Tongass timber supply fund .....	51,802	45,815	45,379

Distribution of outlays by account:

Expenses, brush disposal .....	39,889	47,606	54,471
Licensee programs, Forest Service .....	57	100	100
Restoration of forest lands and improvements .....	126	100	100
Timber purchaser roads constructed by Forest Service .....	9,239	17,849	18,953
Timber salvage sales .....	19,040	26,010	19,224
Tongass timber supply fund .....	44,422	47,149	45,534

*Expenses, brush disposal.*—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

*Licensee programs, Forest Service.*—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

*Smokey Bear.*—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

*Woodsy Owl.*—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

*Restoration of forest lands and improvements.*—Funds from claim settlements involving damage to lands or improvements and from forfeiture of deposits and bonds by permittees and timber purchasers are used for the restoration made necessary by the action which led to the settlement of forfeiture (16 U.S.C. 579c).

*Timber purchaser roads constructed by Forest Service.*—Funds from timber receipts for Government constructed permanent roads for purchasers of timber who qualify as small businesses and elect to have the Forest Service construct the roads designated under the timber sale contract where costs exceed \$20,000 (16 U.S.C. 472a(i)).

*Timber salvage sales.*—Funds to begin salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

*Tongass timber supply fund.*—Funds from sales of Alaska timber to maintain the timber supply from the Tongass National Forest at a specified level (16 U.S.C. 539d).

Object Classification (in thousands of dollars)

Identification code	12-9922-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	36,875	35,155	35,413
11.3	Other than full-time permanent .....	10,945	10,442	10,519
11.5	Other personnel compensation .....	3,247	3,016	3,038
11.8	Special personal service payments .....	62	69	70
11.9	Total personnel compensation .....	51,129	48,682	49,040
12.1	Personnel benefits: Civilian .....	9,745	9,279	10,139
13.0	Benefits for former personnel .....	1,727	1,646	1,799
21.0	Travel and transportation of persons .....	3,161	5,351	5,846
22.0	Transportation of things .....	907	1,535	1,677
23.1	Rental payments to GSA .....	1,749	1,618	1,768
23.2	Rental payments to others .....	863	1,461	1,596
23.3	Communications, utilities, and miscellaneous charges .....	2,298	3,890	4,250
24.0	Printing and reproduction .....	270	457	499
25.0	Other services .....	22,343	37,820	41,324
26.0	Supplies and materials .....	4,217	7,138	7,799
31.0	Equipment .....	2,165	3,665	4,004
32.0	Lands and structures .....	14,601	24,715	31,160
41.0	Grants, subsidies, and contributions .....	2	3	3
42.0	Insurance claims and indemnities .....	34	58	63
44.0	Refunds .....	18	30	33
99.9	Total obligations .....	115,229	147,348	161,000

**Personnel Summary**

Total number of full-time permanent positions.....	1,551	1,438	1,375
Total compensable workyears:			
Full-time equivalent employment .....	2,211	2,062	1,961
Full-time equivalent of overtime and holiday hours .....	132	123	117

**FOREST SERVICE PERMANENT APPROPRIATIONS**

**Program and Financing (in thousands of dollars)**

Identification code 12-9921-0-2-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Payment to Minnesota.....	1,401	747	716
00.02 Payments to counties, National Grasslands .....	15,327	9,716	10,366
00.03 Payments to States, National Forest Fund.....	382,759	549,262	285,063
10.00 Total obligations (object class 41.0).....	399,487	559,725	296,145
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1	-285,846	
24.40 Unobligated balance available, end of year.....	285,846		
60.00 Budget authority (appropriation) (permanent, indefinite, special fund).....	685,333	273,879	296,145
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	399,487	559,725	296,145
90.00 Outlays.....	399,487	559,725	296,145
Distribution of budget authority by account:			
Payment to Minnesota.....	2,117	716	716
Payments to counties, National Grasslands .....	19,888	9,356	10,366
Payments to States, National Forest Fund.....	663,328	263,807	285,063
Distribution of outlays by account:			
Payment to Minnesota.....	1,401	1,432	716
Payments to counties, National Grasslands .....	15,327	13,917	10,366
Payments to States, National Forest Fund.....	382,759	544,376	285,063

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	685,333	273,879	296,145
Outlays.....	399,487	559,725	296,145
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-270,089
Outlays.....			-270,089
Total:			
Budget authority .....	685,333	273,879	26,056
Outlays.....	399,487	559,725	26,056

**Payment to Minnesota.**—At the close of each fiscal year the State of Minnesota is paid 0.75 percent of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and St. Louis for distribution to these counties (16 U.S.C. 577g).

**Payments to counties, National Grasslands.**—Of the revenues received from the use of National Grasslands, 25 percent is paid to the counties in which such land is situated for funding local schools and roads (7 U.S.C. 1012).

**Payments to States, National Forest Fund.**—With minor exceptions, 25 percent of the money received from the National Forests, including all the collections under 16 U.S.C. 576b, and all amounts allowed any timber purchaser for construction of roads, is paid to the States for funding local schools and roads of the county in which such forests are situated (16 U.S.C. 500 and 97 Stat. 1123).

**FOREST SERVICE PERMANENT APPROPRIATIONS**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 12-9921-2-2-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.02 Payments to counties, National Grasslands .....			-6,601
00.03 Payments to States, National Forest Fund.....			-263,488
10.00 Total obligations (object class 41.0).....			-270,089
<b>Financing:</b>			
40.00 Budget authority (appropriation) (indefinite, special fund).....			-270,089
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-270,089
90.00 Outlays.....			-270,089

Legislation will be proposed to change the method of calculating the annual payment to the States and counties from National Forest and National Grassland receipts. Under existing legislation, 25 percent of all moneys received from the National Forests and National Grasslands during the fiscal year is paid to the States and counties in which the forests or grasslands are located, for the benefit of public schools and public roads of the county or counties in which such National Forests or National Grasslands are situated. The proposed legislation would make these payments more equitable by first considering Government costs for timber, minerals, range and land management necessary to generate gross timber, mineral, range and land receipts. Recreation receipts would still be shared with the States on a gross basis.

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 12-4605-0-4-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses .....	65,263	64,580	65,644
00.02 Capital investment.....	21,635	29,150	26,891
10.00 Total obligations.....	86,898	93,730	92,535
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-83,837	-82,182	-84,800
14.00 Non-Federal sources.....	-3,223	-3,653	-4,073
21.98 Unobligated balance available, start of year: Fund balance.....	-71,371	-71,533	-63,638
24.98 Unobligated balance available, end of year: Fund balance.....	71,533	63,638	59,976
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-163	7,895	3,662
72.98 Obligated balance, start of year: Fund balance .....	35,905	35,593	43,488
74.98 Obligated balance, end of year: Fund balance.....	-35,593	-43,488	-47,150
90.00 Outlays.....	149		

The Working Capital Fund is a self-sustaining revolving fund which provides services to National Forests, research experiment stations, and when necessary, to other Federal agencies, and as provided by law, to State and private agencies and persons who cooperate with

**Intragovernmental funds—Continued**

**WORKING CAPITAL FUND—Continued**

the Forest Service in fire control and other authorized programs.

The forestry related supply and support services include:

Equipment services which own, operate, maintain, replace, and repair common use motor driven and similar equipment. This equipment is rented to administrative units, that is, National Forests, research experiment stations, and other units, and in some cases to the other agencies, at rates which recover the cost of operation, repair and maintenance, management, and depreciation. The rates also include an increment which provides additional cash which, when added to depreciation earnings and the residual value of equipment, provides sufficient funds to replace the equipment.

Aircraft services which operate, maintain, and repair Forest Service owned aircraft used in fire surveillance and suppression and in other Forest Service programs. The aircraft are rented to National Forests, research experiment stations, and in some cases to other agencies, at rates which recover the cost of depreciation, operation, maintenance, repair, and improvements in the airworthiness of the aircraft. Aircraft replacement costs are financed from either appropriated funds or the Forest Service Working Capital Fund, or a combination of both.

Supply services operate the following common services:

Photo reproduction laboratories which store, reproduce, and supply aerial photographs, aerial maps, and other photographs of National Forest lands. The photographic reproductions are sold to National Forests, experiment stations, and others at cost.

Sign shops which manufacture and supply special signs for the National Forests for use in regulating traffic and as information to the public and other users of the National Forests. The signs are sold to National Forests and experiment stations at cost.

Subsistence which prepare and serve meals to Forest Service crews working in areas where adequate public restaurant facilities are not available.

Seed supply which provides tree seed for direct seeding or sowing in nurseries for the production of trees. Includes purchase or collection of cones, extraction of seeds, cleaning and testing, and storage and delivery. Operates in conjunction with tree nurseries.

Tree nurseries which operate forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to National Forests, State foresters, and other cooperators at cost.

**Object Classification (in thousands of dollars)**

Identification code 12-4605-0-4-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	17,098	17,637	17,137
11.3 Other than full-time permanent.....	5,134	5,286	5,154
11.5 Other personnel compensation.....	559	575	560
11.8 Special personal services payments.....	4	4	4
11.9 Total personnel compensation.....	22,795	23,502	22,855
12.1 Personnel benefits: Civilian.....	2,889	2,979	2,897
13.0 Benefits for former personnel.....	561	579	563
21.0 Travel and transportation of persons.....	507	558	554

22.0	Transportation of things.....	366	403	400
23.1	Rental payments to GSA.....	505	468	545
23.2	Rental payments to others.....	627	690	685
23.3	Communications, utilities, and miscellaneous charges.....	1,370	1,508	1,496
24.0	Printing and reproduction.....	19	21	21
25.0	Other services.....	14,371	15,817	15,691
26.0	Supplies and materials.....	20,857	22,956	22,772
31.0	Equipment.....	21,684	23,867	23,677
32.0	Lands and structures.....	103	113	112
41.0	Grants, subsidies and contributions.....	2	2	2
42.0	Insurance claims and indemnities.....	242	267	265
99.9	Total obligations.....	86,898	93,730	92,535

Note.—Personnel totals are included with personnel totals of all other Forest Service programs.

**Trust Funds**

**REFORESTATION TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-8046-0-7-302	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Direct program.....	30,047	30,007	35,000
01.01	Reimbursable program.....	185		
10.00	Total obligations.....	30,232	30,007	35,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	— 185		
21.40	Unobligated balance available, start of year.....	— 4,749	— 5,007	— 5,000
24.40	Unobligated balance available, end of year.....	5,007	5,000	
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>30,305</b>	<b>30,000</b>	<b>30,000</b>
<b>Relations of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	30,047	30,007	35,000
72.40	Obligated balance, start of year.....			265
74.40	Obligated balance, end of year.....		— 265	— 5,265
90.00	Outlays.....	30,047	29,742	30,000

Amounts from this account are used for reforestation as authorized by 16 U.S.C. 1606a (d) and (e).

**Object Classification (in thousands of dollars)**

Identification code 20-8046-0-7-302	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	12,453	12,733	13,000
11.3	Other than full-time permanent.....	3,390	3,446	3,516
11.5	Other personnel compensation.....	569	582	1,057
11.8	Special personal services payments.....	145	148	157
11.9	Total personnel compensation.....	16,557	16,909	17,730
12.1	Personnel benefits: Civilian.....	1,975	2,019	2,136
13.0	Benefits for former personnel.....	1,269	1,298	1,476
21.0	Travel and transportation of persons.....	117	120	152
22.0	Transportation of things.....	75	77	98
23.1	Rental payments to GSA.....	147	150	154
23.2	Rental payments to others.....	72	67	85
23.3	Communications, utilities, and miscellaneous charges.....	165	172	217
24.0	Printing and reproduction.....	3	3	4
25.0	Other services.....	6,420	5,810	8,663
26.0	Supplies and materials.....	2,412	2,481	3,143
31.0	Equipment.....	290	306	387
32.0	Lands and structures.....	526	574	728
41.0	Grants, subsidies, and contributions.....	3	3	4
42.0	Insurance claims and indemnities.....	16	18	23
99.0	Subtotal, direct obligations.....	30,047	30,007	35,000
99.0	Reimbursable obligations.....	185		
99.9	Total obligations.....	30,232	30,007	35,000

**Personnel Summary**

Total number of full-time permanent positions.....	502	502
Total compensable workyears:		
Full-time equivalent employment .....	725	725
Full-time equivalent of overtime and holiday hours .....	25	25

**ALLOCATIONS AND ALLOTMENTS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations or allotments from other accounts are included in the schedule of the parent appropriations, as follows:

- Agriculture: Agricultural Research Service.
- Soil Conservation Service:
  - Watershed and flood prevention operations.
  - Resource conservation and development.
  - Watershed planning.
  - River basin surveys and investigations.
- Agriculture Stabilization Conservation Service: Conservation reserve.
- Farmers Home Administration: Rural community fire protection grants.
- Treasury: Reforestation trust fund.
- Transportation: Federal Highway Administration, Highway trust fund.
- Labor: Employment and Training Administration, Training and employment services.

**COOPERATIVE WORK TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 12-8028-0-7-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Cooperative work, KV .....	124,007	166,724	208,259
00.02 Cooperative work, other .....	42,089	43,413	51,531
10.00 Total obligations .....	166,096	210,137	259,790
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-6,073		
21.40 Unobligated balance available, start of year .....	-505,303	-547,796	-535,275
24.40 Unobligated balance available, end of year .....	547,796	535,275	525,854
60.00 <b>Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>202,517</b>	<b>197,616</b>	<b>250,369</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	166,096	210,137	259,790
72.40 Obligated balance, start of year .....	-101,700	-70,516	-50,484
74.40 Obligated balance, end of year .....	70,516	50,484	33,256
78.00 Adjustment in unexpired accounts .....	-6,073		
90.00 Outlays .....	128,839	190,105	242,562

Advances, including deposits from purchasers of timber, are received and used for specified work in forest investigations protection, and improvement of the National Forest System, including protection, reforestation, and administration of private lands adjacent to National Forests (7 U.S.C. 2269; 16 U.S.C. 498, 535, 565a, 572, 572a, 576b, 1643; and 31 U.S.C. 1321).

**Object Classification (in thousands of dollars)**

Identification code 12-8028-0-7-302	1985 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	46,712	51,772	60,790
11.3 Other than full-time permanent .....	14,580	16,156	18,984
11.5 Other personnel compensation .....	2,644	2,922	3,444
11.8 Special personal services payment .....	119	134	158
11.9 Total personnel compensation .....	64,055	70,984	83,376
12.1 Personnel benefits: Civilian .....	8,450	9,364	10,999
13.0 Benefits for former personnel .....	2,338	2,591	3,042
21.0 Travel and transportation of persons .....	1,603	2,241	2,862
22.0 Transportation of things .....	1,148	1,605	2,050
23.1 Rental payments to GSA .....	836	773	902
23.2 Rental payments to others .....	1,340	1,874	2,393
23.3 Communications, utilities, and miscellaneous charges .....	3,619	5,060	6,463
24.0 Printing and reproduction .....	140	196	250
25.0 Other services .....	52,462	73,355	93,690
26.0 Supplies and materials .....	16,879	23,601	30,143
31.0 Equipment .....	2,582	3,610	4,611
32.0 Land and structures .....	10,040	14,038	17,929

41.0 Grants, subsidies, and contributions .....	17	24	31
42.0 Insurance claims and indemnities .....	87	122	156
44.0 Refunds .....	500	699	893
99.9 Total obligations .....	166,096	210,137	259,790

**Personnel Summary**

Total number of full-time permanent positions.....	2,019	2,176	2,608
Total compensable workyears:			
Full-time equivalent employment .....	2,898	3,141	3,744
Full-time equivalent of overtime and holiday hours .....	99	107	128

**GIFTS, DONATIONS, AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH**

For expenses authorized by 16 U.S.C. 1643(b), \$90,000 to remain available until expended, to be derived from the fund established pursuant to the above Act. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code 12-8034-0-7-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	8	347	90
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 U.S. securities (par) .....	-53	-57	
21.40 Treasury balance .....	-200	-200	
Unobligated balance available, end of year:			
24.40 U.S. securities (par) .....	57		
24.40 Treasury balance .....	200		
40.00 <b>Budget authority (appropriation) .....</b>	<b>12</b>	<b>90</b>	<b>90</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	8	347	90
72.40 Obligated balance, start of year .....	28	-1	256
74.40 Obligated balance, end of year .....	1	-256	-256
90.00 Outlays .....	37	90	90

This appropriation makes available to the Forest Service all deposits received from gifts and bequests for research to invest and reinvest in public debt securities for forest and rangeland research.

**HIGHWAY CONSTRUCTION: MOUNT ST. HELENS NATIONAL MONUMENT\***

\*See Part II for additional information.

**Program and Financing (in thousands of dollars)**

Identification code 12-8029-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....		9,915	
<b>Financing:</b>			
49.00 <b>Contract authority (appropriations acts) .....</b>		<b>9,915</b>	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		9,915	
72.49 Obligated balance, start of year: Contract authority .....	32		4,323
74.49 Obligated balance, end of year: Contract authority .....		-4,323	-813
90.00 Outlays .....	32	5,592	3,510

HIGHWAY CONSTRUCTION: MOUNT ST. HELENS NATIONAL MONUMENT—Continued

STATUS OF UNFUNDED CONTRACT AUTHORITY

[In thousands of dollars]

Unfunded balance, start of year.....		9,915	
Supplemental request:			
Contract authority.....	9,915		
Appropriation to liquidate contract authority:			
Supplemental request.....	-9,915		
Unfunded balance, end of year.....		9,915	9,915
Supplemental request.....	-9,915		-9,915

In fiscal year 1986, the amounts shown represent Highland Scenic Highway.

Contract authority for Mount St. Helens National Monument was made available by the continuing resolution, Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591. This contract authority will be used to construct a road in the Mount St. Helens National Monument. A supplemental request for an appropriation to liquidate contract authority is contained in Part II of the budget appendix.

Object Classification (in thousands of dollars)

Identification code 12-8029-0-7-401	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....		749	
11.3 Other than full-time permanent.....		92	
11.9 Total personnel compensation.....		841	
12.1 Personnel benefits: Civilian.....		118	
13.0 Benefits for former personnel.....		9	
21.0 Travel and transportation of persons.....		270	
22.0 Transportation of things.....		105	
23.2 Rental payments to others.....		45	
23.3 Communications, utilities, and miscellaneous charges.....		482	
24.0 Printing and reproduction.....		60	
25.0 Other services.....		3,713	
26.0 Supplies and materials.....		600	
31.0 Equipment.....		614	
32.0 Lands and structures.....		2,986	
42.0 Insurance claims and indemnities.....		44	
44.0 Refunds.....		28	
99.9 Total obligations.....		9,915	

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed [245] 186 passenger motor vehicles of which [eight] nine will be used primarily for law enforcement purposes and of which [235] 179 shall be for replacement only, of which acquisition of [148] 157 passenger motor vehicles shall be from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of [58] 50 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of \$400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters, and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

[None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.]

Any appropriations or funds available to the Forest Service may be advanced to the National Forest System appropriation for the emergency rehabilitation of burned-over lands under its jurisdiction.

[Appropriations and funds available to the Forest Service shall be available to comply with the requirements of section 319(a) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1323(a)).]

[The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.]

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to reimburse employees for the cost of State licenses and certification fees pursuant to their Forest Service position and that are necessary to comply with State laws, regulations, and requirements.

[Notwithstanding any other provision of law, the Secretary of Agriculture is hereafter authorized to use from any receipts from the sale of timber a sum equal to the cost of construction of roads under the purchaser election program as described and authorized in section 14(i) of the National Forest Management Act of 1976.]

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International Cooperation and Development in connection with forest and rangeland research, [and] technical information, and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest: *Provided*, That no less than \$26,000,000 shall be made available to the Forest Service for obligation in fiscal year 1987 from the Timber Salvage Sales Fund appropriation.]

[None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714.]

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

[Funds available to the Forest Service shall be available to conduct a program of not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.]

[The Forest Service is authorized and directed to negotiate, within 90 days after the enactment of this Act, settlement of claims against the United States resulting from a forest fire in the Black Hills National Forest: *Provided*, That notwithstanding any other provision of law, the Secretary of the Treasury is authorized and directed to pay the amount of the settlement from the Claims, Judgments, and Relief Act Fund (Public Law 95-26).]

[In order to provide for more comprehensive and effective management, the exterior boundary of the Gifford Pinchot National Forest in the State of Washington is hereby modified as generally depicted on a map entitled "Boundary Modification, Gifford Pinchot National Forest", dated August 1986. Such map and legal description of the boundary modification of said National Forest shall be on file and available for public inspection in the Office of the Chief, Forest Service, Department of Agriculture and in appropriate field offices of that agency. This boundary modification shall not affect valid existing rights or interests in existing land use authorizations.]

[No more than \$500,000 made available to the Forest Service for obligation in fiscal year 1987 shall be expended to support Washington office staff in the development of the RPA: *Provided*, That this

shall not reduce funds available for the development of forest plans pursuant to the National Forest Management Act of 1976.]

## TITLE VI—GENERAL PROVISIONS

SEC. 601. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 602. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year [1987] 1988 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [seven hundred thirty-four (734)] *three hundred fifty-four (354)* passenger motor vehicles, of which [seven hundred twenty-six (266)] *three hundred forty-six (346)* shall be for replacement only, and for the hire of such vehicles.

SEC. 603. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances as authorized by law (5 U.S.C. 5901-5902).

SEC. 604. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, July 28, 1954, and September 6, 1958 (7 U.S.C. 427, 1621-1629; 42 U.S.C. 1891-1893), shall be available for contracting in accordance with said Acts.

SEC. 605. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations upon a final finding by court of competent jurisdiction that such party is guilty of growing, cultivating, harvesting, processing or storing marihuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

SEC. 606. Advances of money to chiefs of field parties from any appropriation in this Act for the Department of Agriculture may be made by authority of the Secretary of Agriculture.

SEC. 607. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: *Provided*, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 608. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Public Law 480; [Mutual and Self-Help Housing; Watershed and Flood Prevention Operations; Resource Conservation and Development; Colorado River Basin Salinity Control Program;] Animal and Plant Health Inspection Service, Buildings and Facilities; Agricultural Stabilization and Conservation Service, Salaries and Expenses funds made available to county committees; the Federal Crop Insurance Corporation Fund; [Rural Housing for Domestic Farm Labor; Agricultural Research Service, Buildings and Facilities; Scientific Activities Overseas (Foreign Currency Program); Dairy Indemnity Program; \$5,000,000 for the grasshopper and Mormon cricket control program, Animal and Plant Health Inspection Service; \$2,852,000 for higher education training grants under section 1417(a)(3)(B) of Public Law 95-113, as amended (7 U.S.C. 3152(a)(3)(B));] and Buildings and Facilities, Food and Drug Administration.

SEC. 609. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 610. Not to exceed \$50,000 of the appropriation available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 611. Notwithstanding any other provision of law, employees of the agencies of the Department of Agriculture, including employees of the Agricultural Stabilization and Conservation county committees, may be utilized to provide part-time and intermittent assistance to other agencies of the Department, without reimbursement, during periods when they are not otherwise fully utilized, and ceilings on full-time equivalent staff years established for or by the Department of Agriculture shall exclude overtime as well as staff years expended as a result of carrying out programs associated with natural disaster, such as forest fires, droughts, floods, and other acts of God.

[SEC. 612. Funds provided by this Act for personnel compensation and benefits shall be available for obligation for that purpose only.]

[SEC. 613. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract as provided by law.]

[SEC. 614. None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.]

[SEC. 615. Certificates of beneficial ownership sold by the Farmers Home Administration in connection with the Agricultural Credit Insurance Fund, Rural Housing Insurance Fund, and the Rural Development Insurance Fund shall be not less than 65 per centum of the value of the loans closed during the fiscal year.]

SEC. [616.] 612. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 per centum of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

[SEC. 617. None of the funds in this Act shall be used to carry out any activity related to phasing out the Resource Conservation and Development Program.]

SEC. [618.] 613. None of the funds in this Act shall be used to prevent or interfere with the right and obligation of the Commodity Credit Corporation to sell surplus agricultural commodities in world trade at competitive prices as authorized by law.

SEC. [619.] 614. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

[SEC. 620. During fiscal year 1987, notwithstanding any other provision of law, no funds may be paid out of the Treasury of the United States or out of any fund of a Government corporation to any private individual or corporation in satisfaction of any assurance agreement or payment guarantee or other form of loan guarantee entered into by any agency or corporation of the United States Government with respect to loans made and credits extended to the Polish People's Republic, unless the Polish People's Republic has been declared to be in default of its debt to such individual or corporation or unless the President has provided a monthly written report to the Speaker of the House of Representatives and the President of the Senate explaining the manner in which the national interest of the United States has been served by any payments during the previous month under loan guarantee or credit assurance agreement with respect to loans made or credits extended to the Polish People's Republic in the absence of a declaration of default.]

SEC. [621.] 615. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act.

[SEC. 622. In fiscal year 1987, the Secretary of Agriculture shall initiate construction on not less than twenty new projects under the Watershed Protection and Flood Prevention Act (Public Law 566) and not less than five new projects under the Flood Control Act (Public Law 534).]

SEC. [623.] 616. Funds provided by this Act may be used for translation of publications of the Department of Agriculture into foreign languages when determined by the Secretary to be in the public interest.

[SEC. 624. None of the funds appropriated by this or any other Act may be used to relocate the Hawaii State Office of the Farmers Home Administration from Hilo, Hawaii, to Honolulu, Hawaii.]

SEC. [625.] 617. Provisions of law prohibiting or restricting personal services contracts shall not apply to veterinarians employed by the Department to take animal blood samples, test and vaccinate animals, and perform branding and tagging activities on a fee-for-service basis.

【Sec. 626. None of the funds provided in this Act may be used to reduce programs by establishing an end-of-year employment ceiling on full-time equivalent staff years below the level set herein for the following agencies: Farmers Home Administration, 12,675; Agricultural Stabilization and Conservation Service, 2,550; and Soil Conservation Service, 14,177.】

Sec. 【627】 618. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

Sec. 【628】 619. Funds appropriated by this Act shall be applied only to the objects for which appropriations were made except as otherwise provided by law, as required by 31 U.S.C. 1301.

Sec. 【629】 620. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

Sec. 【630】 621. All funds appropriated for this fiscal year and all funds appropriated hereafter by this or any other Act that are determined to be part of the "extramural budget" of the Department of Agriculture for any fiscal year for purposes of meeting the requirements of section 9 of the Small Business Act (15 U.S.C. 638), as amended by the Small Business Innovation Development Act of 1982, Public Law 97-219, shall be available for contracts, grants or cooperative agreements with small business concerns for any purpose in furtherance of the small business innovation research program. Such funds may be transferred for such purpose from one appropriation to another or to a single account.

【Sec. 631. None of the funds provided in this Act may be expended to release information acquired from any handler under the Agricultural Marketing Agreement Act of 1937, as amended: *Provided*, That this provision shall not prohibit the release of information to other Federal agencies for enforcement purposes: *Provided further*, That this provision shall not prohibit the release of aggregate statistical data used in formulating regulations pursuant to the Agricultural Marketing Agreement Act of 1937, as amended: *Provided further*, That this provision shall not prohibit the release of information submitted by milk handlers.】

【Sec. 632. Unless otherwise provided in this Act, none of the funds appropriated in this Act may be used by the Farmers Home Administration to employ or otherwise contract with private debt collection agencies to collect delinquent payments from Farmers Home Administration borrowers.】

【Sec. 633. (A) Disaster assistance to meet needs resulting from drought in the southeastern states, floods and excessive moisture in Michigan and Oklahoma and other natural disasters in such other states as may be determined by the President.】

#### 【EMERGENCY ASSISTANCE TO AGRICULTURAL PRODUCERS】

【As authorized by existing law, and within the funding levels provided by this Act, for disasters occurring in 1986, the Secretary of Agriculture shall, in the case of any farmer or rancher suffering a major loss from such disaster, direct the Administrator of the Farmers Home Administration to, under such rules and regulations as the Secretary may determine as long as the objective of enabling farmers to stay in business is carried out:

(1) Refinance existing debt at the lowest allowable interest rate and such term as will give the borrower a reasonable chance to repay;

(2) Provide loans for financing 1987 crop production;

(3) Stretch out loan payments over a period of years, and base such payments on regaining our normal fair share of world markets; and

(4) Coordinate disaster assistance programs with the Administrator of the Small Business Administration to assure that all individuals affected by natural disaster are provided with the appropriate financial assistance.

(B) Within the funds made available by this section, the Secretary of Agriculture shall:

(a)(1) As soon as practicable, but not later than forty-five days after the date of application by an eligible producer, make available to eligible producers for losses of production due to drought, excessive heat, floods, hail or excessive moisture in 1986 payments determined in accordance with this subsection.

(2) An eligible producer shall be a producer of the 1986 crop of wheat, feed grains, upland cotton, rice, soybeans, sugar beets, sugar cane or peanuts who—

(A) is eligible to receive price support under section 107D, 105C, 103A, 101A, 201 or 108B of the Agricultural Act of 1949 (7 U.S.C. 1445b-3, 1444e, 1444-1, 1446, or 1445c-2); and

(B) is in a county in which producers are eligible to receive disaster emergency loans under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) as the result of drought, excessive heat, floods, hail or excessive moisture which occurred in 1986.

(3) Payments made available to each eligible producer shall not exceed \$100,000 for all crops (without regard to other limitations in farm program payments) and shall be determined for each crop of such commodities by multiplying—

(A) the payment rate; by

(B) the loss of production of the eligible producer.

(4)(A) Except for sugar beets and sugar cane, the payment rate shall be equal to the level of price support established for the crop of the commodity for the farm.

(B) For purposes of determining the payment rate for sugar beets and sugar cane, the Secretary shall establish a payment rate which is fair and reasonable in relation to the level of price support which is established for the 1986 crop of sugar beets and sugar cane.

(5)(A) The loss of production of the eligible producer shall be the quantity of wheat, feed grains, cotton, rice, soybeans, sugar beets and sugar cane or peanuts that eligible producers on a farm are unable to harvest due to reduced yields or are prevented from planting to such commodity or other nonconserving crops due to drought, excessive heat, floods, hail or excessive moisture in 1986. Such loss of production of the eligible producer for each such crop shall be the difference between—

(i) The result determined by multiplying (I) 50 per centum of the farm program payment yield established for the crop of the commodity, by (II) the sum of the acreage of such crop planted to harvest and the acreage for which prevented planted credit is approved by the Secretary; and

(ii) The actual production on the farm of such crop of the commodity if such quantity is less than the quantity determined in accordance with clause (i).

(B) The sum of the acreage determined in accordance with paragraph (5)(A)(i)(II) shall not exceed—

(i) with respect to wheat, feed grains, upland cotton, or rice, the 1986 permitted acreage determined for such crop of the commodity; and

(ii) with respect to soybeans, peanuts, sugar beets and sugar cane, the acreage so affected but not to exceed the acreage planted in the immediately preceding year to soybeans or peanuts, respectively, for harvest including any acreage that the producer was prevented from planting to such commodity or to other nonconserving crops in lieu of soybeans or peanuts because of drought, excessive moisture, flood, hail, or other natural disaster, or other condition beyond the control of the producer.

(6) Payments determined in accordance with paragraph (3) with respect to any producer with crop insurance shall be reduced to the extent the amount determined by adding the total amount of crop insurance indemnity payments (gross indemnity less premium paid) received by the producer for the loss of production of each crop of such commodities on the farm and the payment determined in accordance with paragraphs (3) through (5) exceeds the amount determined by multiplying—

(A)(i) the quantity determined by multiplying 100 percent of the farm program payment yield established for each crop of such commodities by (ii) the sum of the acreage of each such crop planted to harvest and the acreage for which prevented planted credit is approved by the Secretary (the total not to exceed the quantity determined in accordance with subparagraph (5)(B)); by

(B) the payment rate for each crop of the commodity.

(7) The total amount of payments made under paragraph (3) to producers on a farm with respect to each crop of such commodities and the total amount of price support loans and purchases (and program benefits for sugar beets and sugar cane) made with respect to such crop on such farm may not exceed the amount determined by multiplying—

(A) The farm program payment yield for the crop of the commodity; by

(B) The sum of (i) the acreage of the crop of the commodity planted for harvest and (ii) the acreage for which prevented planted credit is approved by the Secretary, but for each such crop such sum shall not exceed the quantity determined in accordance with subparagraph (5)(B); by

(C) The payment rate for each crop of the commodity.

(8)(A) For purposes of determining the farm program payment yield, the Secretary shall use the 1986 farm program payment yield established for the crop of the commodity or, if such data is not available, a yield determined by the Secretary to be fair and equitable.

(B) Notwithstanding any other provision of this subsection—

(i) a loss of production of quota peanuts from a farm as otherwise determined under paragraph (5) shall be reduced by the quantity of peanut poundage quota which was the basis of such anticipated production which has been transferred from the farm; and

(ii) payments made under this subsection shall be taken into account whether the lost production for which the loss of production is claimed was a loss of production of quota or additional peanuts and the payment rate shall be established accordingly. Further, notwithstanding any other provision of law, the amount of undermarketings of quota peanuts from a farm for the 1986 crop that may otherwise be claimed under section 358 of the Agricultural Adjustment Act of 1938 for purposes of future quota increases shall be reduced by the quantity of lost production of such peanuts for which payment has been received under this subsection.

(9) The disaster payments required by this section shall be made in the form of generic, negotiable commodity certificates redeemable from stocks of commodities held by the Commodity Credit Corporation.

(b)(1) notwithstanding any other provision of this section for the 1986 crop year, the Secretary of Agriculture shall utilize certificates redeemable from stocks of commodities held by the Commodity Credit Corporation, for the purpose of making disaster payments to producers of nonprogram crops, in counties in which producers became eligible subsequent to July 1, 1986, to receive disaster emergency loans under section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) as the result of drought, excessive heat, flood, hail, or excessive moisture, and

(2) the Secretary of Agriculture shall make such payments (not to exceed \$100,000 to any individual producer) if the Secretary determines that—

(A) the producer has suffered a substantial loss of production due to drought, excessive heat, flood, hail, or excessive moisture, and

(B) such loss has created an economic emergency for the producer to the extent that additional assistance must be made available to alleviate such economic emergency, and

(c) Within 30 days following the enactment of this Act the Secretary of Agriculture shall issue such rules and regulations as the Secretary determines necessary to carry out the program authorized by subsections (a) and (b) of this section. Such regulations shall provide that the term "nonprogram crops" shall include all crops insured directly or indirectly by the Federal Crop Insurance Corporation for crop year 1986, and in addition—

(1) the term shall include other commercial crops for which such insurance was not available for purchase or, if available, was not purchased by such producers for crop year 1986, if—

(A) in accordance with rules and regulations issued by the Secretary of Agriculture, the producer of such crop(s) provides satisfactory evidence of actual crop yield for at least one of the immediately preceding 3 crop years: *Provided*, That in the event such data does not exist for any of the three preceding crop years the Secretary shall use county average crop yield data; and

(B) that the producer of such crop(s) also provides satisfactory evidence of 1986 crop year losses resulting from drought, excessive heat, flood, excessive moisture, or hail exceeding 50 per centum of the crop yield established in subparagraph (A) of this paragraph, and

(2) that payments made available to producers of such crops shall be based upon the average market prices received by producers of such crops, as determined by the Secretary.

(d)(1) The Secretary shall carry out the program authorized by this proviso through the Commodity Credit Corporation.

(2) Applications for payments made in accordance with this proviso must be filed by January 31, 1987.

(3) Payments made by the Secretary of Agriculture to eligible producers under this section shall be made as soon as practicable but not later than 45 days following the producer's application.

(e)(1) The Secretary of Agriculture shall reduce the amount of funds available for emergency insured and guaranteed loans to meet the needs resulting from natural disasters from funds in the Agricultural Credit Insurance Fund by \$400,000,000.

(2) For purposes of making payments in accordance with this proviso, there is transferred to the Commodity Credit Corporation \$400,000,000 from funds in the Agricultural Credit Insurance Fund. ]

[SEC. 634. Notwithstanding any other provision of law, including section 502(c)(2) of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), none of the funds appropriated under this or any other Act shall be used prior to June 30, 1987 to accept prepayment of any loan made under section 515 of the Housing Act of 1949, unless such loan was made at least twenty years prior to the date of prepayment or, for loans made before December 21, 1979, the Secretary makes a determination that a supply of adequate, comparable housing is available in the community, or that prepayment of such loans will not result in a substantial increase in rents to tenants in residence upon date of prepayment or displacement of such tenants.]

[SEC. 635. The Secretary of Agriculture may transfer surplus agricultural commodities from inventory to the Department of Defense for use in complementing support provided by the Department of Defense to the Tenth International Pan American Games to be held in Indianapolis, Indiana.]

[SEC. 636. The Food Security Act of 1985 is amended by inserting at the end thereof the following new sentence: "Effective for each of the 1987 through 1990 crops, the Secretary may not deny a person status as a separate person solely on the ground that a family member cosigns for, or makes a loan to, such person and leases, loans, or gives such person equipment, land or labor, if such family members were organized as separate units prior to December 31, 1985." ]

[SEC. 637. Section 106A(d)(1)(A) of the Agricultural Act of 1949 is amended by—

- (1) striking out the parenthetical phrase in clause (i);
- (2) inserting "and" at the end of clause (i);
- (3) striking out clause (ii); and,
- (4) redesignating clause (iii) as clause (ii).

[SEC. 638. (a) Clause (B) of the last sentence of section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking out "for the excess shelter expense deduction contained in clause (2)" and inserting in lieu thereof "contained in clause (1)".

(b)(1) Except as provided in paragraphs (2) and (3), the amendment made by subsection (a) shall become effective 30 days after the date of enactment of this Act.

(2) Except as provided in paragraph (3), the amendment made by subsection (a) shall not apply to an allotment issued to any eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for any month beginning before the effective date of this subsection.

(3) If a State elected before the date of enactment of this Act to compute household income in accordance with section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) (as amended by subsection (a)), the amendment made by subsection (a) shall become effective on May 1, 1986.]

[SEC. 639. Section 108B(4)(A) of the Agricultural Act of 1949 (7 U.S.C. 1445c-2(4)(A)) is amended by inserting after "additional peanuts" the following: "(other than net gain on additional peanuts in separate type pools established under paragraph (3)(B)(i) for Valencia peanuts produced in New Mexico)". ]

[SEC. 640. Section 623B(b)(2) of the Community Economic Development Act of 1981 is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of law, any Utah or Ohio local public body to which a loan was made after December 31, 1982, from the Rural Development Loan Fund may, at the discretion of such local public body and with the approval of the Secretary of Health and Human Services, transfer such loan to a nonprofit corporation designated by such body to serve as an intermediate borrower and to carry out the purpose of the loan." ]

[SEC. 641. (a) Section 1323(a)(1) of the Food Security Act of 1985 is amended by striking out "September 30, 1986," and inserting in lieu thereof "September 30, 1987," and

(b) Section 1323(a) is further amended by adding at the end thereof a new subsection—

“(5) Notwithstanding any provision to the contrary of subsection (4) above, the \$20,000,000 which was available pursuant to subsection (4) shall continue to be available and shall be used by the Secretary prior to September 30, 1987, to guarantee loans for the national rural development and finance program and shall remain available until expended.”.

and,

(c) Section 1323(b)(1) of such Act is amended by striking out “September 30, 1986,” and inserting in lieu thereof “September 30, 1987,” and inserting the words “made or to be” after the word “guarantees”: *Provided further*, That such grant funds may be used by such corporation to provide technical assistance and financial assistance, including capitalizing revolving loan programs, pursuant to the Act.】

【Sec. 642. During the fiscal year 1987, the Commodity Credit Corporation shall use \$500,000 worth of surplus agricultural commodities owned by the Corporation in establishing and carrying out a research and development program on external combustion engines under section 4(m) of the Commodity Credit Corporation Charter Act. In addition to any sales required under any other Act, the Secretary of Agriculture, under such terms as the Secretary may prescribe, shall sell notes and other obligations held in the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act in such amounts as to realize net proceeds to the Government of not less than \$500,000.】

【Sec. 643. Section 1231 of the Food Security Act of 1985 is amended by adding at the end thereof the following new subsection:

“(f) For purposes of this subtitle, alfalfa and other multi-year grasses and legumes in a rotation practice, as approved by the Secretary, shall be considered agricultural commodities.”.】

【Sec. 644. Paragraph (16) of section 103(h) of the Agricultural Act of 1949 (7 U.S.C. 1444(h)(16)) is amended to read as follows:

“(16)(A) Notwithstanding any other provision of law, except as provided in subparagraph (B), compliance on a farm with the terms and conditions of any other commodity program may not be required as a condition of eligibility for loans or payments under this subsection.

“(B) In the case of each of the 1989 and 1990 crops of extra long staple cotton, the Secretary may require that, as a condition of eligibility of producers for loans or payments under this subsection, the acreage planted for harvest on the farm to any other commodity for which an acreage limitation program is in effect shall not exceed the crop acreage base established for the farm for that commodity.

“(C) Notwithstanding any other provision of law, in the case of each of the 1987 and 1988 crops of extra long staple cotton, compliance with the terms and conditions of the program authorized by this subsection may not be required as a condition of eligibility for loans, purchases, or payments under any other commodity program.”.】

【Sec. 645. The fifth paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) (as amended by section 3 of Public Law 99-253 (100 Stat. 36)) is amended—

(1) by inserting after the third sentence the following new sentence: “Notwithstanding the preceding sentence, there may be 1 local administrative area in any county for which there had been established less than 3 local administrative areas as of December 23, 1985.”; and

(2) in the sixth sentence (as it existed before the amendment made by paragraph (1)), by striking out “: *Provided*,” and all that follows through the period and inserting in lieu thereof a period.】

【Sec. 646. (1) It is the sense of the Senate that the Secretary of Agriculture should make available not less than \$10,000,000 worth of flour and cornmeal using the wheat and cornstocks of the Commodity Credit Corporation. Such flour and cornmeal shall be in addition to the traditional level of assistance made available under section 1114 of the Agriculture and Food Act of 1981, section 416(a) of the Agricultural Act of 1949, section 4 of the Agriculture and Consumer Protection Act of 1973, and any other provision of law administered by the Secretary.

(2)(a) During the three-year period beginning with the fiscal year ending September 30, 1987, through the fiscal year ending September 30, 1989, the Secretary of Agriculture shall make available to PVO's and cooperatives and to governments a total of at least 500,000 metric tons of wheat, 500,000 metric tons of soybeans, and 50 million pounds of dairy products under paragraph (11)(B) of section 416(b) of the Agricultural Act of 1949, notwithstanding paragraph (11)(c) of section 416(b) of such Act.

(b) Commodities made available under this section during any fiscal year shall be—

(1) subject to the agreement of recipient nations—

(A) to acquire through commercial arrangements agricultural commodities directly or by private purchases during the fiscal year in an amount equal to 105 percent of the average amount of such agricultural commodities acquired through commercial arrangements during the 3 preceding years.

(B) to permit the sale of commodities furnished under this section in the recipient nation and to use the local currency generated from such sales—

(i) by PVO's and cooperatives to carry out approved programs of assistance in the recipient nation;

(ii) to operate lending programs in the manner provided for in section 108 of Public Law 480; and

(iii) to reimburse the United States in dollars for costs incurred in furnishing such commodities, including transportation and processing, during the same fiscal year in which such costs were incurred. Reimbursements under this paragraph may be made in local currencies generated from the sale of the commodities under this paragraph if they are used to pay expenses of the United States in the recipient nation.

(2) No greater than such amounts as is requested by recipient nations.

(c) To the extent practicable, commodities made available under this section shall be furnished in equal quantities during each of these fiscal years.

(d) It is the sense of Congress that commodities provided for in this subsection be made available to PVO's and cooperatives operating in the Republic of the Philippines, and the government of the Philippines.

(3)(a) During the three-year period beginning with the fiscal year ending September 30, 1987, through the fiscal year ending September 30, 1989, the Secretary of Agriculture shall make available to the friendly countries, under paragraph (b)(11)(A) of section 416 of the Agricultural Act of 1949, at least 500,000 metric tons of wheat and 45 million pounds of dairy products, notwithstanding paragraph (11)(c) of section 416(b) of such Act.

(b) Commodities made available to a nation under this section during any fiscal year shall be—

(1) subject to the agreement of the Nation—

(A) to acquire through commercial arrangements agricultural commodities directly or by private purchases during the fiscal year in an amount equal to 105 percent of the average amount of such agricultural commodities acquired through commercial arrangements during the preceding three years.

(B) to sell any commodities furnished under this section within the nation and to use the local currencies generated from such sales to (i) establish and carry out lending programs in such nations in the manner provided for in section 108 of the Agricultural Trade Development and Assistance Act of 1954 and (ii) reimburse the United States in dollars for costs incurred in furnishing such commodities, including transportation and processing, in the same fiscal year in which such costs were incurred. Reimbursements under this paragraph may be made in local currencies generated from the sale of the commodities under paragraph (2) if they are used to pay expenses of the United States in the recipient Nation.

(2) No greater than such amounts as is requested by such governments.

(c) To the extent practicable, commodities made available under this section shall be furnished in equal quantities during each of the three fiscal years.

(d) For purposes of this section, the term “friendly countries” shall have the same meaning as that term has under the Agricultural Trade Development and Assistance Act of 1954.

(e) It is the sense of Congress that commodities provided for in this subsection be made available to the Philippines and friendly countries of Africa.

(4)(a) During the three-year period beginning with the fiscal year ending September 30, 1987, through the fiscal year ending September 30, 1989, the Secretary of Agriculture shall make available to PVO's cooperatives and governments, 460,000 metric tons of wheat, 137 million pounds of dairy products, and 180,000 metric tons of soybeans; under paragraph (11)(B) of section 416(b) of the Agricultural Act of 1949, notwithstanding paragraph (11)(C) of section 416(b) of such Act.

(b) Commodities made available to a nation, or PVO's and cooperatives operating in such nation, under this section during any fiscal year shall be—

(1) subject to the agreement of the nation—

(A) to acquire through commercial arrangements agricultural commodities directly or by private purchases during the fiscal year in an amount equal to 105 percent of the average amount of such agricultural commodities acquired through commercial arrangements during the preceding three years;

(B) to permit the sale of commodities furnished under this section within the nation and to use the local currencies generated from such sales (i) by PVO's and cooperatives to carry out approved programs of assistance in the country and (ii) to operate lending programs in the manner provided for in section 108 of Public Law 480; and

(C) to reimburse the United States in dollars for costs incurred in furnishing such commodities, including transportation and processing, in the same fiscal year in which such costs were incurred. Reimbursements under this paragraph may be made in local currencies generated from the sale of the commodities under paragraph (2) if they are used to pay expenses of the United States in the recipient nation.

(2) No greater than such amounts as is requested by such government.

(c) To the extent practicable, commodities made available under this section shall be furnished in equal quantities during each of the three fiscal years.

(d) For purposes of this section, the term "friendly countries" shall have the same meaning as that term has under the Agricultural Trade Development and Assistance Act of 1954.

(e) It is the sense of Congress that of the commodities made available under this subsection—

(1) 400,000 metric tons of wheat, 80 million pounds of dairy products and 180,000 metric tons of soybeans be made available to Nigeria;

(2) 1 million metric tons of wheat be made available to friendly countries in Africa, other than Nigeria;

(3) 30,000 metric tons of soybeans, and 50 million pounds of dairy products be made available to India; and

(4) 60,000 metric tons of wheat and 7 million pounds of dairy products be made available to Bangladesh. ] (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)



## DEPARTMENT OF COMMERCE

### GENERAL ADMINISTRATION

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce, including not to exceed \$2,000 for official entertainment, **[\$36,300,000]** \$42,374,000. (15 U.S.C. 1501; Department of Commerce Appropriation Act, as included in Public Laws 99-500 and 99-591, section 101(b).)

#### Program and Financing (in thousands of dollars)

Identification code 13-0120-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Executive direction of the Department.....	2,289	2,745	3,002
00.02 Departmental staff services.....	19,601	21,245	24,137
00.03 Inspector General.....	12,843	13,211	15,235
00.91 Total direct program.....	34,733	37,201	42,374
01.01 Reimbursable program.....	18,195	30,217	30,217
10.00 Total obligations.....	52,928	67,418	72,591
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-18,195	-30,217	-30,217
21.40 Unobligated balance available, start of year.....	-4,692	-702	.....
22.40 Unobligated balance transferred, net.....	.....	-450	.....
24.40 Unobligated balance available, end of year.....	702	.....	.....
25.00 Unobligated balance lapsing.....	168	.....	.....
39.00 <b>Budget authority</b> .....	<b>30,911</b>	<b>36,049</b>	<b>42,374</b>
Budget authority:			
40.00 Appropriation.....	30,911	36,300	42,374
41.00 Transferred to other accounts.....	.....	-715	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>30,911</b>	<b>35,585</b>	<b>42,374</b>
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....	.....	<b>464</b>	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	34,733	37,201	42,374
72.40 Obligated balance, start of year.....	2,539	1,912	3,840
74.40 Obligated balance, end of year.....	-1,912	-3,840	-4,484
77.00 Adjustments in expired accounts.....	-275	.....	.....
89.00 Outlays.....	35,085	35,273	41,730
Outlays:			
90.00 Outlays, excluding retirement contribution supplemental.....	35,085	34,826	41,713
91.40 Outlays from retirement contribution supplemental.....	.....	447	17

**Executive direction of the Department.**—This activity provides for the formulation of Government policy on matters affecting programs and functions assigned to the Department.

**Departmental staff services.**—The staff provides support for the Department in budget and program evaluation, civil rights, financial systems, legal matters, organization and management, personnel, policy development, procurement, property, public affairs, records, safety, security, and space management. Increased funding will initiate a new Department-wide financial management system.

**Inspector General.**—The Inspector General conducts audits and investigations of the Department's programs

and operations. The office leads and coordinates activities designed to promote economy, efficiency, and effectiveness in Commerce operations, and seeks to prevent and detect fraud and abuse. Increases provide for additional pre- and post-audits of contract awards.

**Reimbursable program.**—This activity provides a centralized source for special tasks and billings. Services are billed to users. It also includes activities that prior to 1984 were financed through the General Administration miscellaneous trust fund (special studies, services, and projects).

#### Object Classification (in thousands of dollars)

Identification code 13-0120-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	20,769	21,010	22,676
11.3 Other than full-time permanent.....	144	188	201
11.5 Other personnel compensation.....	315	335	344
11.9 Total personnel compensation.....	21,228	21,533	23,221
12.1 Personnel benefits: Civilian.....	2,760	3,303	4,712
21.0 Travel and transportation of persons.....	723	729	783
22.0 Transportation of things.....	7	7	7
23.1 Rental payments to GSA.....	2,592	3,550	4,259
23.3 Communications, utilities, and miscellaneous charges.....	845	904	948
24.0 Printing and reproduction.....	279	313	340
25.0 Other services.....	5,728	6,237	6,308
26.0 Supplies and materials.....	423	469	498
31.0 Equipment.....	147	156	1,298
41.0 Grants, subsidies, and contributions.....	1	.....	.....
99.0 Subtotal, direct obligations.....	34,733	37,201	42,374
99.0 Reimbursable obligations.....	18,195	30,217	30,217
99.9 Total obligations.....	52,928	67,418	72,591

#### Personnel Summary

Total number of full-time permanent positions.....	509	571	587
Total compensable workyears:			
Full-time equivalent employment.....	521	564	578
Full-time equivalent of overtime and holiday hours.....	3	3	3

### WHITE HOUSE CONFERENCE ON PRODUCTIVITY

#### Program and Financing (in thousands of dollars)

Identification code 13-0123-0-1-376	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	.....	.....	.....
72.40 Obligated balance, start of year.....	16	8	.....
74.40 Obligated balance, end of year.....	-8	.....	.....
77.00 Adjustments in expired accounts.....	-8	.....	.....
90.00 Outlays.....	.....	8	.....

In 1983, a White House Conference was conducted to ascertain facts and develop recommendations concerning improvements in productivity.

General and special funds—Continued

SPECIAL FOREIGN CURRENCY PROGRAM  
Program and Financing (in thousands of dollars)

Identification code	13-0160-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	337		
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-498		
21.40	Unobligated balance available, start of year	-265		
25.00	Unobligated balance lapsing	425		
39.00	<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	337		
72.40	Obligated balance, start of year	2,148	747	151
74.40	Obligated balance, end of year	-747	-151	
78.00	Adjustments in unexpired accounts	-498		
90.00	<b>Outlays</b>	1,241	596	151

Object Classification (in thousands of dollars)

Identification code	13-0160-0-1-376	1986 actual	1987 est.	1988 est.
11.5	Personnel compensation: Other personnel compensation	121		
12.1	Personnel benefits: Civilian	15		
21.0	Travel and transportation of persons	11		
23.3	Communications, utilities, and miscellaneous charges	69		
24.0	Printing and reproduction	23		
25.0	Other services	36		
26.0	Supplies and materials	29		
41.0	Grants, subsidies, and contributions	33		
99.9	<b>Total obligations</b>	337		

**[ECONOMIC DEVELOPMENT ADMINISTRATION]**

Federal Funds

General and special funds:

**[SALARIES AND EXPENSES] GRANTS AND LOANS ADMINISTRATION\***

\*See Part II for additional information.

For necessary expenses of administering the economic development assistance programs as provided for by law, \$25,000,000: *Provided*, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1987. (42 U.S.C. 3218, 3219, 5184, 6701(c); Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	13-0125-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program	24,803	25,797	
01.01	Reimbursable program	106	176	
10.00	<b>Total obligations</b>	24,909	25,973	
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-106	-176	
22.40	Unobligated balance transferred, net		-797	
25.00	Unobligated balance lapsing	79		
40.00	<b>Budget authority (appropriation)</b>	24,882	25,000	

Relation of obligations to outlays:				
71.00	Obligations incurred, net	24,803	25,797	
72.40	Obligated balance, start of year	3,338	1,632	3,031
74.40	Obligated balance, end of year	-1,632	-3,031	
77.00	Adjustments in expired accounts	-92		
90.00	<b>Outlays</b>	26,417	24,398	3,031

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	24,882	25,000	
Outlays	26,417	24,398	3,031
<b>Supplemental under existing legislation:</b>			
Budget authority		77,040	
Outlays			18,784
<b>Total:</b>			
Budget authority	24,882	102,040	
Outlays	26,417	24,398	21,815

In 1988, EDA programs will be discontinued, and administrative resources will be used to monitor and close out existing economic development assistance, trade adjustment assistance, public telecommunications facilities construction, federal ship financing fund and fisheries loan fund projects.

Object Classification (in thousands of dollars)

Identification code	13-0125-0-1-452	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent	16,055	16,059	
11.3	Other than full-time permanent	179		
11.5	Other personnel compensation	120	125	
11.9	<b>Total personnel compensation</b>	16,354	16,184	
12.1	Personnel benefits: Civilian	1,947	1,959	
13.0	Benefits for former personnel	7		
21.0	Travel and transportation of persons	516	538	
22.0	Transportation of things	22	38	
23.1	Rental payments to GSA	1,636	2,235	
23.2	Rental payments to others	6	4	
23.3	Communications, utilities, and miscellaneous charges	803	626	
24.0	Printing and reproduction	86	75	
25.0	Other services	3,203	3,926	
26.0	Supplies and materials	124	122	
31.0	Equipment	82	90	
41.0	Grants, subsidies, and contributions	17		
99.0	<b>Subtotal, direct obligations</b>	24,803	25,797	
99.0	Reimbursable obligations	106	176	
99.9	<b>Total obligations</b>	24,909	25,973	

Personnel Summary

<b>Direct:</b>				
Total number of full-time permanent positions	393	375		
<b>Total compensable workyears:</b>				
Full-time equivalent employment	417	381		
Full-time equivalent of overtime and holiday hours	2	2		
<b>Reimbursable:</b>				
Total compensable workyears: Full-time equivalent employment	2	2		

**[ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS]\***

\*See Part II for additional information.

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, \$180,443,000 of which \$250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University: *Provided*, That during fiscal year 1987 total commitments to guarantee loans shall not exceed \$150,000,000 of contingent liability for loan principal: *Provided further*, That none of

the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration: *Provided further*, That notwithstanding any provision of title I of the Local Public Works Capital Development and Investment Act of 1976, as amended (Public Law 94-369), or any other provision of law to the contrary, any funds authorized and appropriated under title I of such Act, as amended, in any fiscal year for projects in New York, New York, but obligated as of December 19, 1985 and not disbursed, shall remain available for obligation and expenditure through March 31, 1988 for any authorized project in New York, New York, until title I of such Act, as amended, or for any project in New York, New York, determined to be eligible under title I of the Public Works and Economic Development Act of 1965, as amended, if the total amount of such funds is not finally determined by October 15, 1986: *Provided further*, That notwithstanding any other provision of law or a contract to the contrary, the SEDA-COG Joint Rail Authority, Lewisburg, Pennsylvania, may sell any portion of the real property that was acquired in part with proceeds of a grant from the Economic Development Administration (grant number 01-19-02563) and may retain all the proceeds of any such sale so long as the proceeds are used for purposes which meet the criteria of and are approved by the Economic Development Administration: *Provided further*, That notwithstanding any other provision of law or regulation, including title I of the Public Works and Economic Development Act of 1965, as amended, and OMB Circular A-102 Attachment N, the Administrator of the Economic Development Administration is hereby directed to release, without any further requirement or delay, the funds previously appropriated in Public Law 99-190 to Lexington County, South Carolina, as a direct grant: *Provided further*, That in addition to funds made available pursuant to Public Law 99-190 for infrastructure projects and economic development activities at the site of the General Motors plant in the city of South Gate, California, such amounts as may be necessary shall be available for this purpose such that the total amount of funds available shall not exceed \$431,012: *Provided further*, That in addition to funds made available pursuant to Public Law 99-190 for infrastructure projects and related economic development activities at the Jasper Industrial Park in Jasper, Alabama, such amounts as may be necessary shall be available for this purpose such that the total amount of funds available shall not exceed \$470,224. (19 U.S.C. 2343-44, 2346, 2373-74; 42 U.S.C. 3131, 3135, 3141, 3142, 3144, 3151-53, 3171, 3241, 3243 and 3245; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

[Sec. 101. Economic Development Administration, notwithstanding any other provision of this Joint Resolution, for additional amounts for "Economic development assistance program", \$1,000,000, to remain available until expended, for a grant to the City of Portland, Oregon, for preliminary engineering, design and other related activities associated with expansion of the Oregon Museum of Science and Industry; and \$1,000,000, to remain available until expended, for a grant to improve the existing County Road in Sumter County, Alabama, from the Mississippi State line to Alabama Highway No. 17 (also known as Scooba Road); and \$7,500,000, to remain available until expended, for a grant to continue economic development facilities and related infrastructure activities of the Fort Worth Stockyards Project at full Federal expense: *Provided*, That in addition, the Secretary of the Army, acting through the Chief of Engineers, using any funds heretofore, herein, and hereafter available to the Corps of Engineers, is authorized and directed to develop at full Federal expense detailed plans and specifications and to construct measures in Tarrant County, Texas, to eliminate flood damage in the historical stockyards area along Tony's Creek and Marine Creek.] (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(n).)

Program and Financing (in thousands of dollars)

Identification code	13-2050-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Planning grants.....	25,596	24,000	.....
00.02	Technical assistance grants.....	8,129	7,000	.....
00.03	Development grants.....	109,618	177,698	.....

00.04	Economic adjustment grants.....	24,460	26,000	.....
00.05	Research and evaluation.....	8,091	1,000	.....
00.91	Total direct program.....	175,894	235,698	.....
01.01	Reimbursable program.....	1,001	2,000	.....
10.00	Total obligations.....	176,895	237,698	.....
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,001	-2,000	.....
21.40	Unobligated balance available, start of year.....	-30,730	-44,159	.....
24.40	Unobligated balance available, end of year.....	44,159	.....	.....
25.00	Unobligated balance lapsing.....	1,581	.....	.....
39.00	<b>Budget authority.....</b>	<b>190,904</b>	<b>191,539</b>	.....
<b>Budget authority:</b>				
40.00	Appropriation.....	175,609	189,943	.....
50.00	Reappropriation.....	15,295	1,596	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	175,894	235,698	.....
72.40	Obligated balance, start of year.....	543,340	438,855	452,801
74.40	Obligated balance, end of year.....	-438,855	-452,801	-248,039
77.00	Adjustments in expired accounts.....	-27,695	.....	.....
90.00	Outlays.....	252,683	221,752	204,762
<b>Distribution of outlays by account:</b>				
	Economic development assistance programs.....	252,590	221,567	204,762
	Development facilities.....	93	185	.....

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	109,904	191,539	.....
Outlays.....	252,683	221,752	204,762
<b>Supplemental under existing legislation:</b>			
Budget authority.....	.....	-38,520	.....
Outlays.....	.....	-3,852	-7,704
<b>Rescission proposal:</b>			
Budget authority.....	.....	-125,509	.....
Outlays.....	.....	-16,967	-33,934
<b>Total:</b>			
Budget authority.....	190,904	27,510	.....
Outlays.....	252,683	200,933	163,124

Status of Guaranteed Loans<sup>1</sup> (in thousands of dollars)

Identification code	13-2050-0-1-452	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....	187,500	187,500	.....
2112	Unused balance of limitation expiring.....	-165,666	-165,625	.....
2150	Total guaranteed loan commitments.....	21,834	21,875	.....
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	.....	.....	.....
2231	Disbursements: Disbursements of new guaranteed loans.....	21,834	21,875	.....
2264	Adjustments: Other adjustments, net <sup>2</sup> .....	-21,834	-21,875	.....
2290	Outstanding, end of year.....	.....	.....	.....

<sup>1</sup> Amounts shown are based on the full principal amount of loans that are partially guaranteed by the U.S. Government. The comparable amounts of limitations enacted on the basis of contingent liability are \$150 million in 1986 and 1987.  
<sup>2</sup> Transferred to the Economic Development Revolving Fund.

Object Classification (in thousands of dollars)

Identification code	13-2050-0-1-452	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
41.0	Grants, subsidies and contributions.....	175,894	235,698	.....
99.0	Reimbursable obligations.....	1,001	2,000	.....
99.9	Total obligations.....	176,895	237,698	.....

General and special funds—Continued

MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-9911-0-1-999			
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-1,541		
21.40 Unobligated balance available, start of year		-1,541	-1,541
24.40 Unobligated balance available, end of year	1,541	1,541	1,541
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	33,533	12,308	8,712
74.40 Obligated balance, end of year	-12,308	-8,712	-7,712
77.00 Adjustments in expired accounts	-17,816	-1,596	
78.00 Adjustments in unexpired accounts	-1,541		
90.00 <b>Outlays</b>	1,868	2,000	1,000
<b>Distribution of outlays by account:</b>			
Local public works program		1,875	1,000
Financial and technical assistance	32		
Job opportunities program	32	125	

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-9911-0-1-999			
<b>FINANCIAL AND TECHNICAL ASSISTANCE</b>			
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	9,780	4,364	3,534
1251 Repayments: Repayments and prepayments	-5,416	-830	-784
1290 Outstanding, end of year	4,364	3,534	2,750
<b>DROUGHT ASSISTANCE PROGRAM</b>			
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	87,919	86,342	84,770
1251 Repayments: Repayments and prepayments	-1,577	-1,572	-1,570
1290 Outstanding, end of year	86,342	84,770	83,200

Status of Guaranteed Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-4406-0-3-452			
<b>FINANCIAL AND TECHNICAL ASSISTANCE</b>			
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	2,658	2,391	2,140
2251 Repayments: Repayments and prepayments	-267	-251	-225
2290 Outstanding, end of year	2,391	2,140	1,915

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year	2,152	1,926	1,724
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This consolidated account includes outlays from several programs which no longer are active in 1988. Included are programs on local public works, drought assistance, job opportunities, and financial and technical assistance.

Public enterprise funds:

ECONOMIC DEVELOPMENT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-4406-0-3-452			
<b>Program by activities:</b>			
00.01 Interest expense	44,810	45,000	50,000
00.02 Defaults and care and protection of collateral	6,079	156,000	10,000
10.00 <b>Total obligations</b>	50,889	201,000	60,000

<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-80,109	-79,500	-74,000
17.00 Recovery of prior year obligations	-642		
21.98 Unobligated balance available, start of year: Fund balance	-175,353	-205,215	-82,918
22.98 Unobligated balance transferred, net: Fund balance		797	
24.98 Unobligated balance available, end of year: Fund balance	205,215	82,918	96,918
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-29,220	121,500	-14,000
72.10 Receivables in excess of obligations, start of year	-18,879	-21,018	-2,218
74.10 Receivables in excess of obligations, end of year	21,018	2,218	718
78.00 Adjustments in unexpired accounts	-642		
90.00 <b>Outlays</b>	-27,723	102,700	-15,500

Status of Direct Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public			
1132 Obligations exempt from limitation: Defaulted guaranteed loan claims	4,547	152,000	8,000
1150 <b>Total direct loan obligations</b>	4,547	152,000	8,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	630,945	568,490	667,540
<b>Disbursements:</b>			
1231 Direct loan disbursements	3,514		
1232 Disbursements for guaranteed loan claims	4,547	152,000	8,000
1251 Repayments: Repayments and prepayments	-52,177	-52,950	-49,300
<b>Adjustments:</b>			
1262 Write-offs for defaults	-35,330		
1264 Other adjustments, net <sup>1</sup>	16,991		
1290 Outstanding, end of year	568,490	667,540	626,240

<sup>1</sup> Represents adjustments to prior year balances.

Status of Guaranteed Loans (in thousands of dollars)

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	235,239	286,124	137,249
2251 Repayments: Repayments and prepayments	-15,400	-18,750	-9,000
<b>Adjustments:</b>			
2261 Terminations for default that result in direct loans	-4,547	-152,000	-8,000
2264 Other adjustments, net <sup>1</sup>	70,832	21,875	
2290 Outstanding, end of year	286,124	137,249	120,249

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year	243,205	116,662	102,212
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<sup>1</sup> Adjustment in 1986 represents transfer from Economic Development Assistance Programs, \$21,834 thousand and prior-period reconciliation, \$48,998 thousand; 1987 represents transfer from Economic Development Assistance Programs.

Interest on loans; principal repayments from loans made under the Area Redevelopment Act, the Public Works and Economic Development Act of 1965, and the Trade Act of 1974; and proceeds from the sale of collateral are deposited in this fund. Interest payments are made to the Treasury from the fund on the amounts receivable on loans outstanding. Repurchases of loans guaranteed by EDA that have been terminated for default are made from this fund.

No new loan or guarantee activity is proposed for 1988.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating loss:			
Revenue	201,817	153,712	117,509

Expense .....	— 44,810	— 45,000	— 50,000
Net loss for the year .....	157,007	108,712	67,509

**Financial Condition** (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	156,474	184,197	108,140	145,464
Accounts receivable (net) .....	65,733	22,185	20,575	15,242
Loans receivable (net) .....	508,586	345,729	384,729	295,729
Real property and equipment (net) .....	17,420	62,230	14,250	8,750
<b>Total assets .....</b>	<b>748,213</b>	<b>614,341</b>	<b>527,694</b>	<b>465,185</b>
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	43,509	44,810	45,000	50,000
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	175,353	205,215	83,715	110,706
Undelivered orders .....	3,345	1,167		
Invested capital .....	526,006	363,149	398,979	304,479
<b>Total Government equity .....</b>	<b>704,704</b>	<b>569,531</b>	<b>482,694</b>	<b>415,185</b>
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance .....	1,232,687	1,254,521	1,276,396	
Transactions:				
Loan balances transferred .....	21,834	21,875		
Closing balance .....	1,254,521	1,276,396	1,276,396	
Retained income or deficit:				
Opening balance .....	527,983	684,990	793,702	
Net operating income or loss .....	157,007	108,712	67,509	
Closing balance .....	684,990	793,702	861,211	
<b>Total Government equity (end of year) .....</b>	<b>569,531</b>	<b>482,694</b>	<b>415,185</b>	

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25.0 Other services .....	1,532	2,000	2,000
33.0 Investments and loans .....	4,547	154,000	8,000
43.0 Interest and dividends .....	44,810	45,000	50,000
<b>99.9 Total obligations .....</b>	<b>50,889</b>	<b>201,000</b>	<b>60,000</b>

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Departmental staff services .....	42,137	46,109	48,094
00.02 General counsel .....	6,606	8,241	9,325
00.03 Public affairs .....	1,487	1,662	1,754
00.91 Total operating expenses .....	50,230	56,012	59,173
01.01 Capital investment .....	1,039		
<b>10.00 Total obligations .....</b>	<b>51,269</b>	<b>56,012</b>	<b>59,173</b>
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	— 51,518	— 56,012	— 59,173
21.98 Unobligated balance available, start of year: Fund balance .....	— 2,478	— 2,727	— 2,727
24.98 Unobligated balance available, end of year: Fund balance .....	2,727	2,727	2,727
<b>39.00 Budget authority .....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	— 249		

72.10 Receivables in excess of obligations, start of year .....	— 3,949	— 1,509	— 1,509
74.10 Receivables in excess of obligations, end of year .....	1,509	1,509	1,509
<b>90.00 Outlays .....</b>	<b>— 2,689</b>		

This fund finances, on a reimbursable basis, administrative functions for the entire Department which are more efficiently performed on a centralized basis.

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	20,294	22,320	23,149
11.3 Other than full-time permanent .....	695	745	769
11.5 Other personnel compensation .....	831	892	921
<b>11.9 Total personnel compensation .....</b>	<b>21,820</b>	<b>23,957</b>	<b>24,839</b>
12.1 Personnel benefits: Civilian .....	2,440	3,129	4,487
21.0 Travel and transportation of persons .....	166	180	185
22.0 Transportation of things .....	127	105	107
23.1 Rental payments to GSA .....	2,648	4,144	5,059
23.3 Communications, utilities, and miscellaneous charges .....	8,810	8,706	8,987
24.0 Printing and reproduction .....	386	411	424
25.0 Other services .....	10,447	10,859	10,444
26.0 Supplies and materials .....	3,297	3,521	3,634
31.0 Equipment .....	1,117	1,000	1,007
43.0 Interest and dividends .....	11		
<b>99.9 Total obligations .....</b>	<b>51,269</b>	<b>56,012</b>	<b>59,173</b>

**Personnel Summary**

Total number of full-time permanent positions .....	670	780	785
Total compensable workyears:			
Full-time equivalent employment .....	745	796	801
Full-time equivalent of overtime and holiday hours .....	20	20	20

**Trust Funds**

**GIFTS AND BEQUESTS**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Environmental services .....	9	22	22
00.02 Standards missions .....	18	12	12
00.03 Special central services .....	51	26	26
00.04 Miscellaneous contributed funds .....	249	110	110
00.05 Promotion of international trade .....	57	30	30
<b>10.00 Total obligations .....</b>	<b>384</b>	<b>200</b>	<b>200</b>
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	— 58		
21.40 Unobligated balance available, start of year .....	— 354	— 472	— 472
24.40 Unobligated balance available, end of year .....	472	472	472
<b>60.00 Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>443</b>	<b>200</b>	<b>200</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	384	200	200
72.40 Obligated balance, start of year .....	108	40	40
74.40 Obligated balance, end of year .....	— 40	— 40	— 40
78.00 Adjustments in unexpired accounts .....	— 58		
<b>90.00 Outlays .....</b>	<b>394</b>	<b>200</b>	<b>200</b>

The Secretary of Commerce is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department of Commerce. Property and the proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

## GIFTS AND BEQUESTS—Continued

## Object Classification (in thousands of dollars)

Identification code	13-8501-0-7-376	1986 actual	1987 est.	1988 est.
21.0	Travel and transportation of persons.....	169	86	86
25.0	Other services.....	179	88	88
26.0	Supplies and materials.....	36	26	26
99.9	Total obligations.....	384	200	200

## BUREAU OF THE CENSUS

## Federal Funds

## General and special funds:

## SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, [\$90,780,000] \$102,076,000. (13 U.S.C. 4, 6, 8(b), 12, 41-45, 61-63, 181, 182, 301-307; 15 U.S.C. 1516; 19 U.S.C. 1484, 2354, 2393; 44 U.S.C. 1343; 50 U.S.C. App. 2292; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

## Program and Financing (in thousands of dollars)

Identification code	13-0401-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Current economic statistics programs:				
00.01	Business statistics.....	11,690	12,866	14,599
00.02	Construction statistics.....	6,964	7,276	8,020
00.03	Manufacturing statistics.....	8,758	9,287	10,141
00.04	General economic statistics.....	8,503	8,927	9,270
00.05	Foreign trade statistics.....	13,888	15,250	17,121
00.06	Government statistics.....	4,576	4,885	5,348
00.07	Agriculture statistics.....	361	395	429
Current demographic statistics programs:				
00.10	Demographic surveys.....	24,475	26,293	29,350
00.11	Demographic reports.....	2,867	3,060	3,356
00.12	International statistics.....	576	628	688
00.13	Housing statistics.....	519	537	570
Other programs and publications:				
00.16	Statistical abstract and supplements.....	1,473	1,564	1,721
00.17	General research.....	664	690	745
00.18	Data systems development.....	635	673	718
00.91	Total direct program.....	85,949	92,331	102,076
01.01	Reimbursable program.....	91,926	96,000	96,000
10.00	Total obligations.....	177,875	188,331	198,076
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-83,031	-88,000	-88,000
14.00	Non-Federal sources.....	-8,896	-8,000	-8,000
25.00	Unobligated balance lapsing.....	48		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	516		
39.00	Budget authority.....	86,513	92,331	102,076
Budget authority:				
40.00	Appropriation.....	86,513	90,780	102,076
42.00	Transferred from other accounts.....		118	
43.00	Appropriation (adjusted).....	86,513	90,898	102,076
44.40	Supplemental for retirement contributions (P.L. 99-335).....		1,433	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	85,949	92,331	102,076
72.40	Obligated balance, start of year.....	7,267	9,255	10,156
74.40	Obligated balance, end of year.....	-9,255	-10,156	-11,228
77.00	Adjustments in expired accounts.....	-120		
89.00	Outlays.....	83,841	91,430	101,004

## Outlays:

90.00	Outlays, excluding retirement contribution supplemental.....	83,841	90,054	100,947
91.40	Outlays from retirement contribution supplemental.....		1,376	57

The activities of this appropriation provide for the collection, compilation, and publication of a broad range of current statistics dealing with economic, demographic, and social data.

*Current economic statistics programs—*

*Business statistics.*—This program provides current information on sales and related measures of retail and wholesale trade and selected service industries.

The 1988 budget provides for the continued improvement of the annual service trade survey by collecting additional data items for selected industries.

The 1988 budget eliminates funds to conduct a general economic survey of the communication sector.

*Construction statistics.*—Reports are provided on significant construction activity such as housing permits and starts, value of new construction, residential alterations and repairs, and quarterly price indexes for new, single-family houses.

*Manufacturing statistics.*—Surveys of key industrial commodities and manufacturing activity provide current statistics on the quantity and value of industry output.

*General economic statistics.*—This subactivity provides a Standard Statistical Establishment List (SSEL) of all U.S. business firms and their establishments, uniform classification data, annual county business data, and corporate financial data.

The 1988 budget reduces coverage of the Quarterly Financial Report to its 1984 level.

*Foreign trade statistics.*—Monthly, cumulative, and annual reports are published on the quantity, shipping weight, and dollar value of imports and exports, by mode of transportation, detailed commodity category, customs district, and country of origin or destination. Commodity classifications are being improved for comparability and other activities in support of the Trade Act of 1974.

The 1988 budget provides for further improvement to the Harmonized System of import, export, and domestic production statistics.

*Government statistics.*—Reports are published annually regarding the revenue, expenditures, indebtedness and debt transactions, financial assets, employment, and payrolls of State and local governments. Quarterly information on State and local tax revenue is furnished on the national level by type of tax and governmental level, and information is provided on financial assistance programs of the Federal Government.

*Agriculture statistics.*—Information on cotton ginnings and production is compiled and published. Assistance is provided on using the information from the census of agriculture.

*Current demographic statistics programs—*

*Demographic surveys.*—This program provides information on the number, the geographic distribution and the social and economic characteristics of the population.

The 1988 budget provides for a limited introduction of computer-assisted telephone interviewing in the Current Population Survey.

**Demographic reports.**—This program provides current reports on the geographic distribution and on the demographic, social, and economic characteristics of the population, as well as current estimates and future projections of the population of the United States. The program also provides special analyses of demographic, social, and economic trends.

**International statistics.**—This program provides estimates of population, labor force, and economic activity, including spatial distribution, and analyses concerning aspects of demographic policies, economic policies, and trends for various countries.

**Housing statistics.**—This program compiles statistics on the Nation's housing inventory and provides national and regional estimates of housing vacancy rates.

**Other programs and publications**—

**Statistical abstract and supplements.**—The *Statistical Abstract*, prepared annually, summarizes Government and private statistics of the industrial, social, political, and economic activities of the United States.

**General research.**—Research is conducted on survey methods and techniques to find ways of improving the efficiency, accuracy, and timeliness of statistical programs.

**Data systems development.**—This program provides advanced data capture, data processing, and information retrieval technology to meet Bureau program requirements.

**Reimbursable program.**—The Bureau of the Census undertakes work for other governmental agencies when it is more appropriate or efficient to have the work performed by the Bureau. Significant work includes collection of labor force and consumer expenditure data for the Bureau of Labor Statistics, national health and education program data for the Department of Education and the Department of Health and Human Services, and annual housing data for the Department of Housing and Urban Development. Fees for other specialized products and services will be increased in 1988.

**Object Classification (in thousands of dollars)**

Identification code	13-0401-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	43,190	46,939	49,554
11.3	Other than full-time permanent .....	12,477	12,884	13,937
11.5	Other personnel compensation .....	1,249	2,265	2,302
11.8	Special personal services payments .....	48		
11.9	Total personnel compensation .....	56,964	62,088	65,793
12.1	Personnel benefits: Civilian .....	7,309	9,418	13,410
13.0	Benefits for former personnel .....			
21.0	Travel and transportation of persons .....	2,511	3,178	3,288
22.0	Transportation of things .....	213	85	104
23.1	Rental payments to GSA .....	6,021	6,034	6,932
23.2	Rental payments to others .....	5		
23.3	Communications, utilities and miscellaneous charges .....	4,777	3,358	3,458
24.0	Printing and reproduction .....	2,093	2,602	2,772
25.0	Other services .....	3,942	3,858	4,533
26.0	Supplies and materials .....	1,008	1,031	1,096
31.0	Equipment .....	1,106	679	690
99.0	Subtotal, direct obligations .....	85,949	92,331	102,076

99.0	Reimbursable obligations .....	91,926	96,000	96,000
99.9	Total obligations .....	177,875	188,331	198,076

**Personnel Summary**

<b>Direct:</b>				
Total number of full-time permanent positions .....	2,238	2,294	2,307	
Total compensable workyears:				
Full-time equivalent employment .....	2,809	2,966	3,024	
Full-time equivalent of overtime and holiday hours .....		135	140	
<b>Reimbursable:</b>				
Total number of full-time permanent positions .....	1,188	1,267	1,267	
Total compensable workyears:				
Full-time equivalent employment .....	1,976	2,204	2,204	
Full-time equivalent of overtime and holiday hours .....		15	15	

**PERIODIC CENSUSES AND PROGRAMS**

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, **[\$172,000,000]** \$376,213,000, to remain available until expended. (13 U.S.C. 4, 6, 12, 131, 141, 142, 161, 181, 191; 15 U.S.C. 1516; 42 U.S.C. 1973aa-5; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code	13-0450-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Economic statistics programs:</b>				
00.01	Economic censuses .....	11,201	13,372	36,124
00.02	Census of governments .....	609	5,754	2,524
00.03	Census of agriculture .....	7,528	11,901	33,748
<b>Demographic statistics programs:</b>				
00.06	Intercensal demographic estimates .....	2,325	2,645	2,733
00.07	Decennial census .....	44,413	82,458	245,402
00.08	Sample redesign .....	2,381	661	800
00.10	Geographic support .....	20,734	16,622	9,665
00.11	Data processing systems .....	15,237	49,617	45,217
10.00	Total obligations .....	104,428	183,030	376,213
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-1,294		
21.40	Unobligated balance available, start of year .....	-10,300	-8,224	
24.40	Unobligated balance available, end of year .....	8,224		
39.00	Budget authority .....	101,059	174,806	376,213
<b>Budget authority:</b>				
40.00	Appropriation .....	101,059	172,000	376,213
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		2,806	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	104,428	183,030	376,213
72.40	Obligated balance, start of year .....	16,875	24,503	59,485
74.40	Obligated balance, end of year .....	-24,503	-59,485	-78,629
78.00	Adjustments in unexpired accounts .....	-1,294		
89.00	Outlays .....	95,507	148,048	357,069
<b>Outlays:</b>				
90.00	Outlays, excluding retirement contribution supplemental .....	95,507	145,353	356,958
91.40	Outlays from retirement contribution supplemental .....		2,695	111

This appropriation funds legislatively mandated censuses of economic and demographic areas once or twice each decade and other authorized periodic activities.

**Economic statistics programs—**

**Economic censuses.**—The economic censuses provide data on manufactures, mineral industries, retail and wholesale trade and service industries, construction, and transportation. The censuses are taken every fifth year, covering calendar years ending in two and seven.

General and special funds—Continued

PERIODIC CENSUSES AND PROGRAMS—Continued

The 1988 budget provides for the processing of the censuses. The key operations will include mail-out, questionnaire check-in, and data keying. The budget also provides for complete implementation of the Standard Industrial Classification revision.

*Census of governments.*—This census collects State and local government data on taxes, tax valuations, governmental receipts, expenditures, indebtedness, and number of employees. This census is taken every fifth year for calendar years ending in two and seven.

The 1988 budget provides for the processing and tabulation of data for the governmental organization phase. The budget also provides for the collection and processing of data for the governmental finance, public employment, and taxable property values phases of the 1987 Census.

*Census of agriculture.*—This census covers the agricultural sector of the economy and includes the census of irrigation.

The 1988 budget provides for completing the preparation of the census mail list; data collection; data processing; and beginning the edits, tabulations and publications.

*Demographic statistics programs—*

*Intercensal demographic estimates.*—This program provides updated population and per capita income estimates for general purpose governmental units for use in the equitable allocation of funds by various Federal programs and for other purposes.

*Decennial census.*—The decennial census of population and housing involves the enumeration of the total population of the 50 States, the District of Columbia, Puerto Rico, Virgin Islands, Guam, the Northern Mariana Islands, and other areas of U.S. sovereignty or jurisdiction.

The 1988 budget provides for evaluation of the 1987 test censuses; conducting the 1988 dress rehearsal with all methodologies, procedures and technology to be used in the 1990 census; beginning pre-census activities, i.e., compiling a master U.S. address list, opening, equipping and staffing initial temporary collection and processing offices; and defining geographic and statistical areas.

*Sample redesign.*—This program provides for revisions to the statistical samples used for monthly, quarterly and annual surveys.

*Geographic support.*—This activity provides for the geographic requirements of the various periodic programs and involves accurate identification of both political and statistical areas, preparation of maps, and maintenance of geographic base files.

The 1988 budget provides for the completion of geographic file building activities and continuing maintenance on the new automated geographic support system.

*Data processing systems.*—This program provides the resources necessary to improve the data processing installation of the Bureau of the Census.

Object Classification (in thousands of dollars)

Identification code	13-0450-0-1-376	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	31,753	42,061	57,671
11.3	Other than full-time permanent.....	24,420	35,409	133,292
11.5	Other personnel compensation.....	1,088	439	1,656
11.8	Special personal services payments.....	77	24	45
11.9	Total personnel compensation.....	57,338	77,933	192,664
12.1	Personnel benefits: Civilian.....	7,320	14,167	29,108
13.0	Benefits for former personnel.....	1,377	1,778	8,297
21.0	Travel and transportation of persons.....	2,119	3,004	30,131
22.0	Transportation of things.....	246	102	4,480
23.1	Rental payments to GSA.....	3,847	3,490	9,155
23.2	Rental payments to others.....	237	60	3,003
23.3	Communications, utilities, and miscellaneous charges.....	7,518	9,574	25,577
24.0	Printing and reproduction.....	1,675	3,684	6,274
25.0	Other services.....	11,084	21,494	22,686
26.0	Supplies and materials.....	3,275	5,406	6,947
31.0	Equipment.....	8,392	42,338	37,891
99.9	Total obligations.....	104,428	183,030	376,213

Personnel Summary

Total number of full-time permanent positions.....	1,669	2,847	3,634
Total compensable workyears:			
Full-time equivalent employment.....	2,235	3,875	11,886
Full-time equivalent of overtime and holiday hours.....	20	20	30

ECONOMIC AND STATISTICAL ANALYSIS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs, **[\$30,000,000] \$32,947,000.** (15 U.S.C. 171 et seq., 1516, 3704-05, 3710; 22 U.S.C. 286f, 3101-08; 30 U.S.C. 1604; 35 U.S.C. 200-206; 40 U.S.C. 759(f); Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed for \$2,101,000.)

Program and Financing (in thousands of dollars)

Identification code	13-1500-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Economic analysis.....	21,228	22,636	24,992
00.02	Policy support.....	5,012	5,356	5,737
00.03	Productivity, technology, and innovation.....	2,811	2,827	2,218
00.91	Total direct program.....	29,051	30,819	32,947
01.01	Reimbursable program.....	1,712	1,400	1,400
10.00	Total obligations.....	30,763	32,219	34,347
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-1,150	-938	-938
14.00	Non-Federal sources.....	-578	-462	-462
22.40	Unobligated balance transferred, net.....		-332	
25.00	Unobligated balance lapsing.....	137		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	16		
39.00	Budget authority.....	29,188	30,487	32,947
Budget authority:				
40.00	Appropriation.....	29,188	30,000	32,947
42.00	Transferred from other accounts.....		79	
43.00	Appropriation (adjusted).....	29,188	30,079	32,947
44.40	Supplemental for retirement contributions (P.L. 99-335).....		408	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	29,035	30,819	32,947

72.40	Obligated balance, start of year .....	3,441	3,763	4,345
74.40	Obligated balance, end of year .....	-3,763	-4,345	-4,646
77.00	Adjustments in expired accounts .....	-366		
89.00	Outlays .....	28,346	30,237	32,646
	Outlays:			
90.00	Outlays, excluding retirement contribution supplemental ...	28,346	29,842	32,633
91.40	Outlays from retirement contribution supplemental .....		395	13

**Economic analysis.**—The objective of this activity is to provide a clear picture of the state of the economy through the preparation, development, and interpretation of the economic accounts of the United States. The principal programs are:

**National economic accounts.**—The national income and product accounts, summarized by the gross national product (GNP), provide an up-to-date overall view of national production, its distribution, and its use as shown by the interrelated receipts and expenditures of producers, consumers, investors, government, and the foreign customers of the United States.

**Analysis of business trends.**—This work includes surveys of business investment, econometric models of the U.S. economy, a system of business cycle indicators, and analyses of the economic situation.

**International economic accounts.**—The balance of payments accounts provide a comprehensive and detailed view of economic transactions between the United States and foreign countries. The international investment accounts consist of the preparation, development, and analysis of estimates of U.S. direct investment abroad and foreign direct investment in the United States.

**Policy support.**—The objective of this activity is to support the Secretary, Under Secretary for Economic Affairs, and other Government officials in interpreting the state of the economy, and on matters relating to economic policy.

**Productivity, technology, and innovation.**—The objective of this activity is to promote a favorable climate for private sector innovation and improvements in technology, utilization, and productivity. In 1988, the productivity, technology, and innovation program will be reduced. The patent licensing program will continue to be conducted by the National Technical Information Service (NTIS) on a self-supporting basis.

**Reimbursable.**—ESA provides economic and statistical data and analyses on a reimbursable and advance payment basis to other Federal agencies, individuals, and firms requesting such information. Funds received for these services cover the cost of performing this work. ESA is authorized to perform these services under 31 U.S.C. 1535, 1536 and 15 U.S.C. 1526.

**Object Classification** (in thousands of dollars)

Identification code	13-1500-0-1-376	1986 actual	1987 est.	1988 est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent .....	18,554	19,670	19,363
11.3	Other than full-time permanent .....	525	509	633
11.5	Other personnel compensation .....	322	216	261
11.9	Total personnel compensation .....	19,401	20,397	20,257
12.1	Personnel benefits: Civilian .....	2,064	2,479	3,642
13.0	Benefits for former personnel .....	30		600
21.0	Travel and transportation of persons .....	84	150	221
22.0	Transportation of things .....	18	6	5

23.1	Rental payments to GSA .....	1,557	2,315	2,646
23.3	Communications, utilities, and miscellaneous charges ..	1,033	992	988
24.0	Printing and reproduction .....	533	590	829
25.0	Other services .....	3,699	3,402	3,273
26.0	Supplies and materials .....	310	289	305
31.0	Equipment .....	321	199	181
43.0	Interest and dividends .....	1		
99.0	Subtotal, direct obligations .....	29,051	30,819	32,947
99.0	Reimbursable obligations .....	1,712	1,400	1,400
99.9	Total obligations .....	30,763	32,219	34,347

**Personnel Summary**

Direct:			
Total number of full-time permanent positions .....	618	582	568
Total compensable workyears:			
Full-time equivalent employment .....	513	600	583
Full-time equivalent of overtime and holiday hours .....	1	5	5
Reimbursable:			
Total number of full-time permanent positions .....	52	40	52
Total compensable workyears: Full-time equivalent employment ..	40	40	52

**Trust Funds**

**INFORMATION PRODUCTS AND SERVICES**

**Program and Financing** (in thousands of dollars)

Identification code	13-8546-0-7-376	1986 actual	1987 est.	1988 est.
	<b>Program by activities:</b>			
10.00	Total obligations .....	32,377	36,639	36,400
	<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	-2,581	-3,463	-3,463
24.40	Unobligated balance available, end of year .....	3,463	3,463	3,463
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite) .....	33,259	36,639	36,400
	Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	32,377	36,639	36,400
72.40	Obligated balance, start of year .....	8,097	7,914	7,914
74.40	Obligated balance, end of year .....	-7,914	-7,914	-7,914
90.00	Outlays .....	32,560	36,639	36,400

The National Technical Information Service (NTIS) operates this trust fund as a central source for the acquisition and public sale of domestic and foreign federally funded research, development, and engineering reports and associated business information. In 1988, the private sector will be offered the opportunity to operate NTIS on contract, with the government retaining overall policy direction.

**Object Classification** (in thousands of dollars)

Identification code	13-8546-0-7-376	1986 actual	1987 est.	1988 est.
	Personnel compensation:			
11.1	Full-time permanent .....	7,475	7,929	7,929
11.3	Other than full-time permanent .....	477	506	506
11.5	Other personnel compensation .....	110	117	117
11.9	Total personnel compensation .....	8,062	8,552	8,552
12.1	Personnel benefits: Civilian .....	890	1,112	1,112
21.0	Travel and transportation of persons .....	169	200	190
22.0	Transportation of things .....	238	280	270
23.1	Rental payments to GSA .....	1,241	1,455	1,732
23.3	Communications, utilities, and miscellaneous charges .....	1,727	2,200	2,100
24.0	Printing and reproduction .....	4,058	4,700	4,600
25.0	Other services .....	14,507	16,560	16,144
26.0	Supplies and materials .....	687	700	750
31.0	Equipment .....	122	130	150
44.0	Refunds .....	676	750	800
99.9	Total obligations .....	32,377	36,639	36,400

INFORMATION PRODUCTS AND SERVICES—Continued

Personnel Summary

Total number of full-time permanent positions.....	384	339	344
Total compensable workyears:			
Full-time equivalent employment .....	318	330	330
Full-time equivalent of overtime and holiday hours .....	1	4	4

REGIONAL DEVELOPMENT PROGRAM

Federal Funds

General and special funds:

REGIONAL DEVELOPMENT PROGRAMS

Program and Financing (in thousands of dollars)

Identification code	13-2100-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	1	1	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-84		
21.40	Unobligated balance available, start of year .....	-2,275	-2,359	
22.40	Unobligated balance transferred, net .....		782	
23.40	Unobligated balance rescinded (P.L. 99-500 and 99-591) .....		1,576	
24.40	Unobligated balance available, end of year .....	2,359		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1	1	
72.40	Obligated balance, start of year .....	723	342	
74.40	Obligated balance, end of year .....	-342		
78.00	Adjustments in unexpired accounts .....	-84		
90.00	Outlays .....	297	343	

The regional development program was discontinued in 1981. The obligations in 1987 are for monitoring and close-out of existing projects, and termination of the program. In 1988, no new obligations are proposed.

Trust Funds

REGIONAL DEVELOPMENT COMMISSIONS

Program and Financing (in thousands of dollars)

Identification code	13-8509-0-7-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 44.0) .....	18	947	
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-175		
21.40	Unobligated balance available, start of year .....	-790	-947	
24.40	Unobligated balance available, end of year .....	947		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	18	947	
72.10	Receivables in excess of obligations, start of year .....	-454	-609	
74.10	Receivables in excess of obligations, end of year .....	609		
78.00	Adjustments in unexpired accounts .....	-175		
90.00	Outlays .....	-2	338	

The Regional Development Commissions trust fund is a depository for Federal and State grants and contributions to the Commissions for administrative expenses, technical assistance, demonstration projects, and State and regional investment planning. Federal payments to this fund were discontinued in 1981 as part of the termination of the regional development program.

INTERNATIONAL TRADE ADMINISTRATION

Federal Funds

General and special funds:

OPERATIONS AND ADMINISTRATION\*

[(INCLUDING RESCISSION)]

\*See Part II for additional information.

For necessary expenses for international trade activities of the Department of Commerce, including trade promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed \$253,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use abroad and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; [ \$197,500,000 ] \$197,138,000, to remain available until expended [ , of which \$6,785,000 is for the Office of Textiles and Apparels, including \$3,349,000 for a grant to the Tailored Clothing Technology Corporation and, of which \$3,500,000 is for a grant for support costs for a new materials center in Ames, Iowa ]; *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities [ : *Provided further*, That none of the funds appropriated herein may be used for activities associated with conferences, trade shows, expositions, and/or seminars which feature or convey the advantages of relocating U.S. industries, manufacturing and/or assembly plants, or companies, in a foreign country. Of available funds under this head provided for direct loans in Public Law 98-411 and Public Law 99-180, \$8,100,000 are rescinded ] . (15 U.S.C. 637(e), 649, 1501 et seq., 1871, 4001 et seq., 4011 et seq.; 19 U.S.C. 81a et seq., 1202nt., 1303, 1671 et seq., 1673 et seq., 1862, 2031, 2155, 2354, 2411 et seq.; 22 U.S.C. 801 et seq., 2451 et seq., 2651 et seq., 3101 et seq.; 40 U.S.C. 512; 42 U.S.C. 300j; 50 U.S.C. 98-98h, 401 et seq.; 2061 et seq., 2401 et seq.; Public Law 99-64; Export Administration Amendment Act of 1985, 99 Stat. 120; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	13-1250-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Trade development .....	45,660	57,991	35,766
00.02	International economic policy .....	13,488	15,373	19,436
00.03	Trade administration .....	44,684	56,773	61,357
00.04	U.S. and foreign commercial services .....	79,374	80,282	84,209
00.91	Total direct program .....	183,206	210,419	200,768
01.01	Reimbursable program .....	11,425	10,000	8,904
10.00	Total obligations .....	194,631	220,419	209,672
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-1,005	-1,000	-900
14.00	Non-Federal sources .....	-11,504	-9,000	-8,004
17.00	Recovery of prior year obligations .....	-7,941		
21.40	Unobligated balance available, start of year .....	-11,228	-20,394	-3,630
23.40	Unobligated balance rescinded (P.L. 99-500 and 99-591) .....		8,100	
24.40	Unobligated balance available, end of year .....	20,394	3,630	
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	397		
39.00	<b>Budget authority</b> .....	183,744	201,755	197,138

Budget authority:				
40.00	Appropriation .....	183,744	197,500	197,138
42.00	Transferred from other accounts .....		2,018	
43.00	<b>Appropriation (adjusted) .....</b>	<b>183,744</b>	<b>199,518</b>	<b>197,138</b>
44.40	<b>Supplemental for retirement contributions (P.L. 99-335) .....</b>		<b>2,237</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	182,122	210,419	200,768
72.40	Obligated balance, start of year .....	63,983	52,199	73,282
74.40	Obligated balance, end of year .....	-52,199	-73,282	-67,442
78.00	Adjustments in unexpired accounts .....	-7,941		
89.00	Outlays .....	185,965	189,336	206,608
Outlays:				
90.00	Outlays, excluding retirement contribution supplemental .....	185,965	187,170	206,537
91.40	Outlays from retirement contribution supplemental .....		2,166	71

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	183,744	201,755	197,138
Outlays .....	185,965	189,336	206,608
Rescission proposal:			
Budget authority .....		-11,400	
Outlays .....		-8,037	-3,363
Total:			
Budget authority .....	183,744	190,355	197,138
Outlays .....	185,965	181,299	203,245

## Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-1250-0-1-376			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	Limitation on direct loans to the public <sup>1</sup> .....	7,752	
1112	Unused balance of direct loan limitation expiring .....	-6,842	
1132	Obligations exempt from limitation: Defaulted guaranteed loan claims .....		6,487
1150	Total direct loan obligations .....	910	6,487
<b>Cumulative balance of direct loans outstanding:</b>			
1210	Outstanding, start of year .....	8,955	8,223
Disbursements:			
1231	Direct loan disbursements .....	358	2,129
1232	Disbursements for guaranteed loan claims .....		6,487
Repayments:			
1251	Repayments and prepayments .....	-742	-1,448
1252	Repayments of defaulted guaranteed loans .....	-348	-600
1262	Adjustments: Write-offs for default .....		-543
1290	Outstanding, end of year .....	8,223	14,248

Status of Guaranteed Loans <sup>2</sup> (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111	Limitation on guaranteed loans made by private lenders <sup>1</sup> .....	7,177	
2112	Unused balance of limitation expiring .....	-7,177	
2150	Total guaranteed loan commitments .....		
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210	Outstanding, start of year .....	24,434	19,903
2231	Disbursements: Disbursements of new guaranteed loans .....	264	338
2251	Repayments: Repayments and prepayments .....	-4,795	-1,526
Adjustments:			
2261	Terminations for default that result in direct loans .....		-6,487
2264	Other adjustments, net <sup>1</sup> .....		
2290	Outstanding, end of year .....	19,903	12,228

## MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	17,913	11,005	3,597
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<sup>1</sup> P.L. 99-272, the Consolidated Omnibus Reconciliation Act of 1985, eliminated both direct loan and loan guarantee authority.

<sup>2</sup> Amounts shown are based on the full principal amount of loans that are partially guaranteed by the U.S. Government. The comparable amount of limitation enacted on the basis of contingent liability is \$6,000 thousand in 1986.

The activities of the International Trade Administration in the Department of Commerce are intended to develop the export potential of U.S. firms in a manner consistent with national security and foreign and economic policy and to promote an improved trade posture for U.S. industry.

*Trade development.*—The trade development program assesses the competitiveness of various U.S. industries; performs trade and investment analyses in support of industry programs and trade policy; and conducts export promotion programs directed toward industry sectors. Trade Adjustment Assistance to firms is proposed for rescission in 1987 and termination in 1988.

*International economic policy.*—This program develops regional and multilateral economic policies; provides marketing services directly and through the Foreign Commercial Service which assist U.S. businesses in expanding exports; identifies long range trade and investment problems and develops remedial strategies.

In 1988, an increase of 72 positions and \$4,081,000 is requested to enable the International Trade Administration to meet its responsibilities in supporting the United States Trade Representative during the Uruguay Round of General Agreement on Tariffs and Trade (GATT) negotiations.

*Trade administration.*—Through administration of the Export Administration Act, the trade administration program assures that export activity is consistent with national security, foreign policy, and U.S. material and commodity objectives; enforces the law against participation in foreign boycotts; assures the availability of industrial resources for national defense under the authority of the Defense Production Act; investigates anti-dumping and countervailing duty cases to ensure compliance with applicable U.S. statutes; and administers certain other statutory programs relating to imports and foreign trade zones.

In 1988, ITA proposes to charge a fee for processing export licenses. Fees will be established to recover processing costs.

In 1988, an increase of 28 positions and \$1,474,000 is requested for Import Administration to support the U.S.-Japan semiconductor agreement and machine tool Voluntary Restraint Agreements.

*U.S. and foreign commercial services.*—The U.S. and foreign commercial services counsel U.S. businesses on exporting through 48 U.S. Commercial Service District Offices in the United States and Foreign Commercial Service Offices in 63 countries overseas. The program's goals are to increase the number of U.S. firms that export and the number of foreign markets to which they export; to provide business with information on U.S. and foreign government procurements through the Commerce Business Daily; to provide export market information; to promote and facilitate participation of U.S. firms in trade shows; and to encourage and sponsor additional involvement by private, State and local organizations.

In 1988, an increase of 7 positions and \$1,200,000 is requested to conduct pre-export license and post-shipment checks at overseas posts.

General and special funds—Continued

OPERATIONS AND ADMINISTRATION—Continued

[(INCLUDING RESCISSION)]—Continued

Furthermore, in 1988, ITA will improve its counseling services to U.S. businesses by completing the establishment of its automated Commercial Information Management System (CIMS) that will provide customized and proactive export assistance to U.S. businesses through ITA's domestic offices. ITA proposes to charge an annual fee to businesses who wish to take advantage of this system.

**Reimbursable program.**—This account includes receipts for services rendered to other Federal agencies and receipts received on a cost recovery basis from private entities for trade events and export information services.

Object Classification (in thousands of dollars)

Identification code 13-1250-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	88,458	96,725	99,980
11.3 Other than full-time permanent .....	3,917	3,651	3,192
11.5 Other personnel compensation .....	1,870	2,429	2,488
11.8 Special personal services payments .....	434	475	372
11.9 Total personnel compensation .....	94,679	103,280	106,032
12.1 Personnel benefits: Civilian .....	12,143	14,893	20,404
13.0 Benefits for former personnel .....	513	500	450
21.0 Travel and transportation of persons .....	5,585	6,437	6,465
22.0 Transportation of things .....	1,106	1,048	1,116
23.1 Rental payments to GSA .....	6,981	11,218	13,065
23.2 Rental payments to others .....	4,863	4,963	4,389
23.3 Communications, utilities, and miscellaneous charges .....	5,180	4,811	4,562
24.0 Printing and reproduction .....	3,672	3,986	4,154
25.0 Other services .....	30,463	33,690	34,902
26.0 Supplies and materials .....	1,988	1,928	1,814
31.0 Equipment .....	3,159	2,866	3,340
32.0 Lands and structures .....	50	50	50
33.0 Investments and loans .....	910		
41.0 Grants, subsidies, and contributions .....	9,981	20,724	
42.0 Insurance claims and indemnities .....	25	25	25
43.0 Interest and dividends .....	7		
44.0 Refunds .....	13		
92.0 Undistributed .....	1,888		
99.0 Subtotal, direct obligations .....	183,206	210,419	200,768
99.0 Reimbursable obligations .....	11,425	10,000	8,904
99.9 Total obligations .....	194,631	220,419	209,672

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,867	2,924	2,955
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	2,762	2,923	2,951
Full-time equivalent of overtime and holiday hours .....	50	50	50
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	38	38	38
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	51	51	51
Full-time equivalent of overtime and holiday hours .....	3	3	3

PARTICIPATION IN UNITED STATES EXPOSITIONS

Program and Financing (in thousands of dollars)

Identification code 13-1805-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 New York World's Fair (total obligations—object class 42.0) .....		63	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-13		

21.40 Unobligated balance available, start of year .....	-58	-63	
24.40 Unobligated balance available, end of year .....	63		
25.00 Unobligated balance lapsing .....	8		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		63	
72.40 Obligated balance, start of year .....	1,158	409	
74.40 Obligated balance, end of year .....	-409		
78.00 Adjustments in unexpired accounts .....	-13		
90.00 <b>Outlays</b> .....	736	472	

This account provided funds to cover expenses for participation in U.S. expositions that have taken place.

MINORITY BUSINESS DEVELOPMENT AGENCY

Federal Funds

General and special funds:

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce [in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, \$39,675,000, of which \$26,080,000 shall remain available until expended: *Provided*, That not to exceed \$13,595,000 shall be available for program management for fiscal year 1987: *Provided further*, That none of the funds appropriated in this paragraph or in this title for the Department of Commerce shall be available to reimburse the fund established by 15 U.S.C. 1521 on account of the performance of a program, project, or activity, nor shall such fund be available for the performance of a program, project, or activity, which had not been performed as a central service pursuant to 15 U.S.C. 1521 before July 1, 1982, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such action in accordance with the Committees' reprogramming procedures] to provide for the orderly termination of non-transferred activities, \$4,620,000. (Department of Commerce Appropriation Act, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 13-0201-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Enterprise development .....	37,040	37,483	
00.02 Resource development .....	9,208	5,937	2,855
00.03 Advocacy, research, and information .....	2,430	3,673	1,765
00.91 Total direct program .....	48,678	47,093	4,620
01.01 Reimbursable program .....	577	560	
10.00 Total obligations .....	49,255	47,653	4,620
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-577	-560	
17.00 Recovery of prior year obligations .....	-1,741		
21.40 Unobligated balance available, start of year .....	-11,401	-7,238	
24.40 Unobligated balance available, end of year .....	7,238		
25.00 Unobligated balance lapsing .....	290		
39.00 <b>Budget authority</b> .....	43,065	39,855	4,620
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	43,065	39,675	4,620
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		180	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	48,678	47,093	4,620
72.40 Obligated balance, start of year .....	27,519	27,590	29,562
74.40 Obligated balance, end of year .....	-27,590	-29,562	-4,872
77.00 Adjustments in expired accounts .....	-875		
78.00 Adjustments in unexpired accounts .....	-1,741		
89.00 <b>Outlays</b> .....	45,991	45,121	29,310

Outlays:				
90.00	Outlays, excluding retirement contribution supplemental ...	45,991	44,947	29,304
91.40	Outlays from retirement contribution supplemental .....		174	6

Note.—Excludes \$36,381 thousand in 1988 for activities transferred to the Small Business Administration, Salaries and expenses, Minority Small Business/Capital Ownership Development. Comparable amounts for 1986 (\$34,824 thousand) and 1987 (\$34,016 thousand) are included above.

The 1988 Budget proposes to consolidate the Federal minority business assistance programs in the Small Business Administration. The proposed reorganization is designed to facilitate the coordination and delivery of minority business programs in order to encourage greater minority participation in the ownership and operation of businesses. Under the proposal, MBDA's Enterprise Development programs will be transferred to SBA. Resources provided to MBDA in 1988 will be used to complete the orderly phase out of MBDA's Resource Development and Advocacy, Research and Information activities. These activities will be continued by existing SBA programs.

**Object Classification** (in thousands of dollars)

Identification code	13-0201-0-1-376	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	5,788	8,002	1,991
11.3	Other than full-time permanent .....	153	260	40
11.5	Other personnel compensation .....	1,411	68	10
11.9	Total personnel compensation .....	7,352	8,330	2,041
12.1	Personnel benefits: Civilian .....	818	1,062	484
13.0	Benefits to former personnel .....	1		1,718
21.0	Travel and transportation of persons .....	266	337	16
22.0	Transportation of things .....	33	75	4
23.1	Rental payments to GSA .....	879	1,092	59
23.3	Communications, utilities, and miscellaneous charges .....	382	427	21
24.0	Printing and reproduction .....	165	189	9
25.0	Other services .....	4,720	5,159	264
26.0	Supplies and materials .....	83	45	2
31.0	Equipment .....	231	36	2
41.0	Grants, subsidies, and contributions .....	33,748	30,341	
99.0	Subtotal, direct obligations .....	48,678	47,093	4,620
99.0	Reimbursable obligations .....	577	560	
99.9	Total obligations .....	49,255	47,653	4,620

**Personnel Summary**

Total number of full-time permanent positions .....	209	216	
Total compensable workyears:			
Full-time equivalent employment .....	221	242	26
Full-time equivalent of overtime and holiday hours .....	2	2	

**UNITED STATES TRAVEL AND TOURISM ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the United States Travel and Tourism Administration including travel and tourism promotional activities abroad for travel to the United States and its possessions without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; and carrying out the provisions of the 1981 Tourism Policy Act; and including employment of American citizens and aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; [advance of funds under contracts abroad;] payment of tort claims in the manner authorized in the first paragraph of 28 U.S.C. 2672, when such claims arise in foreign countries; and not to exceed \$8,000 for representation expenses abroad [ \$11,500,000 ]

\$3,000,000, together with not to exceed \$9,187,000 in collections from an International Ticket Writing Charge, to be credited to this account, both amounts to remain available until expended. (22 U.S.C. 2121-2127; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing** (in thousands of dollars)

Identification code	13-0700-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	International tourism development .....	10,310	10,320	2,597
00.02	Executive direction .....	1,168	1,229	403
00.91	Total direct program .....	11,478	11,549	3,000
01.01	Reimbursable program .....	1,102	1,500	11,451
10.00	Total obligations .....	12,580	13,049	14,451
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....		-25	-25
14.00	Non-Federal sources .....	-1,142	-1,475	-11,426
25.00	Unobligated balance lapsing .....	6		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	40		
39.00	<b>Budget authority</b> .....	<b>11,484</b>	<b>11,549</b>	<b>3,000</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>11,484</b>	<b>11,500</b>	<b>3,000</b>
44.40	<b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>49</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	11,438	11,549	3,000
72.40	Obligated balance, start of year .....	6,143	2,095	4,461
74.40	Obligated balance, end of year .....	-2,095	-4,461	-1,858
77.00	Adjustments in expired accounts .....	-617		
89.00	<b>Outlays</b> .....	<b>14,868</b>	<b>9,183</b>	<b>5,603</b>
<b>Outlays:</b>				
90.00	Outlays, excluding retirement contribution supplemental ...	14,868	9,136	5,601
91.40	Outlays from retirement contribution supplemental .....		47	2

In 1988, the activities of the United States Travel and Tourism Administration (USTTA) will be funded primarily by user fees. Legislation will be proposed to establish an International Ticketing Writing Charge of \$1 per ticket for international travel to and from the United States, its possessions and territories. Travel to and from Canada, Mexico, and travel originating in the U.S. possessions and territories to the United States will be excluded. The charge will be collected from airlines and cruise ship carriers which are the primary beneficiaries of USTTA. The activities to be supported fall into two broad categories:

**International Tourism Marketing.**—These activities include the planning, development and carrying out of an international tourism marketing program designed to stimulate and encourage travel to the United States by residents of foreign countries.

**Executive Direction.**—These activities include policy guidance, executive management, and administrative support in the areas of fiscal planning, program implementation, management and evaluation.

**Object Classification** (in thousands of dollars)

Identification code	13-0700-0-1-376	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	2,878	3,048	818
11.3	Other than full-time permanent .....	17	16	
11.5	Other personnel compensation .....	6	6	2
11.9	Total personnel compensation .....	2,901	3,070	820

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 13-0700-0-1-376	1986 actual	1987 est.	1988 est.
12.1 Personnel benefits: Civilian .....	583	667	236
13.0 Benefits for former personnel .....	4		
21.0 Travel and transportation of persons .....	342	271	110
22.0 Transportation of things .....	147	44	10
23.1 Rental payments to GSA .....	153	254	27
23.2 Rental payments to others .....	581	581	165
23.3 Communications, utilities, and miscellaneous charges .....	479	334	118
24.0 Printing and reproduction .....	605	251	116
25.0 Other services .....	5,393	5,976	1,366
26.0 Supplies and materials .....	172	79	25
31.0 Equipment .....	118	22	7
99.0 Subtotal, direct obligations .....	11,478	11,549	3,000
99.0 Reimbursable obligations .....	1,102	1,500	11,451
99.9 Total obligations .....	12,580	13,049	14,451

Personnel Summary

Total number of full-time permanent positions .....	77	80	80
Total compensable workyears: Full-time equivalent employment .....	76	80	80

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The following table depicts the level (obligations) of all National Oceanic and Atmospheric Administration programs, the details of which are in the following budget schedules and in the 1987 supplementals and rescissions shown in Part II.

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operations, research and facilities .....	1,312,649	1,365,053	1,364,745
Construction .....	586	463	
Promote and develop fishery products and research pertaining to American fisheries .....	8,312	8,863	
Fishing vessel and gear damage compensation fund .....	1,237	1,500	1,429
Fishermen's contingency fund .....	895	750	750
Foreign fishing observer fund .....	3,876	2,277	2,000
Federal ship financing fund .....	5,739	3,160	3,160
Aviation weather services program .....	26,796	29,000	30,000
Total obligations .....	1,360,090	1,411,066	1,402,084

Federal Funds

General and special funds:

OPERATIONS, RESEARCH, AND FACILITIES\*  
(INCLUDING TRANSFER OF FUNDS)

\*See Part II for additional information.

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; 399 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; **[\$1,038,588,000]** \$1,013,251,000, to remain available until expended [ ], of which \$27,500,000 shall be available only for commercialization of the land remote sensing satellite system subject to the approval of the House and Senate Committees on Appropriations pursuant to section 607 of this Act [ ]; and in addition, **[\$29,000,000]** \$30,000,000 shall be derived from the Airport and Airways Trust Fund; and in addition, **[\$51,800,000]** \$57,400,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, **[\$9,673,000]** \$15,900,000 shall be derived by transfer from the Coastal Energy Impact Fund [ ]; and in addition, \$1,800,000 shall be derived by transfer from the Fisheries Loan Fund: *Provided,*

That grants to States pursuant to section 306 and section 306(a) of the Coastal Zone Management Act, as amended, shall not exceed \$2,000,000 and shall not be less than \$450,000: *Provided further,* That of the funds appropriated in this paragraph, necessary funds shall be used to fill and maintain a staff of three persons, as National Oceanic and Atmospheric Administration personnel, to work on contracts and purchase orders at the National Data Buoy Center in Bay St. Louis, Mississippi, and report to the Director of the National Data Buoy Center in the same manner and extent that such procurement functions were performed at Bay St. Louis prior to June 26, 1983, except that they may provide procurement assistance to other Department of Commerce activities pursuant to ordinary interagency agreements. Where practicable, these positions shall be filled by the employees who performed such functions prior to June 26, 1983 [ ], (7 U.S.C. 1622; 12 U.S.C. 1715m; 15 U.S.C. 272, 313, 313a, 313nt, 330b, 330e, 1514, 1517, 2904, 2905, 2906, 2908; 4211, 4278; 16 U.S.C. 661 et seq.; 30 U.S.C. 1412, 1419, 1424, 1428, 1469, 1470; 33 U.S.C. 706 et seq., 1441, 1442, 1443, 1444, 1703, 1704, 1705, 1709; 37 U.S.C. 101 et seq.; 42 U.S.C. 1891, 7453, 7454, 8902, 8903, 8904, 8905; 43 U.S.C. 1347e; 49 U.S.C. 1153; Department of Commerce Appropriation Act, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed for \$41,833,000 of which \$30,000,000 is related to the Aviation Weather Services Program.)

Program and Financing (in thousands of dollars)

Identification code 13-1450-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 National Ocean Service .....	117,115	131,915	74,863
00.02 National Marine Fisheries Service .....	156,653	166,831	99,508
00.03 Oceanic and Atmospheric Research .....	133,644	147,882	82,335
00.04 National Weather Service .....	289,530	337,193	360,315
00.05 National Environmental Satellite, Data, and Information Service .....	328,362	296,544	359,473
00.06 Program support .....	127,388	116,390	114,057
00.91 Total direct program .....	1,152,692	1,196,755	1,090,551
Reimbursable program:			
01.01 National Ocean Service .....	44,028	41,507	38,787
01.02 National Marine Fisheries Service .....	10,903	11,372	10,318
01.03 Oceanic and Atmospheric Research .....	16,992	15,859	15,859
01.04 National Weather Service .....	64,942	125,400	148,158
01.05 National Environmental Satellite, Data, and Information Service .....	11,613	7,703	6,613
01.06 Program support .....	11,479	25,314	25,489
01.91 Total reimbursable program .....	159,957	227,155	245,224
10.00 Total obligations .....	1,312,649	1,423,910	1,335,775
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-112,913	-183,203	-200,446
13.00 Trust funds .....	-27,236	-29,000	-30,000
14.00 Non-Federal sources .....	-19,808	-14,952	-14,778
17.00 Recovery of prior year obligations .....	-14,068	-58,200	-4,000
21.40 Unobligated balance available, start of year .....	-31,111	-32,522	
22.40 Unobligated balance transferred, net .....	-7,656	-9,673	-15,900
24.40 Unobligated balance available, end of year .....	32,522		
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	482		
39.00 Budget authority .....	1,132,861	1,096,360	1,070,651
Budget authority:			
40.00 Appropriation .....	1,098,696	1,038,588	1,013,251
42.00 Transferred from other accounts .....	34,165	51,800	57,400
43.00 Appropriation (adjusted) .....	1,132,861	1,090,388	1,070,651
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		5,972	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,152,692	1,196,755	1,090,551
72.40 Obligated balance, start of year .....	790,463	745,508	603,275
73.40 Obligated balance transferred, net .....	22,011		
74.40 Obligated balance, end of year .....	-745,508	-603,275	-571,910
78.00 Adjustments in unexpired accounts .....	-14,068	-58,200	-4,000
89.00 Outlays .....	1,205,591	1,280,788	1,117,916

90.00	Outlays, excluding retirement contribution supplemental ...	1,205,591	1,275,066	1,117,666
91.40	Outlays from retirement contribution supplemental .....		5,722	250

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	1,132,861	1,096,360	1,070,651
Outlays .....	1,205,591	1,280,788	1,117,916
Proposal for later transmittal under proposed legislation:			28,970
Budget authority .....			28,970
Outlays .....			21,003
Rescission proposal:			
Budget authority .....		-58,857	
Outlays .....		-14,714	-23,543
<b>Total:</b>			
Budget authority .....	1,132,861	1,037,503	1,099,621
Outlays .....	1,205,591	1,266,074	1,115,376

**National Ocean Service.**—The National Ocean Service provides for the management of ocean and coastal resources, particularly in the 200-mile Exclusive Economic Zone; improvements in the quality, quantity, geographic distribution and timeliness of ocean observations; the conservation, rational use, and charting of the Nation's coastal regions; production of aeronautical and nautical charts; and geodetic surveys. Program changes involve decreases for ocean assessments, the ocean services program, and Coastal Zone Management grants, and increases for the next generation automated nautical charting system. Chart prices will be increased to pay for the new system.

**National Marine Fisheries Service.**—These programs provide for the management and conservation of the Nation's living marine resources and their environment including marine mammals and endangered species. Program changes, consistent with NOAA's priorities, will reduce information collection and analyses and related research, as well as regulatory and management operations. Programs that primarily support local and private sector interests, e.g., aquaculture research, fisheries trade, and some fisheries grant programs will be terminated. Legislation is proposed to implement a Marine Fisheries Conservation Assurance Program with the revenues being shared by the Federal Government and coastal States for fishery management programs. Additional program funds of \$29 million will be requested when this legislation is enacted to support required information and management programs.

**Oceanic and Atmospheric Research.**—These programs provide: the understanding and technique development necessary to improve NOAA services (weather warnings and forecasts, solar-terrestrial services, climate predictions, marine services); and the understanding of environmental systems necessary for national policy formulation (e.g., acid rain) and the enhanced use of ocean resources (e.g., fisheries, minerals). Program changes principally involve decreases in activities which primarily support State, regional or private sector interests and an increase in mesoscale research.

**National Weather Service.**—These programs provide timely and accurate meteorologic, hydrologic, and oceanographic warnings, forecasts, and planning information to ensure the safety of the population, mitigate property losses, and improve the economic efficiency of the Nation. Additional funding is proposed for development and acquisition of Doppler weather radars

(NEXRAD), automated surface observational equipment, and the Advanced Weather Interactive Processing System. Specialized weather services which can be conducted by the private sector will be reduced or eliminated. Proposed decreases in 1988 include a consolidation of selected regional headquarters, a reduction in staffing levels in selected offices, and a reduction in operations and maintenance for selected data buoys.

**National Environmental Satellite, Data, and Information Service.**—These programs provide for the operation of environmental polar-orbiting and geostationary satellites; provide for the subsidy of a commercially operated Landsat system; and provide global environmental data and information products and services to users in commerce, industry, agriculture, science and engineering, the general public and Federal, State and local agencies. Increases provide for procurements of replacement satellites and subsidies for Landsat. A decrease in Government funding for the Landsat 4 and 5 system is proposed because the satellites will have reached the end of their design lives in 1987.

**Program support.**—These programs provide for overall NOAA management, NOAA's share of the Regional Administrative Support Centers, and the operational and logistics support of ships, marine centers, and aircraft to support NOAA missions. Proposed decreases in 1988 include the number of ships and days-at-sea. Air Force hurricane reconnaissance flights will continue to be funded directly by the Department of Defense.

**Object Classification (in thousands of dollars)**

Identification code	13-1450-0-1-306	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	348,200	348,805	336,165
11.5	Other personnel compensation .....	30,645	23,054	21,494
11.9	Total personnel compensation .....	378,845	371,859	357,659
12.1	Personnel benefits: Civilian .....	47,478	56,472	72,553
13.0	Benefits for former personnel .....	9,495	7,793	7,793
21.0	Travel and transportation of persons .....	13,577	14,623	15,743
22.0	Transportation of things .....	5,107	4,821	4,636
23.1	Rental payments to GSA .....	20,112	23,180	22,178
23.2	Rental payments to others .....	47,976	51,512	48,328
24.0	Printing and reproduction .....	3,080	2,697	3,241
25.0	Other services .....	412,244	436,311	424,740
26.0	Supplies and materials .....	39,795	50,186	43,035
31.0	Equipment .....	35,883	33,489	38,484
32.0	Lands and structures .....	343		
41.0	Grants, subsidies, and contributions .....	138,594	143,775	52,124
42.0	Insurance claims and indemnities .....	79	37	37
43.0	Interest and dividends .....	84		
99.0	Subtotal, direct obligations .....	1,152,692	1,196,755	1,090,551
99.0	Reimbursable obligations .....	159,957	227,155	245,224
99.9	Total obligations .....	1,312,649	1,423,910	1,335,775

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	11,012	10,093	9,266
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	11,321	10,728	9,944
Full-time equivalent of overtime and holiday hours .....	379	379	379
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	1,420	1,341	1,341
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	1,693	1,439	1,439
Full-time equivalent of overtime and holiday hours .....	51	51	51

General and special funds—Continued

OPERATIONS, RESEARCH, AND FACILITIES  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 13-1450-2-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 National Marine Fisheries Service (total obligations)			28,970
<b>Financing:</b>			
40.00 Budget authority (appropriation)			28,970
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			28,970
74.40 Obligated balance, end of year			-7,967
90.00 Outlays			21,003

Legislation will be proposed for the implementation of Federal marine fishing fees. The proceeds collected from these fees will partially offset the cost of fishery management programs. Revenues will be shared with coastal States.

Object Classification (in thousands of dollars)

Identification code 13-1450-2-1-306	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent			2,719
12.1 Personnel benefits: Civilian			299
21.0 Travel and transportation of persons			50
22.0 Transportation of things			14
23.1 Rental payments to GSA			100
24.0 Printing and reproduction			8
25.0 Other services			21,769
26.0 Supplies and material			211
31.0 Equipment			2,800
41.0 Grants, subsidies, and contributions			1,000
99.9 Total obligations			28,970

Personnel Summary

Total number of full-time permanent positions	110
Total compensable workyears: Full-time equivalent employment	100

CONSTRUCTION

Program and Financing (in thousands of dollars)

Identification code 13-1452-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses: Sand Point	225	202	
00.02 Capital investment: Sand Point	361	261	
10.00 Total obligations	586	463	
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-69		
21.40 Unobligated balance available, start of year	-980	-463	
24.40 Unobligated balance available, end of year	463		
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	586	463	
72.40 Obligated balance, start of year	232	238	
74.40 Obligated balance, end of year	-238		
78.00 Adjustments in unexpired accounts	-69		
90.00 Outlays	511	701	

This account provides for the planning and construction of ship, administrative, and research facilities at Sand Point, Seattle, WA. Funding to construct additional facilities was received in 1979 and will be completed in 1987.

Object Classification (in thousands of dollars)

Identification code 13-1452-0-1-306	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent	45	45	
12.1 Personnel benefits: Civilian	5	5	
25.0 Other services	40	40	
26.0 Supplies and materials	74	51	
31.0 Equipment	61	61	
32.0 Lands and structures	361	261	
99.9 Total obligations	586	463	

Personnel Summary

Total number of full-time permanent positions	1
Total compensable workyears: Full-time equivalent employment	1

COASTAL ZONE MANAGEMENT

Program and Financing (in thousands of dollars)

Identification code 13-1451-0-1-302	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	22,011		
73.40 Obligated balance transferred, net	-22,011		
90.00 Outlays			

In 1986, the obligated balance of this fund was transferred to the Operations, research, and facilities account.

PROMOTE AND DEVELOP FISHERY PRODUCTS AND RESEARCH  
PERTAINING TO AMERICAN FISHERIES

Program and Financing (in thousands of dollars)

Identification code 13-5139-0-2-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	8,312	8,863	
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-841	-900	
21.40 Unobligated balance available, start of year	-266	-2,337	
24.40 Unobligated balance available, end of year	2,337		
39.00 Budget authority	9,542	5,626	
<b>Budget authority:</b>			
Current:			
41.00 Transferred to other accounts	-34,165	-51,800	-57,400
43.00 Appropriation (adjusted) (special fund)	-34,165	-51,800	-57,400
Permanent:			
62.00 Transferred from other accounts	43,707	57,426	57,400
63.00 Appropriation (adjusted) (indefinite)	43,707	57,426	57,400

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	8,312	8,863	
72.40 Obligated balance, start of year	15,275	13,892	9,852
74.40 Obligated balance, end of year	-13,892	-9,852	
78.00 Adjustments in unexpired accounts	-841	-900	
90.00 Outlays	8,854	12,003	9,852

An amount equal to 30 percent of the gross receipts from customs duties on imported fishery products is transferred to the Department of Commerce annually.

In 1988, all funds in this account are proposed to be transferred to offset the cost of marine fishery resource programs in the Operations, research, and facilities account.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-5139-0-2-376			
21.0 Travel and transportation of persons.....	1	1	
23.2 Rental payments to others.....	10	10	
24.0 Printing and reproduction.....	6	6	
25.0 Other services.....	150	150	
26.0 Supplies and materials.....	2	2	
41.0 Grants, subsidies, and contributions.....	8,143	8,694	
99.9 Total obligations.....	8,312	8,863	

Amounts Available for Appropriation

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	23	744	2,094
Receipts.....	1,492	2,000	2,000
Interest income.....	1	100	100
Not available for appropriation (unrealized discounts).....	-54		
Total available for appropriation.....	1,462	2,844	4,194
Appropriation.....	-718	-750	-750
Unappropriated balance, end of year.....	744	2,094	3,444

FISHING VESSEL AND GEAR DAMAGE COMPENSATION FUND

Amounts Available for Appropriation

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	3,017	3,285	3,385
Receipts.....	73		
Interest income.....	739	100	100
Not available for appropriation (unrealized discounts).....	-544		
Total available for appropriation.....	3,285	3,385	3,485
Appropriation.....			
Unappropriated balance, end of year.....	3,285	3,385	3,485

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-5120-0-2-376			
<b>Program by activities:</b>			
10.00 Total obligations.....	895	750	750
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-217	-40	-40
24.40 Unobligated balance available, end of year.....	40	40	40
40.00 Budget authority (appropriation) (special fund)	718	750	750
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	895	750	750
72.40 Obligated balance, start of year.....		3	20
74.40 Obligated balance, end of year.....	-3	-20	-20
90.00 Outlays.....	892	733	750

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-5119-0-2-376			
<b>Program by activities:</b>			
10.00 Total obligations.....	1,237	1,500	1,429
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-3		
21.98 Unobligated balance available, start of year: Fund balance.....	-4,162	-2,929	-1,429
24.98 Unobligated balance available, end of year: Fund balance.....	2,929	1,429	
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,237	1,500	1,429
72.98 Obligated balance, start of year: Fund balance.....	19	20	20
74.98 Obligated balance, end of year: Fund balance.....	-20	-20	-20
78.00 Adjustments in unexpired accounts.....	-3		
90.00 Outlays.....	1,233	1,500	1,429

This program provides compensation to commercial fishermen for damages to or loss of fishing gear, including loss of profits, related to oil and gas exploration, development, and production on the Outer Continental Shelf.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-5120-0-2-376			
11.1 Personnel compensation: Full-time permanent.....	29	29	29
12.1 Personnel benefits: Civilian.....	3	3	3
23.2 Rental payments to others.....	4	1	1
24.0 Printing and reproduction.....	2		
25.0 Other services.....	2	2	2
26.0 Supplies and materials.....		1	1
42.0 Insurance claims and indemnities.....	855	714	714
99.9 Total obligations.....	895	750	750

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-5119-0-2-376			
11.1 Personnel compensation: Full-time permanent.....	170	145	145
12.1 Personnel benefits: Civilian.....	19	17	17
21.0 Travel and transportation of persons.....		5	5
23.3 Communications, utilities, and miscellaneous charges.....	3	1	1
24.0 Printing and reproduction.....	1	1	1
25.0 Other services.....	5	56	56
26.0 Supplies and materials.....	2	2	2
31.0 Equipment.....	9		
42.0 Insurance claims and indemnities.....	1,028	1,273	1,202
99.9 Total obligations.....	1,237	1,500	1,429

Personnel Summary

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	1	2	2

Personnel Summary

Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	6	5	5

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94-265), and the American Fisheries Promotion Act (Public Law 96-561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed \$2,000,000, to remain available until expended. (16 U.S.C. 1824(b)(10), 1827; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Amounts Available for Appropriation

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	758	134	214
Receipts.....	3,100	2,000	2,000
Interest income.....	144	80	80
Not available for appropriation (unrealized discounts).....	-60		
Total available for appropriation.....	3,942	2,214	2,294

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95-372, not to exceed \$750,000, to be derived from receipts collected pursuant to that Act, to remain available until expended. (43 U.S.C. 1842-43; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

General and special funds—Continued

FOREIGN FISHING OBSERVER FUND—Continued

Amounts Available for Appropriation—Continued

	1986 actual	1987 est.	1988 est.
Appropriation.....	-3,808	-2,000	-2,000
Unappropriated balance, end of year	134	214	294

Program and Financing (in thousands of dollars)

Identification code 13-5122-0-2-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	3,876	2,277	2,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-14		
21.98 Unobligated balance, start of year.....	-331	-277	
24.98 Unobligated balance, end of year.....	277		
<b>40.00 Budget authority (appropriation) (special fund)</b>	<b>3,808</b>	<b>2,000</b>	<b>2,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,876	2,277	2,000
72.98 Obligated balance, start of year.....	860	601	49
74.98 Obligated balance, end of year.....	-601	-49	-34
78.00 Adjustments in unexpired accounts.....	-14		
<b>90.00 Outlays.....</b>	<b>4,119</b>	<b>2,829</b>	<b>2,015</b>

This fund is financed through collections from foreign vessel owners who fish within the U.S. Fishery Conservation Zone. Collections to the fund are used by the Secretary of Commerce to pay the salaries of observers and program support personnel, and the costs of data management and analysis of the observer program. The observers collect scientific information on the foreign catch, and monitor compliance with the provisions of the Fishery Conservation and Management Act (FCMA) of 1976.

Object Classification (in thousands of dollars)

Identification code 13-5122-0-2-376	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	45	45	45
11.3 Other than full-time permanent.....	759	353	353
11.5 Other personnel compensation.....	102	102	102
<b>11.9 Total personnel compensation.....</b>	<b>906</b>	<b>500</b>	<b>500</b>
12.1 Personnel benefits: Civilian.....	92	55	55
21.0 Travel and transportation of persons.....	29	20	20
23.1 Rental payments to GSA.....	22		
23.3 Communications, utilities, and miscellaneous charges.....	27	25	25
24.0 Printing and reproduction.....	7	4	4
25.0 Other services.....	2,713	1,634	1,357
26.0 Supplies and materials.....	72	34	34
31.0 Equipment.....	8	5	5
<b>99.9 Total obligations.....</b>	<b>3,876</b>	<b>2,277</b>	<b>2,000</b>

Personnel Summary

Total number of full-time permanent positions.....	4	4	4
Total compensable workyears:			
Full-time equivalent employment.....	38	36	36
Full-time equivalent of overtime and holiday hours.....	8	8	8

FISHERIES LOAN FUND

Amounts Available for Appropriation

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	136,785		
Offsetting receipts.....	43,370		
Interest income.....	70,514		
Unappropriated receipts returned to general fund.....	250,669		

Program and Financing (in thousands of dollars)

Identification code 13-5123-0-2-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-899		
17.00 Recovery of prior year obligations.....	-321		
21.98 Unobligated balance available, start of year.....	-947	-219	
24.98 Unobligated balance available, end of year.....	219		
25.00 Unobligated balance lapsing.....	1,948	219	
<b>40.00 Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-899		
72.98 Obligated balance, start of year.....	1,231	-219	
74.98 Obligated balance, end of year.....	219		
78.00 Adjustments in unexpired accounts.....	-321		
<b>90.00 Outlays.....</b>	<b>230</b>	<b>-219</b>	

Status of Direct Loans (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	10,944	11,506	10,821
1231 Disbursements: Direct loan disbursements.....	1,026	15	
1251 Repayments: Repayments and prepayments.....	-724	-700	-700
1264 Adjustments: Other adjustments, net.....	260		
<b>1290 Outstanding, end of year.....</b>	<b>11,506</b>	<b>10,821</b>	<b>10,121</b>

The Fisheries Loan Fund expired on September 30, 1986. During 1987, the loan portfolio will be administered under the Operations, research, and facilities appropriation and the receipts from foreign fishing fees will be deposited in the General Fund of the Treasury. The loan portfolio will be administered by the Grants and Loan Administration under the Office of the Secretary in 1988.

Public enterprise funds:

COASTAL ENERGY IMPACT FUND

Program and Financing (in thousands of dollars)

Identification code 13-4315-0-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-9,361	-8,300	-8,300
17.00 Recovery of prior year obligations.....	-557	-150	-7,600
21.98 Unobligated balance available, start of year: Fund balance.....	-5,202	-7,120	-5,897
22.98 Unobligated balance transferred, net: Fund balance.....	7,656	9,673	15,900
24.98 Unobligated balance available, end of year: Fund balance.....	7,120	5,897	5,897
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	344		
<b>39.00 Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-9,362	-8,300	-8,300
72.98 Obligated balance, start of year: Fund balance.....	19,278	12,928	5,600

74.98	Obligated balance, end of year: Fund balance.....	-12,928	-5,600	-1,000
78.00	Adjustments in unexpired accounts.....	-557	-150	-7,600
90.00	Outlays.....	-3,569	-1,122	-11,300

**Status of Direct Loans (in thousands of dollars)**

Identification code 13-4315-0-3-452		1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	94,206	96,220	100,420
1231	Disbursements: Direct loan disbursements.....	5,000	7,500	.....
1251	Repayments: Repayments and prepayments.....	-2,986	-3,300	-3,000
1290	Outstanding, end of year.....	96,220	100,420	97,420

Repayments to the fund are proposed for transfer to the "Operations, research, and facilities" appropriation.

**Revenue and Expense (in thousands of dollars)**

		1986 actual	1987 est.	1988 est.
Operating income or loss (-):				
	Revenue.....	6,375	5,000	8,000
	Expense.....	-1,428	-678	.....
	Net operating income or loss (-).....	4,947	4,322	8,000

**Financial Condition (in thousands of dollars)**

		1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>					
	Fund balance with Treasury.....	24,479	20,048	11,497	6,897
	Advances made.....	843	147	147	147
	Loans receivable (net).....	94,206	96,220	100,420	97,420
	Accounts receivable (net).....	2,371	2,367	1,367	1,067
	Total assets.....	121,899	118,782	113,431	105,531
<b>Liabilities:</b>					
	Liabilities: Accounts payable (grants).....	64	.....	.....	.....
<b>Government equity:</b>					
	Unexpended balance:				
	Unobligated balance.....	5,201	7,120	5,897	5,897
	Undelivered orders.....	22,428	15,442	7,114	2,214
	Invested capital.....	94,206	96,220	100,420	97,420
	Total Government equity.....	121,835	118,782	113,431	105,531
<b>Analysis of changes in Government equity:</b>					
Paid-in capital:					
	Opening balance.....	121,990	113,990	104,317	.....
	Transactions: Transfers.....	-8,000	-9,673	-15,900	.....
	Closing balance.....	113,990	104,317	88,417	.....
Retained earnings:					
	Opening balance.....	-155	4,792	9,114	.....
	Transactions: Net operating income or loss (-).....	4,947	4,322	8,000	.....
	Closing balance.....	4,792	9,114	17,114	.....
	Total Government equity (end of year).....	118,782	113,431	105,531	.....

**FEDERAL SHIP FINANCING FUND, FISHING VESSELS\***

\*See Part II for additional information.

During fiscal year 1988, no new commitments to guarantee loans shall be made.

**Program and Financing (in thousands of dollars)**

Identification code 13-4417-0-3-376		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Fisheries financial support services.....	1,349	1,160	1,160
00.02	Disbursements for loan guarantee claims.....	2,739	2,000	2,000
00.03	Loans.....	1,651	.....	.....
10.00	Total obligations.....	5,739	3,160	3,160

**Financing:**

Offsetting collections from:				
11.00	Federal funds.....	-145	.....	.....
14.00	Non-Federal sources.....	-6,165	-9,200	-9,200
21.98	Unobligated balance available, start of year: Fund balance.....	-2,170	-2,741	-8,781
24.98	Unobligated balance available, end of year: Fund balance.....	2,741	8,781	14,821
39.00	<b>Budget authority</b> .....	.....	.....	.....

**Relation of obligations to outlays:**

71.00	Obligations incurred, net.....	-571	-6,040	-6,040
72.98	Obligated balance, start of year: Fund balance.....	-53	47	47
74.98	Obligated balance, end of year: Fund balance.....	-47	-47	-47
90.00	Outlays.....	-671	-6,040	-6,040

**Status of Direct Loans (in thousands of dollars)**

Identification code 13-4417-0-3-376		1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....	.....	.....	.....
Obligations exempt from limitation:				
1131	Direct loans to the public.....	1,651	.....	.....
1132	Defaulted guaranteed loan claims.....	2,739	2,000	2,000
1150	Total direct loan obligations.....	4,390	2,000	2,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	14,829	17,311	17,311
Disbursements:				
1231	Direct loan disbursements.....	1,651	.....	.....
1232	Disbursements for guaranteed loan claims.....	2,739	2,000	2,000
1251	Repayments: Repayments and prepayments.....	-1,492	-2,000	-2,000
Adjustments:				
1262	Write-offs for default.....	-1,645	.....	.....
1264	Other adjustments, net.....	1,229	.....	.....
1290	Outstanding, end of year.....	17,311	17,311	17,311

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....	.....	.....	.....
2131	Guaranteed loan commitments exempt from limitation.....	18,960	50,000	.....
2150	Total guaranteed loan commitments.....	18,960	50,000	.....
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	157,980	193,088	231,088
2231	Disbursements: Disbursements of new guaranteed loans.....	18,960	50,000	.....
2251	Repayments: Repayments and prepayments.....	-9,818	-10,000	-10,000
Adjustments:				
2261	Terminations for default that result in direct loans.....	-2,739	-2,000	-2,000
2264	Other adjustments, net <sup>1</sup> .....	28,705	.....	.....
2290	Outstanding, end of year.....	193,088	231,088	219,088

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	193,088	231,088	219,088
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<sup>1</sup> Adjustments for change in method of recording loan guarantee commitments.

Premiums and fees collected under the Fishing Vessel Obligations Guarantee program are deposited in this fund for operations of this program, loans and for use in case of default. Proceeds from sale of collateral are also deposited in the fund (46 U.S.C. 1272, 1273(f), and 1274). The portfolio of guaranteed loans will be administered by the Grants and Loans Administration in the Office of the Secretary in 1988.

Public enterprise funds—Continued

FEDERAL SHIP FINANCING FUND, FISHING VESSELS—Continued

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (—):			
Revenue.....	2,798	4,200	4,200
Expense.....	—3,140	—1,200	—1,200
Net operating income or loss (—).....	—342	3,000	3,000

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	2,117	233	6,273	12,313
Accounts receivable (net).....	1,089	6,193	.....	.....
U.S. securities (par).....	.....	2,555	410	.....
Loans receivable (net).....	14,829	17,311	17,314	17,311
Real property and equipment (net).....	2,152	676	676	676
Other assets.....	198	.....	.....	.....
Total assets.....	20,385	26,823	24,670	30,300
<b>Liabilities:</b>				
Accounts payable including funded accrued li- abilities.....	1,014	937	.....	.....
Debt issued under borrowing authority: Borrow- ing from Treasury.....	.....	.....	.....	.....
Total liabilities.....	1,014	937	.....	.....
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance.....	2,170	2,741	8,781	14,821
Undelivered orders.....	22	16	16	16
Invested capital.....	17,179	23,129	15,873	15,463
Total Government equity.....	19,371	25,886	24,670	30,300
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....	9,299	8,776	8,434	11,434
Transactions: Net operating income or loss (—).....	—523	—342	3,000	3,000
Closing balance.....	8,776	8,434	11,434	14,434
Total Government equity (end of year).....	19,371	25,886	24,670	30,300

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-4417-0-3-376			
Personnel compensation:			
11.1 Full-time permanent.....	1,073	884	884
11.5 Other personnel compensation.....	8	11	11
11.9 Total personnel compensation.....	1,081	895	895
12.1 Personnel benefits: Civilian.....	112	98	98
21.0 Travel and transportation of persons.....	42	45	45
22.0 Transportation of things.....	2	2	2
23.1 Rental payments to CSA.....	15	15	15
23.3 Communications, utilities, and miscellaneous charges.....	9	9	9
24.0 Printing and reproduction.....	.....	1	1
25.0 Other services.....	73	80	80
26.0 Supplies and materials.....	5	5	5
31.0 Equipment.....	10	10	10
33.0 Investment and loans.....	4,390	2,000	2,000
99.9 Total obligations.....	5,739	3,160	3,160

Personnel Summary

Total number of full-time permanent positions.....	20	20	.....
Total compensable workyears: Full-time equivalent employment.....	30	24	.....

Trust Funds

AVIATION WEATHER SERVICES PROGRAM

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-8105-0-7-306			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	26,796	29,000	30,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	26,796	29,000	30,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	26,796	29,000	30,000
90.00 Outlays.....	26,796	29,000	30,000

Legislation will be proposed to reauthorize use of the Airport and Airway Trust Fund for financing the Aviation Weather Services program administered by the National Oceanic and Atmospheric Administration (NOAA). NOAA provides meteorological observations, forecasts, warnings, and advisories in support of the National Airspace System.

PATENT AND TRADEMARK OFFICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office, including defense of suits instituted against the Commissioner of Patents and Trademarks, **[\$98,000,000]** \$135,542,000 and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, to remain available until expended. (15 U.S.C. 1051-1127, 1511; 35 U.S.C. 1-4, 6-42, 376; 44 U.S.C. 1337-38; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-1006-0-1-376			
<b>Program by activities:</b>			
Direct program:			
00.01 Patent process.....	52,276	59,646	89,873
00.02 Information dissemination.....	13,517	16,146	18,847
00.03 Executive direction and administration.....	13,877	25,914	26,822
00.91 Total direct program.....	79,670	101,706	135,542
Reimbursable program:			
01.01 Patent process.....	79,708	98,561	89,073
01.02 Trademark process.....	12,486	17,553	16,189
01.03 Information dissemination.....	25,687	27,308	29,377
01.04 Executive direction and administration.....	14,302	10,943	12,339
01.91 Total reimbursable program.....	132,183	154,365	146,978
10.00 Total obligations.....	211,853	256,071	282,520
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	—5	—200	—200
14.00 Non-Federal sources.....	—127,896	—139,860	—146,778
17.00 Recovery of prior year obligations.....	—145	.....	.....
21.40 Unobligated balance available, start of year.....	—25,898	—18,011	.....
24.40 Unobligated balance available, end of year.....	18,011	.....	.....
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	5,138	.....	.....
40.00 Budget authority (appropriation).....	81,058	98,000	135,542
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	83,952	116,011	135,542
72.40 Obligated balance, start of year.....	21,198	33,080	32,340
74.40 Obligated balance, end of year.....	—33,080	—32,340	—45,480

78.00	Adjustments in unexpired accounts.....	-145		
90.00	Outlays.....	71,924	116,751	122,402

The Office administers laws governing the granting of patents for inventions and the registration of trademarks.

Public Law 97-607 provides for a portion of Office operating costs to be recovered through user fee revenues. Since 1983, all fees are retained in the PTO appropriation and are available along with appropriated funds. Collections were \$127.9 million in 1986 and are estimated to be \$139.9 million in 1987 and \$146.8 million in 1988.

An Automation Master Plan revised for this budget submission provides for the automation of the majority of the functions and operations of the Office by the 1990's. The Plan proposes a phased approach to complete the progressive development and installation of system capabilities. The 1988 increases will provide for the expansion of the Automated Patent System and the Data Input/Output System. Automation resources are distributed among the four activities of the Office.

**Patent process.**—Applications are examined to determine inventor entitlements to a patent for the claimed invention. Patent application examination also includes quasi-judicial review in appeal and interference proceedings, and the publication of issued patents.

The 1988 increases support programs to reduce patent application pendency time to 18 months by 1989; to shorten appeals decision time; and to support the automated patent system and the automated data input/output system.

Key patent application workload and performance data are:

	1985 actual	1986 actual	1987 est.	1988 est.
Applications in Office (start of year).....	240,304	237,197	233,588	229,850
Applications received.....	116,427	121,611	123,000	125,000
Application disposals by examiners:				
Allowed for grant.....	-75,405	-80,921	-81,900	-81,900
Abandoned.....	-45,083	-49,151	-44,100	-44,100
Total.....	-120,488	-130,072	-126,000	-126,000
Change in printing inventory.....	954	4,449	-2,738	-2,238
Total applications in Office (end of year).....	237,197	235,588	229,850	226,612
Patent grants printed.....	70,244	71,791	79,900	79,400
Pendency in Office, excluding appeals and interference applications (in months).....	22.7	21.5	19.2	18.9
Total pendency in Office, all applications (in months).....	23.2	22.0	19.7	19.4

<sup>1</sup> Includes inventory adjustment (2,403) in 1986 to reflect new withdrawal counting procedures.

**Trademark process.**—This activity provides for the examination of applications to determine whether the statutory criteria for the Federal registration of the trademark or service mark have been met. When the criteria are met, a registration is printed and issued to the applicant. Examination also includes *inter partes* proceedings involving oppositions, cancellations, and interferences. The 1988 funding maintains the reduced pendencies in trademark examination, provides for the integrated Automated Trademark System, and provides increases for a key entry contract and staff increases for the Trial and Appeal Board.

Key trademark application workload and performance data are:

	1985 actual	1986 actual	1987 est.	1988 est.
Applications in Office (start of year).....	106,585	76,362	74,989	76,989
Applications received (includes amendments and combined classes).....	64,677	69,253	70,800	74,200
Application disposals by examiners.....	-86,318	-68,916	-68,800	-74,200
Change in printing inventory.....	-8,582	-1,710		
Total applications in Office—end of year.....	76,362	74,989	76,989	76,989
Trademark registrations printed.....	63,122	48,971	45,600	49,200
Pending time to first action (in months).....	2.6	2.9	3.0	3.0
Pending time to registration/abandonment (in months).....	13.8	12.5	13.0	13.0

**Information dissemination.**—Materials and services which assist in the examination of patent and trademark applications and in the transfer of technological information are provided in this activity. Specific materials and services include the maintenance of subject matter search files of prior art documents; maintenance of a scientific library and public search rooms; preparation of copies of patents, trademark registrations, and official documents; assignment of patents and trademark rights; and administration of printing.

The 1988 increases provide funds to support micro-filing the increased volume of patent applications, processing the increased volume of maintenance fees and updating the master classification file.

**Executive direction and administration.**—Management and administration of the Office are provided by this activity. The pre-examination correspondence processing function and the fee accounting function are expanded to keep pace with increased application filings and enhanced examiner production. The automation function is enhanced to carry out initiatives identified in the Automation Master Plan revised in 1987.

Object Classification (in thousands of dollars)			
Identification code 13-1006-0-1-376	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	39,907	45,977	57,233
11.3 Other than full-time permanent.....	887	704	933
11.5 Other personnel compensation.....	2,669	2,283	3,111
Total personnel compensation.....	43,463	48,964	61,277
12.1 Personnel benefits: Civilian.....	4,667	6,819	11,376
21.0 Travel and transportation of persons.....	102	184	141
22.0 Transportation of things.....	15	133	163
23.1 Rental payments to GSA.....	5,037	6,724	9,717
23.3 Communications, utilities, and miscellaneous charges...	2,198	2,479	3,589
24.0 Printing and reproduction.....	6,423	7,388	9,927
25.0 Other services.....	16,841	27,153	36,971
26.0 Supplies and materials.....	550	979	1,227
31.0 Equipment.....	374	883	1,154
Subtotal, direct obligations.....	79,670	101,706	135,542
99.0 Reimbursable obligations.....	132,183	154,365	146,978
99.9 Total obligations.....	211,853	256,071	282,520

Personnel Summary			
Total number of full-time permanent positions.....	3,408	3,360	3,530
Total compensable workyears:			
Full-time equivalent employment.....	3,180	3,345	3,532
Full-time equivalent of overtime and holiday hours.....	188	209	306

## NATIONAL BUREAU OF STANDARDS

## Federal Funds

## General and special funds:

## SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Bureau of Standards, **[\$122,000,000]** \$138,625,000, to remain available until expended, of which not to exceed **[\$2,144,000]** \$3,420,000 may be transferred to the "Working Capital Fund". (15 U.S.C. 272, 273, 278b-e, 278h, 290b-f, 1151-57, 1454(d), 1454(e), 1501, 1512; 40 U.S.C. 759(f), 42 U.S.C. 4913(1)(B), 6962(e); Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

## Program and Financing (in thousands of dollars)

Identification code	13-0500-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
Measurement and Engineering Research and Standards:				
00.01	Measurement research and standards.....	34,685	36,403	41,933
00.02	Materials science and engineering.....	19,604	20,823	23,390
00.03	Engineering measurements and standards.....	35,166	36,154	34,457
00.04	Computer sciences and technology.....	9,434	8,226	8,266
00.05	Research support activities.....	18,480	15,876	17,118
02.00	Total operating expenses.....	117,369	117,482	125,164
Capital investment:				
02.01	National Bureau of Standards: Improvements and modifications.....	2,829	5,255	10,041
10.00	Total obligations.....	120,198	122,737	135,205
Financing:				
17.00	Recovery of prior year obligations.....	-750		
21.40	Unobligated balance available, start of year.....	-4,293	-1,488	
24.40	Unobligated balance available, end of year.....	1,488		
39.00	Budget authority.....	116,642	121,249	135,205
Budget authority:				
40.00	Appropriation.....	118,654	122,000	138,625
41.00	Transferred to other accounts.....	-2,012	-2,119	-3,420
43.00	Appropriation (adjusted).....	116,642	119,881	135,205
44.40	Supplemental for retirement contributions (P.L. 99-335).....		1,368	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	120,198	122,737	135,205
72.40	Obligated balance, start of year.....	25,663	23,374	27,382
74.40	Obligated balance, end of year.....	-23,374	-27,382	-29,615
78.00	Adjustments in unexpired accounts.....	-750		
89.00	Outlays.....	121,736	118,729	132,972
Outlays:				
90.00	Outlays, excluding retirement contribution supplemental.....	121,736	117,410	132,923
91.40	Outlays from retirement contribution supplemental.....		1,319	49

The National Bureau of Standards (NBS) is responsible for the measurement foundation which supports U.S. industry, government, and scientific establishments. NBS efforts are organized into the following program activities:

**Measurement and Engineering Research and Standards—**

**Measurement research and standards.**—Research in physics, radiation, analytical chemistry, and chemical properties and processes produces fundamental measurement know-how which enables industry and science to achieve levels of accuracy and compatibility required in the laboratory, during production, and in buying and selling. A 1988 increase will provide new and improved measurement services to increase the effectiveness of industrial process and quality control. Another increase will support a pilot program to

produce selected computerized standard reference data bases to enhance access to reliable technical data.

**Materials science and engineering.**—Research in materials characterization, nondestructive evaluation, metallurgy, metals processing, polymers, and ceramics produces organized data and technical know-how which permit more rapid industrial adoption of new materials with efficient high quality production that contribute to improved productivity and competitiveness. The 1988 increase will fund the development of critically needed measurement methods and standards to produce and use high performance composite materials more reliably.

**Engineering measurements and standards.**—Research in electronic and electrical measurements, chemical engineering, manufacturing engineering, mathematical sciences, construction and performance of buildings and fire prevention produce engineering know-how and databases for design, development, prediction, and control of industrial processes. A 1988 increase will provide measurement technology and services for the components of fiber optic systems. Another increase will fund development of reliable measurement techniques and data to support the engineering design, scale-up, and optimal control of biochemical manufacturing processes. In 1988 the building research and fire research programs will be combined into a new Center for Fire and Building Safety Research at a funding level of \$5 million.

**Computer sciences and technology.**—Research in computer science and engineering establishes government-wide automated data processing (ADP) standards and provides technical support for the development of national and international voluntary industry standards which lead to more productive use of computers and networks, and the maintenance of the competitive posture of the U.S. computer industry.

**Research support activities.**—This subactivity groups the centrally managed programs that provide support to all other NBS programs. This support includes developing technical competence in NBS mission oriented areas of research and services, providing scientists and engineers from industry and universities the opportunity to participate in the Research Associate program, providing computing support to NBS programs, maintaining a satisfactory facilities environment for conducting the NBS technical programs, constructing a cold neutron research facility for advanced materials research, and formulating and implementing product standards policy and guidelines related to international standardization and legal metrology.

## Object Classification (in thousands of dollars)

Identification code	13-0500-0-1-376	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	58,527	60,513	61,060
11.3	Other than full-time permanent.....	5,037	4,197	4,065
11.5	Other personnel compensation.....	1,311	1,322	1,326
11.9	Total personnel compensation.....	64,875	66,032	66,451
12.1	Personnel benefits: Civilian.....	7,200	8,760	11,870
13.0	Benefits for former personnel.....	56	56	56
21.0	Travel and transportation of persons.....	1,866	1,869	2,089

22.0	Transportation of things.....	362	380	493
23.2	Rental payments to others.....	118	118	118
23.3	Communications, utilities, and miscellaneous charges.....	7,515	7,571	8,451
24.0	Printing and reproduction.....	429	379	430
25.0	Other services.....	14,709	12,280	17,531
26.0	Supplies and materials.....	8,010	7,432	8,362
31.0	Equipment.....	10,418	9,641	10,922
32.0	Lands and structures.....	322	4,322	5,822
41.0	Grants, subsidies, and contributions.....	4,318	3,897	2,610
99.9	Total obligations.....	120,198	122,737	135,205

**Personnel Summary**

Total number of full-time permanent positions.....	1,601	1,605	1,600
Total compensable workyears:			
Full-time equivalent employment.....	1,749	1,733	1,712
Full-time equivalent of overtime and holiday hours.....	13	13	13

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 13-4650-0-4-376	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Measurement and Engineering Research and Standards:				
00.01	Measurement research and standards.....	27,495	28,569	29,479
00.02	Materials science and engineering.....	12,473	12,813	13,282
00.03	Engineering measurements and standards.....	44,110	46,317	48,629
00.04	Computer sciences and technology.....	4,197	6,865	7,209
00.05	Research support activities.....	9,027	7,476	8,810
10.00	Total obligations.....	97,302	102,040	107,409
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-79,026	-83,682	-87,076
14.00	Non-Federal sources.....	-15,615	-15,692	-16,352
21.98	Unobligated balance available, start of year: Fund balance.....	-20,699	-20,049	-19,502
24.98	Unobligated balance available, end of year: Fund balance.....	20,049	19,502	18,941
39.00	<b>Budget authority.....</b>	<b>2,012</b>	<b>2,119</b>	<b>3,420</b>
<b>Budget authority:</b>				
42.00	Transferred from other accounts.....	2,012	2,119	3,420
43.00	<b>Appropriation (adjusted).....</b>	<b>2,012</b>	<b>2,119</b>	<b>3,420</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	2,662	2,666	3,981
72.98	Obligated balance, start of year: Fund balance.....	9,877	9,757	10,357
74.98	Obligated balance, end of year: Fund balance.....	-9,757	-10,357	-11,215
90.00	Outlays.....	2,783	2,066	3,123

The Working Capital Fund finances research and technical services performed for other government agencies and the public. These activities are funded through advances and reimbursements. The Working Capital Fund also handles the acquisition of equipment and stores standard reference materials and storeroom inventories until issued or sold.

**Object Classification (in thousands of dollars)**

Identification code 13-4650-0-4-376	1986 actual	1987 est.	1988 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	44,152	45,750	44,740
11.3	Other than full-time permanent.....	3,800	3,882	3,783
11.5	Other personnel compensation.....	781	789	793
11.9	Total personnel compensation.....	48,733	50,421	49,316
12.1	Personnel benefits: Civilian.....	5,431	6,551	8,940
13.0	Benefits for former personnel.....	43	43	43
21.0	Travel and transportation of persons.....	1,402	1,443	1,496
22.0	Transportation of things.....	298	307	318
23.2	Rental payments to others.....	145	145	145

23.3	Communications, utilities, and miscellaneous charges.....	6,467	7,137	7,631
24.0	Printing and reproduction.....	399	410	426
25.0	Other services.....	11,824	13,049	13,952
26.0	Supplies and materials.....	6,864	7,575	8,100
31.0	Equipment.....	12,658	11,822	13,795
32.0	Lands and structures.....	153	153	153
41.0	Grants, subsidies, and contributions.....	2,885	2,984	3,094
99.9	Total obligations.....	97,302	102,040	107,409

**Personnel Summary**

Total number of full-time permanent positions.....	1,208	1,187	1,139
Total compensable workyears:			
Full-time equivalent employment.....	1,320	1,346	1,292
Full-time equivalent of overtime and holiday hours.....	10	10	10

**NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, as provided for by law of the National Telecommunications and Information Administration, [ \$13,000,000 of which \$700,000 shall ] \$14,718,000, to remain available until expended. (15 U.S.C. 272, 1512; 47 U.S.C. 305, 391, 606, 721; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 13-0550-0-1-376	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
Domestic and international policies:				
00.01	Domestic policies.....	816	858	892
00.02	International policies.....	1,236	1,743	1,710
Spectrum management:				
00.05	Spectrum plans and policies.....	1,599	1,602	1,731
00.06	Spectrum management, analysis and operations.....	6,016	6,498	6,865
Telecommunication sciences research:				
00.10	Spectrum research and analysis.....	1,747	1,768	1,931
00.11	Systems and networks research and analysis.....	1,537	1,581	1,589
00.91	Total direct program.....	12,951	14,050	14,718
01.01	Reimbursable program.....	5,130	5,700	5,700
10.00	Total obligations.....	18,081	19,750	20,418
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-4,994	-5,546	-5,546
14.00	Non-Federal sources.....	-136	-154	-154
21.40	Unobligated balance available, start of year.....	-796	-594	
22.40	Unobligated balance transferred, net.....		-243	
24.40	Unobligated balance available, end of year.....	594		
25.00	Unobligated balance lapsing.....	75		
39.00	<b>Budget authority.....</b>	<b>12,824</b>	<b>13,213</b>	<b>14,718</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation.....</b>	<b>12,824</b>	<b>13,000</b>	<b>14,718</b>
44.40	Supplemental for retirement contributions (P.L. 99-335).....		213	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	12,951	14,050	14,718
72.40	Obligated balance, start of year.....	4,891	3,759	1,992
74.40	Obligated balance, end of year.....	-3,759	-1,992	-2,208
77.00	Adjustments in expired accounts.....	-9		
89.00	Outlays.....	14,074	15,817	14,502
<b>Outlays:</b>				
90.00	Outlays, excluding retirement contribution supplemental.....	14,074	15,610	14,496
91.40	Outlays from retirement contribution supplemental.....		207	6

General and special funds—Continued

SALARIES AND EXPENSES—Continued

The National Telecommunications and Information Administration (NTIA) is the principal executive branch adviser to the President on domestic and international communications policy. Additionally, it manages the Federal Government's use of the radio frequency spectrum and performs extensive research in telecommunications sciences.

*Domestic and international policies—*

*Domestic policies.*—In 1988, NTIA will continue to develop and advocate policies to decrease regulation and increase competition in the domestic telecommunications marketplace. NTIA will place special emphasis on emerging technologies and will develop and advocate policies in the common carrier and mass media fields which offer increased consumer choices. Special emphasis will be placed on emerging technologies.

*International policies.*—In 1988, NTIA will continue to develop and advocate policies for the advancement of U.S. interests in the international telecommunications area. In coordination with the Department of State, the agency will continue to discharge the Presidential responsibility for oversight of the Communications Satellite Corporation (COMSAT). The increase in 1988 will permit NTIA to continue international conference preparation activities and increase bilateral trade negotiations support.

*Spectrum management—*

*Spectrum plans and policies.*—In 1988, NTIA will continue to prepare for, participate in, and implement the results of international, regional, and national conferences addressing spectrum allocation and utilization. In addition, NTIA will formulate, in coordination with the FCC, plans and policies for efficient use of the spectrum and continue its efforts in the identification and analysis of issues affecting emergency communications planning. The increase in 1988 provides for implementation of a telecommunications protocol with China.

*Spectrum management, analysis and operations.*—In 1988, NTIA will continue to authorize frequency assignments, review proposed Federal radio communications systems, conduct frequency band studies and compliance activities.

*Telecommunication sciences research—*

*Spectrum research and analysis.*—In 1988, NTIA will continue to conduct applied research and analysis as a basis for improving the efficiency of spectrum use.

*Systems and networks research and analysis.*—In 1988, NTIA will assess and develop domestic and international technical performance standards to facilitate competition in telecommunications products and services. Additionally, analytical methods and automated models will be employed to assist in the development of credible and defensible positions before international conferences and committees.

Object Classification (in thousands of dollars)

Identification code 13-0550-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	7,284	8,185	8,281
11.3 Other than full-time permanent .....	718	300	300
11.5 Other personnel compensation .....	70	58	58
11.9 Total personnel compensation .....	8,072	8,543	8,639
12.1 Personnel benefits: Civilian .....	850	1,137	1,540
21.0 Travel and transportation of persons .....	290	365	400
22.0 Transportation of things .....	8	7	7
23.1 Rental payments to GSA .....	475	884	1,043
23.2 Rental payments to others .....		40	44
23.3 Communications, utilities, and miscellaneous charges .....	982	984	990
24.0 Printing and reproduction .....	164	176	186
25.0 Other services .....	1,656	1,525	1,465
26.0 Supplies and materials .....	204	199	207
31.0 Equipment .....	250	190	197
99.0 Subtotal, direct obligations .....	12,951	14,050	14,718
99.0 Reimbursable obligations .....	5,130	5,700	5,700
99.9 Total obligations .....	18,081	19,750	20,418

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	199	196	199
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	213	199	201
Full-time equivalent of overtime and holiday hours .....	2	2	2
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	72	72	72
Total compensable workyears: Full-time equivalent employment .....	67	80	80

【PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION】\*

\*See Part II for additional information.

【For grants authorized by section 392 of the Communications Act of 1934, as amended, \$20,500,000 to remain available until expended: *Provided*, That not to exceed \$1,200,000 shall be available for program management as authorized by section 391 of the Communications Act of 1934, as amended: *Provided further*, That notwithstanding the provisions of section 391 of the Communications Act of 1934, as amended, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year.】 (15 U.S.C. 272, 1512; 47 U.S.C. 305, 391, 606, 721; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 13-0551-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Grants .....	23,926	20,073	
00.02 Program management .....	1,125	1,200	
10.00 Total obligations .....	25,051	21,273	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-981		
21.40 Unobligated balance available, start of year .....	-2,118	-1,016	
22.40 Unobligated balance transferred, net .....		243	
24.40 Unobligated balance available, end of year .....	1,016		
40.00 Budget authority (appropriation) .....	22,968	20,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	25,051	21,273	
72.40 Obligated balance, start of year .....	34,833	41,108	36,986
74.40 Obligated balance, end of year .....	-41,108	-36,986	-13,285
78.00 Adjustments in unexpired accounts .....	-981		
90.00 Outlays .....	17,795	25,395	23,701

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	22,968	20,500	.....
Outlays .....	17,795	25,395	23,701
Rescission proposal:			
Budget authority .....		-19,300	.....
Outlays .....		-1,351	-10,712
Total:			
Budget authority .....	22,968	1,200	.....
Outlays .....	17,795	24,044	12,989

The public telecommunications facilities program has provided grants for planning and construction of non-commercial telecommunications facilities in areas not previously served by public television and radio. Since over 95 percent of the United States currently receives public broadcast programming, funding for this grant program is not requested in 1988.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
13-0551-0-1-503			
Personnel compensation:			
11.1 Full-time permanent .....	573	557	.....
11.3 Other than full-time permanent .....	65	63	.....
11.9 Total personnel compensation .....	638	620	.....
12.1 Personnel benefits: Civilian .....	67	65	.....
21.0 Travel and transportation of persons .....	25	36	.....
22.0 Transportation of things .....		1	.....
23.1 Rental payments to GSA .....	37	85	.....
23.3 Communications, utilities, and miscellaneous charges .....	34	30	.....
24.0 Printing and reproduction .....	5	45	.....
25.0 Other services .....	307	315	.....
26.0 Supplies and materials .....	7	3	.....
31.0 Equipment .....	5		.....

41.0	Grants, subsidies, and contributions .....	23,926	20,073	.....
99.9	Total obligations .....	25,051	21,273	.....

**Personnel Summary**

Total number of full-time permanent positions .....	15	15	.....
Total compensable workyears: Full-time equivalent employment .....	14	15	.....

**GENERAL PROVISIONS—DEPARTMENT OF COMMERCE**

SEC. 101. During the current fiscal year, applicable appropriations and funds available to the Department of Commerce shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act, and, notwithstanding 31 U.S.C. 3324, may be used for advance payments not otherwise authorized only upon the certification of officials designated by the Secretary that such payments are in the public interest.

SEC. 102. During the current fiscal year, appropriations to the Department of Commerce which are available for salaries and expenses shall be available for hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 103. No funds in this title shall be used to sell to private interests, except with the consent of the borrower, or contract with private interests to sell or administer, any loans made under the Public Works and Economic Development Act of 1965 or any loans made under section 254 of the Trade Act of 1974.

SEC. 104. During the current fiscal year, the National Bureau of Standards is authorized to accept contributions of funds, to remain available until expended, from any public or private source to construct a facility for cold neutron research on materials, notwithstanding the limitations contained in 15 U.S.C. 278d; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).



# DEPARTMENT OF DEFENSE—MILITARY

## MILITARY PERSONNEL

### ACTIVE FORCES

These appropriations finance the personnel costs of the active duty forces of the Army, Navy, Marine Corps, and Air Force. Changes in financial requirements are primarily related to military personnel strengths. In addition, these appropriations finance the future retirement benefits of the current active forces. While most of the entitlements financed by these appropriations are set by statute, the estimates reflect continuing efforts to improve management including implementation of audit recommendations, improved management of military travel, and prudent use of subsistence, bonus programs, and other pay programs.

The numbers of active duty military personnel provided for are shown in the following table:

	YEAREND NUMBER			
	<i>1986 actual</i>	<i>1987 est.</i>	<i>1988 est.</i>	<i>1989 est.</i>
Defense total.....	2,169,112	2,174,250	2,172,400	2,184,400
Officers.....	311,055	313,110	313,828	315,099
Enlisted.....	1,844,338	1,847,648	1,845,080	1,855,809
Academy cadets and midshipmen.....	13,719	13,492	13,492	13,492
Army.....	780,980	780,800	780,900	780,900
Officers.....	109,757	109,757	109,757	109,757
Enlisted.....	666,668	666,493	666,593	666,593
Military Academy cadets.....	4,555	4,550	4,550	4,550
Navy.....	581,119	587,000	593,200	602,800
Officers.....	72,051	73,627	74,700	75,427
Enlisted.....	504,389	508,848	513,975	522,848
Naval Academy midshipmen.....	4,679	4,525	4,525	4,525
Marine Corps.....	198,814	199,600	199,600	200,100
Officers.....	20,199	20,280	20,300	20,300
Enlisted.....	178,615	179,320	179,300	179,800
Air Force.....	608,199	606,850	598,700	600,600
Officers.....	109,048	109,446	109,071	109,615
Enlisted.....	494,666	492,987	485,212	486,568
Air Force Academy cadets.....	4,485	4,417	4,417	4,417
	AVERAGE NUMBER			
	<i>1986 actual</i>	<i>1987 est.</i>	<i>1988 est.</i>	<i>1989 est.</i>
Defense total.....	2,154,219	2,165,600	2,172,960	2,178,112
Officers.....	310,008	311,430	313,826	314,889
Enlisted.....	1,831,052	1,841,103	1,846,127	1,850,204
Academy cadets and midshipmen.....	13,159	13,067	13,007	13,019
Army.....	778,049	776,904	780,468	780,950
Officers.....	109,638	109,791	109,605	109,605
Enlisted.....	664,102	662,822	666,558	667,040
Military Academy cadets.....	4,309	4,291	4,305	4,305
Navy.....	572,496	581,724	588,287	595,708
Officers.....	71,283	72,307	74,044	75,021
Enlisted.....	496,763	504,967	509,850	516,311
Naval Academy midshipmen.....	4,450	4,450	4,393	4,376
Marine Corps.....	196,986	198,615	199,371	199,721
Officers.....	20,098	20,108	20,211	20,215
Enlisted.....	176,888	178,507	179,160	179,506

Air Force.....	606,688	608,357	604,834	601,733
Officers.....	108,989	109,224	109,966	110,048
Enlisted.....	493,299	494,807	490,559	487,347
Air Force Academy cadets.....	4,400	4,326	4,309	4,338

### Federal Funds

#### General and special funds:

#### MILITARY PERSONNEL, ARMY\*

\*See Part II for additional information.

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$22,353,990,000] \$23,681,200,000.**

Further, for the foregoing purposes, **\$23,676,400,000**, to become available for obligation on October 1, 1988. (10 U.S.C. 701-04, 744, 956, 1035, 1037, 1047-49, 1212, 1475-80, 2389, 2421, 2634, 3687, 4561, 4562, 4741; chapters 3, 5, 7, and 9 of title 37, United States Code; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

#### Program and Financing (in thousands of dollars)

Identification code 21-2010-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01				
Pay and allowances of officers.....	5,688,831	5,904,919	5,999,977	5,978,662
00.02				
Pay and allowances of enlisted personnel.....	14,421,334	14,856,235	15,381,460	15,345,034
00.03				
Pay and allowances of cadets.....	32,547	33,138	33,531	33,538
00.04				
Subsistence of enlisted personnel.....	1,046,964	1,092,759	1,168,456	1,213,896
00.05				
Permanent change of station travel.....	949,920	927,397	959,127	991,051
00.06				
Other military personnel costs.....	214,514	162,405	138,649	114,219
00.91				
Total direct program.....	22,354,110	22,976,853	23,681,200	23,676,400
01.01				
Reimbursable program.....	167,308	177,094	182,819	184,944
10.00				
Total obligations.....	22,521,418	23,153,947	23,864,019	23,861,344
<b>Financing:</b>				
Offsetting collections from:				
11.00				
Federal funds.....	-56,194	-59,294	-61,127	-61,817
13.00				
Trust funds.....	-52,329	-53,765	-55,433	-56,053
14.00				
Non-Federal sources.....	-58,785	-64,035	-66,259	-67,074
22.40				
Unobligated balance transferred, net.....	-1,265,917	.....	.....	.....
25.00				
Unobligated balance lapsing.....	3,695	.....	.....	.....
39.00				
<b>Budget authority.....</b>	<b>21,091,888</b>	<b>22,976,853</b>	<b>23,681,200</b>	<b>23,676,400</b>
Budget authority:				
40.00				
Appropriation.....	21,003,688	22,353,990	23,681,200	23,676,400
40.00				
Increase pursuant to P.L. 99-500.....	.....	173,000	.....	.....
42.00				
Transferred from other accounts.....	88,200	449,863	.....	.....
43.00				
<b>Appropriation (adjusted).....</b>	<b>21,091,888</b>	<b>22,976,853</b>	<b>23,681,200</b>	<b>23,676,400</b>
Relation of obligations to outlays:				
71.00				
Obligations incurred, net.....	22,354,110	22,976,853	23,681,200	23,676,400
72.40				
Obligated balance, start of year.....	211,779	201,316	1,156,358	1,254,858
74.40				
Obligated balance, end of year.....	-201,316	-1,156,358	-1,254,858	-1,314,758

General and special funds—Continued

MILITARY PERSONNEL, ARMY—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	21-2010-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
77.00	Adjustments in expired accounts.....	-19,764			
90.00	Outlays.....	22,344,810	22,021,811	23,582,700	23,616,500

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	21,091,888	22,976,853	23,681,200	23,676,400
Outlays.....	22,344,810	22,021,811	23,582,700	23,616,500
Supplemental under existing legislation:				
Budget authority.....		187,089		
Outlays.....		187,089		
Total:				
Budget authority.....	21,091,888	23,163,942	23,681,200	23,676,400
Outlays.....	22,344,810	22,208,900	23,582,700	23,616,500

Object Classification (in thousands of dollars)

Identification code	21-2010-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:					
Personnel compensation:					
11.7	Military personnel.....	13,575,637	14,291,076	14,580,816	14,569,445
11.8	Special personal services payments...	315	318	318	318
11.9	Total personnel compensation.....	13,575,952	14,291,394	14,581,134	14,569,763
Personnel benefits: Military personnel:					
12.2	Accrued retirement benefits.....	5,453,310	5,888,832	5,882,724	5,780,467
12.2	Other personnel benefits.....	2,036,766	1,419,925	1,761,920	1,778,808
13.0	Benefits for former personnel.....	69,152	86,922	83,500	86,100
21.0	Travel and transportation of persons.....	328,447	347,450	341,259	349,493
22.0	Transportation of things.....	500,584	492,316	511,425	531,760
25.0	Other services: Contracts.....	41,779	41,649	43,727	46,223
26.0	Supplies and materials.....	344,952	406,001	473,006	531,278
42.0	Insurance claims and indemnities.....	3,168	2,364	2,505	2,508
99.0	Subtotal, direct obligations.....	22,354,110	22,976,853	23,681,200	23,676,400
99.0	Reimbursable obligations.....	167,308	177,094	182,819	184,944
99.9	Total obligations.....	22,521,418	23,153,947	23,864,019	23,861,344

MILITARY PERSONNEL, NAVY\*

\*See Part II for additional information.

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$17,104,850,000] \$18,259,100,000.**

Further, for the foregoing purposes, \$18,447,300,000, to become available for obligation on October 1, 1988. (10 U.S.C. 600, 683-4, 701-4, 744, 956, 1035, 1037, 1047-49, 1212, 1475-80, 2421, 2634, 5413-14, 5441-42, 5444, 5446, 5450-51, 5454, 5501, 5503, 6081-86, 6221, 6911-12, 6960, 6969; 26 U.S.C. 3121; chapters 3, 5, 7, 9, and 10 of title 37, United States Code; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1453-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Program by activities:					
Direct program:					
00.01	Pay and allowances of officers.....	3,944,137	4,133,343	4,283,399	4,322,036
00.02	Pay and allowances of enlisted personnel.....	11,502,141	12,034,494	12,567,040	12,697,792

00.03	Pay and allowances of cadets.....	34,509	36,837	38,054	38,010
00.04	Subsistence of enlisted personnel.....	731,322	767,123	789,405	811,163
00.05	Permanent change of station travel.....	566,355	532,864	534,719	538,004
00.06	Other military personnel costs.....	38,260	45,736	46,483	40,295
00.91	Total direct program.....	16,816,724	17,550,397	18,259,100	18,447,300
01.01	Reimbursable program.....	119,541	127,000	127,500	128,000
10.00	Total obligations.....	16,936,265	17,677,397	18,386,600	18,575,300

Financing:

Offsetting collections from:					
11.00	Federal funds.....	-51,596	-54,813	-55,028	-55,245
13.00	Trust funds.....	-24,316	-25,832	-25,934	-26,035
14.00	Non-Federal sources.....	-43,629	-46,355	-46,538	-46,720
22.40	Unobligated balance transferred, net.....	-945,582			
25.00	Unobligated balance lapsing.....	4,104			

39.00	<b>Budget authority.....</b>	<b>15,875,246</b>	<b>17,550,397</b>	<b>18,259,100</b>	<b>18,447,300</b>
Budget authority:					
40.00	Appropriation.....	15,875,246	17,104,850	18,259,100	18,447,300
40.00	Increase pursuant to P.L. 99-500.....		128,000		
42.00	Transferred from other accounts.....		317,547		
43.00	<b>Appropriation (adjusted).....</b>	<b>15,875,246</b>	<b>17,550,397</b>	<b>18,259,100</b>	<b>18,447,300</b>

Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	16,816,724	17,550,397	18,259,100	18,447,300
72.40	Obligated balance, start of year..	194,746	70,026	1,097,076	1,218,076
74.40	Obligated balance, end of year....	-70,026	-1,097,076	-1,218,076	-1,305,376
77.00	Adjustments in expired accounts.....	-79,433			
90.00	Outlays.....	16,862,010	16,523,347	18,138,100	18,360,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	15,875,246	17,550,397	18,259,100	18,447,300
Outlays.....	16,862,010	16,523,347	18,138,100	18,360,000
Supplemental under existing legislation:				
Budget authority.....		62,953		
Outlays.....		62,953		
Total:				
Budget authority.....	15,875,246	17,613,350	18,259,100	18,447,300
Outlays.....	16,862,010	16,586,300	18,138,100	18,360,000

Object Classification (in thousands of dollars)

Identification code	17-1453-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:					
Personnel compensation:					
11.7	Military personnel.....	10,923,612	11,284,601	11,635,432	11,798,772
11.8	Special personal services payments...	191	160	166	172
11.9	Total personnel compensation.....	10,923,803	11,284,761	11,635,598	11,798,944
Personnel benefits: Military personnel:					
12.2	Accrued retirement benefits.....	3,964,374	4,336,408	4,375,129	4,348,534
12.2	Other personnel benefits.....	1,061,466	1,075,489	1,377,030	1,397,191
13.0	Benefits for former personnel.....	34,880	33,880	35,800	35,400
21.0	Travel and transportation of persons.....	187,325	167,036	167,103	169,455
22.0	Transportation of things.....	326,757	326,561	323,069	325,137
25.0	Other services: Other.....	15,622	15,387	15,552	15,576
26.0	Supplies and materials.....	300,850	309,126	328,055	355,272
42.0	Insurance claims and indemnities.....	1,647	1,749	1,764	1,791
99.0	Subtotal, direct obligations.....	16,816,724	17,550,397	18,259,100	18,447,300
99.0	Reimbursable obligations.....	119,541	127,000	127,500	128,000
99.9	Total obligations.....	16,936,265	17,677,397	18,386,600	18,575,300

MILITARY PERSONNEL, MARINE CORPS\*

\*See Part II for additional information.

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all

expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$5,266,053,000] \$5,549,000,000.**

Further, for the foregoing purposes, **\$5,534,300,000**, to become available for obligation on October 1, 1988. (10 U.S.C. 956, 1035, 1047-49, 1475-80, 2634, 5413-14, 5441, 5443, 5446, 5451, 5454, 5456, 5458, 5502-03, 6032, 6081-86, 6148, 6222; 12 U.S.C. 1715m; chapters 3, 5, 7, and 9 of title 37, United States Code; 41 U.S.C. 1594d; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 17-1105-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Pay and allowances of officers .....	1,054,383	1,091,038	1,108,111	1,103,911
00.02 Pay and allowances of enlisted personnel.....	3,655,827	3,843,286	3,960,167	3,953,513
00.04 Subsistence of enlisted personnel.....	248,165	261,497	263,343	267,235
00.05 Permanent change of station travel.....	184,258	193,819	197,665	191,565
00.06 Other military personnel costs.....	18,450	17,413	19,714	18,076
00.91 Total direct program.....	5,161,083	5,407,053	5,549,000	5,534,300
01.01 Reimbursable program.....	16,538	17,611	18,143	18,550
10.00 Total obligations.....	5,177,621	5,424,664	5,567,143	5,552,850
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-12,059	-11,711	-12,006	-12,187
13.00 Trust funds.....	-467	-240	-240	-240
14.00 Non-Federal sources.....	-4,012	-5,660	-5,897	-6,123
22.40 Unobligated balance transferred, net.....	-286,020			
25.00 Unobligated balance lapsing.....	421			
39.00 Budget authority.....	4,875,484	5,407,053	5,549,000	5,534,300
<b>Budget authority:</b>				
40.00 Appropriation.....	4,853,944	5,266,053	5,549,000	5,534,300
40.00 Increase pursuant to P.L. 99-500.....		40,000		
42.00 Transferred from other accounts.....	21,540	101,000		
43.00 Appropriation (adjusted).....	4,875,484	5,407,053	5,549,000	5,534,300
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	5,161,083	5,407,053	5,549,000	5,534,300
72.40 Obligated balance, start of year.....	104,896	95,841	327,814	398,614
74.40 Obligated balance, end of year.....	-95,841	-327,814	-398,614	-461,014
77.00 Adjustments in expired accounts.....	-27,119			
90.00 Outlays.....	5,143,019	5,175,080	5,478,200	5,471,900

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	4,875,484	5,407,053	5,549,000	5,534,300
Outlays.....	5,143,019	5,175,080	5,478,200	5,471,900
<b>Supplemental under existing legislation:</b>				
Budget authority.....		39,820		
Outlays.....		39,820		
<b>Total:</b>				
Budget authority.....	4,875,484	5,446,873	5,549,000	5,534,300
Outlays.....	5,143,019	5,214,900	5,478,200	5,471,900

**Object Classification** (in thousands of dollars)

Identification code 17-1105-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.7 Military personnel.....	3,394,820	3,513,042	3,580,740	3,591,211
11.8 Special personal services payments.....	72	300	300	300
11.9 Total personnel compensation.....	3,394,892	3,513,342	3,581,040	3,591,511
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits.....	1,263,003	1,382,508	1,371,435	1,350,104

12.2 Other personnel benefits.....	225,021	211,869	291,979	295,377
13.0 Benefits for former personnel.....	16,718	15,600	17,800	16,100
21.0 Travel and transportation of persons.....	76,135	75,073	74,663	70,157
22.0 Transportation of things.....	95,053	107,150	110,450	109,007
25.0 Other services: Purchases from industrial funds.....	4,012	4,671	4,545	4,554
26.0 Supplies and materials.....	85,546	96,084	96,305	96,680
42.0 Insurance claims and indemnities.....	703	756	783	810
99.0 Subtotal, direct obligations.....	5,151,083	5,407,053	5,549,000	5,534,300
99.0 Reimbursable obligations.....	16,538	17,611	18,143	18,550
99.9 Total obligations.....	5,177,621	5,424,664	5,567,143	5,552,850

**MILITARY PERSONNEL, AIR FORCE\***

\*See Part II for additional information.

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; **[\$18,940,731,000] \$19,908,200,000.**

Further, for the foregoing purposes, **\$19,871,300,000**, to become available for obligation on October 1, 1988. (10 U.S.C. 503, 504-09, 518-19, 600, 683-84, 687, 701-04, 744, 956, 1035-37, 1047-49, 1211-12, 1331, 1475-80, 2632, 2634, 8033, 8036, 8066, 8201-15, 8281, 8284-89, 8293-8303, 8305-10, 8312-13, 8441-49, 8451-52, 8491, 8494-8504, 8531, 8687, 8722, 9306, 9331-37, 9341-55, 9441, 9561-63, 9741-43; 12 U.S.C. 1715m; 33 U.S.C. 855, 858; chapters 3, 5, 7, 9, 10, and 11, of title 37, United States Code; 49 U.S.C. 1657; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 57-3500-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Pay and allowances of officers.....	5,935,648	6,155,072	6,305,879	6,320,361
00.02 Pay and allowances of enlisted personnel.....	11,136,213	11,543,516	11,791,643	11,731,086
00.03 Pay and allowances of cadets.....	33,600	33,536	33,749	33,867
00.04 Subsistence of enlisted personnel.....	840,030	861,542	868,866	862,188
00.05 Permanent change of station travel.....	882,000	823,009	866,669	884,696
00.06 Other military personnel costs.....	35,700	41,083	41,394	39,102
00.91 Total direct program.....	18,863,191	19,457,758	19,908,200	19,871,300
01.01 Reimbursable program.....	167,442	168,787	171,643	168,096
10.00 Total obligations.....	19,030,633	19,626,545	20,079,843	20,039,396
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-26,066	-33,757	-34,329	-33,619
13.00 Trust funds.....	-97,891	-91,145	-92,687	-90,772
14.00 Non-Federal sources.....	-43,485	-43,885	-44,627	-43,705
22.40 Unobligated balance transferred, net.....	-1,134,974			
39.00 Budget authority.....	17,728,217	19,457,758	19,908,200	19,871,300
<b>Budget authority:</b>				
40.00 Appropriation.....	17,698,217	18,940,731	19,908,200	19,871,300
40.00 Increase pursuant to P.L. 99-500.....		148,000		
42.00 Transferred from other accounts.....	30,000	369,027		
43.00 Appropriation (adjusted).....	17,728,217	19,457,758	19,908,200	19,871,300
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	18,863,191	19,457,758	19,908,200	19,871,300
72.40 Obligated balance, start of year.....	185,735	174,476	998,207	1,105,907
74.40 Obligated balance, end of year.....	-174,476	-998,207	-1,105,907	-1,188,607

General and special funds—Continued

MILITARY PERSONNEL, AIR FORCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 57-3500-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
77.00 Adjustments in expired accounts.....	- 85,579			
90.00 Outlays.....	18,788,871	18,634,027	19,800,500	19,788,600

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	17,728,217	19,457,758	19,908,200	19,871,300
Outlays.....	18,788,871	18,634,027	19,800,500	19,788,600
Supplemental under existing legislation:				
Budget authority.....		140,273		
Outlays.....		140,273		
Total:				
Budget authority.....	17,728,217	19,598,031	19,908,200	19,871,300
Outlays.....	18,788,871	18,774,300	19,800,500	19,788,600

Object Classification (in thousands of dollars)

Identification code 57-3500-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
11.7 Personnel compensation: Military personnel.....	12,098,060	12,323,089	12,599,130	12,655,116
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits.....	4,616,380	5,018,605	4,973,275	4,863,779
12.2 Other personnel benefits.....	1,149,643	1,173,647	1,344,051	1,343,875
13.0 Benefits for former personnel.....	34,255	39,469	39,869	37,569
21.0 Travel and transportation of persons.....	213,143	236,869	265,355	270,232
22.0 Transportation of things.....	599,465	519,318	514,265	526,496
25.0 Other services: Purchases from industrial funds.....	32,352	30,706	31,753	31,939
26.0 Supplies and materials.....	117,990	112,855	139,095	139,181
42.0 Insurance claims and indemnities.....	1,903	3,200	1,407	3,113
99.0 Subtotal, direct obligations.....	18,863,191	19,457,758	19,908,200	19,871,300
99.0 Reimbursable obligations.....	167,442	168,787	171,643	168,096
99.9 Total obligations.....	19,030,633	19,626,545	20,079,843	20,039,396

RESERVE FORCES

These appropriations finance the personnel costs of the National Guard and Reserve forces, including the future retirement benefits of the current Reserve forces. The estimates reflect continuing efforts to improve management efficiency including, for example, more economical use of training and recruiting resources as well as the undertaking of active missions at lower costs.

The number of National Guard and Reserve personnel estimated to participate in the paid training programs and the number of full-time active duty military personnel provided for are summarized in the following table:

YEAREND NUMBER

	1986 actual	1987 est.	1988 est.	1989 est.
Defense total.....	1,130,100	1,157,336	1,190,300	1,213,400
Trained inactive duty.....	1,016,504	1,048,237	1,072,666	1,087,068
Initial active duty for training.....	50,078	40,115	43,900	48,023
Full-time active duty.....	63,518	68,984	73,734	78,309
Army Reserve.....	309,709	319,378	330,400	339,100
Trained inactive duty.....	278,951	296,823	304,063	307,555
Initial active duty for training.....	18,599	10,148	12,087	15,545
Full-time active duty.....	12,159	12,407	14,250	16,000
Navy Reserve.....	141,504	149,486	157,400	161,700
Trained inactive duty.....	117,205	124,194	130,431	133,446

Initial active duty for training.....	5,908	3,816	4,464	4,589
Full-time active duty.....	18,391	21,476	22,505	23,665
Marine Corps Reserve.....	41,582	42,800	43,700	44,500
Trained inactive duty.....	36,389	37,162	37,877	38,498
Initial active duty for training.....	3,715	3,893	3,808	3,717
Full-time active duty.....	1,478	1,745	2,015	2,285
Air Force Reserve.....	78,519	79,562	83,300	85,500
Trained inactive duty.....	75,733	77,100	80,523	82,468
Initial active duty for training.....	2,174	1,797	2,108	2,363
Full-time active duty.....	612	665	669	669
Army National Guard.....	446,194	452,681	458,800	464,900
Trained inactive duty.....	406,335	410,760	414,578	418,973
Initial active duty for training.....	16,079	16,861	17,833	18,209
Full-time active duty.....	23,780	25,060	26,389	27,718
Air National Guard.....	112,592	113,429	116,700	117,700
Trained inactive duty.....	101,891	102,198	105,194	106,128
Initial active duty for training.....	3,603	3,600	3,600	3,600
Full-time active duty.....	7,098	7,631	7,906	7,972

The Reserve Officers' Training Corps program provides training for reserve and regular officer candidates who have enrolled in the course while attending a college at which an ROTC unit has been established. College graduates who satisfactorily complete the advanced course of the program are commissioned and are ordinarily ordered to active duty for a minimum of 3 years.

The Reserve Officers' Training Corps Vitalization Act of 1964, as amended, authorizes a limited number of scholarships for ROTC students on a competitive basis. Successful candidates for the scholarships generally serve a minimum period of 4 years on active duty upon graduation and appointment as a commissioned officer. A number of scholarship recipients will fulfill their entire obligation in the Reserve components.

The Armed Forces health professions scholarship program provides a source of commissioned officers for the various health professions.

The numbers of commissioned officers graduated from these programs are summarized below:

ROTC:	1986 actual	1987 est.	1988 est.	1989 est.
Army.....	7,809	8,002	8,203	8,373
Navy.....	1,666	1,880	1,880	1,880
Air Force.....	3,378	3,200	3,030	2,930
Total.....	12,853	13,082	13,113	13,183
Navy.....			186	186
Marine Corps.....	702	932	816	798
Total.....	702	932	1,002	984
Health professions scholarship:				
Army.....	337	345	340	340
Navy.....	206	218	210	210
Air Force.....	379	352	339	347
Total.....	922	915	889	897

Federal Funds

General and special funds:

RESERVE PERSONNEL, ARMY\*

\*See Part II for additional information.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 265, 3019, and 3033 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section

678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and for payments to the Department of Defense Military Retirement Fund; **[\$2,323,210,000]** \$2,278,500,000.

Further, for the foregoing purposes, \$2,363,600,000, to become available for obligation on October 1, 1988. (10 U.S.C. 683, 1475-80, 2101-11, 3722; 37 U.S.C. 204, 206, 209, 301, 305, 402-04, 414-18, 1002; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	21-2070-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
Direct program:					
00.01	Unit and individual training.....	1,209,283	1,087,820	1,159,135	1,181,723
00.02	Other training and support.....	939,788	1,026,719	1,119,365	1,181,877
00.91	Total direct program.....	2,149,071	2,114,539	2,278,500	2,363,600
01.01	Reimbursable program.....	5,102	5,467	5,868	6,367
10.00	Total obligations.....	2,154,173	2,120,006	2,284,368	2,369,967
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-3,106	-3,335	-3,580	-3,884
14.00	Non-Federal sources.....	-1,996	-2,132	-2,288	-2,483
22.40	Unobligated balance transferred, net.....	-37,069			
25.00	Unobligated balance lapsing.....	21,992			
39.00	<b>Budget authority</b> .....	<b>2,133,994</b>	<b>2,114,539</b>	<b>2,278,500</b>	<b>2,363,600</b>
<b>Budget authority:</b>					
40.00	Appropriation.....	2,145,194	2,323,210	2,278,500	2,363,600
40.00	Reduction pursuant to P.L. 99-500.....		-229,000		
41.00	Transferred to other accounts.....	-11,200	-20,000		
42.00	Transferred from other accounts.....		40,329		
43.00	<b>Appropriation (adjusted)</b> .....	<b>2,133,994</b>	<b>2,114,539</b>	<b>2,278,500</b>	<b>2,363,600</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	2,149,071	2,114,539	2,278,500	2,363,600
72.40	Obligated balance, start of year.....	114,742	121,625	232,879	288,479
74.40	Obligated balance, end of year.....	-121,625	-232,879	-288,479	-347,579
77.00	Adjustments in expired accounts.....	25,152			
90.00	Outlays.....	2,167,340	2,003,285	2,222,900	2,304,500

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	2,133,994	2,114,539	2,278,500	2,363,600
Outlays.....	2,167,340	2,003,285	2,222,900	2,304,500
<b>Supplemental under existing legislation:</b>				
Budget authority.....		2,915		
Outlays.....		2,915		
<b>Total:</b>				
Budget authority.....	2,133,994	2,117,454	2,278,500	2,363,600
Outlays.....	2,167,340	2,006,200	2,222,900	2,304,500

**Object Classification** (in thousands of dollars)

Identification code	21-2070-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
11.7	Personnel compensation: Military personnel.....	1,168,985	1,360,545	1,481,125	1,557,801
Personnel benefits: Military personnel:					
12.2	Accrued retirement benefits.....	521,990	374,217	402,120	420,259
12.2	Other personnel benefits.....	237,769	136,121	143,889	111,994
21.0	Travel and transportation of persons.....	138,805	144,821	153,636	166,613
22.0	Transportation of things.....	5,778	4,769	5,515	5,387
26.0	Supplies and materials.....	75,710	88,745	86,761	96,092
42.0	Insurance claims and indemnities.....	34	5,321	5,454	5,454
99.0	Subtotal, direct obligations.....	2,149,071	2,114,539	2,278,500	2,363,600
99.0	Reimbursable obligations.....	5,102	5,467	5,868	6,367
99.9	Total obligations.....	2,154,173	2,120,006	2,284,368	2,369,967

**RESERVE PERSONNEL, NAVY\***

\*See Part II for additional information.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and for payments to the Department of Defense Military Retirement Fund; **[\$1,464,453,000]** \$1,516,100,000.

Further, for the foregoing purposes, \$1,571,200,000, to become available for obligation on October 1, 1988. (10 U.S.C. 600, 683-4, 1475-80, 2031, 2101-11, 5456-57, 6081-86, 6148; 26 U.S.C. 3121; 37 U.S.C. 204, 206, 301, 305, 402-4, 415-18, 427, 1002; 38 U.S.C. 701-12; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	17-1405-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
Direct program:					
00.01	Unit and individual training.....	660,325	611,868	663,206	693,285
00.02	Other training and support.....	668,991	783,024	852,894	877,915
00.91	Total direct program.....	1,329,316	1,394,892	1,516,100	1,571,200
01.01	Reimbursable program.....	309	400	400	400
10.00	Total obligations.....	1,329,625	1,395,292	1,516,500	1,571,600
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-300	-236	-236	-236
13.00	Trust funds.....		-136	-136	-136
14.00	Non-Federal sources.....	-9	-28	-28	-28
22.40	Unobligated balance transferred, net.....	-66,456			
25.00	Unobligated balance lapsing.....	1,739			
39.00	<b>Budget authority</b> .....	<b>1,264,599</b>	<b>1,394,892</b>	<b>1,516,100</b>	<b>1,571,200</b>
<b>Budget authority:</b>					
40.00	Appropriation.....	1,264,599	1,464,453	1,516,100	1,571,200
40.00	Reduction pursuant to P.L. 99-500.....		-99,000		
42.00	Transferred from other accounts.....		29,439		
43.00	<b>Appropriation (adjusted)</b> .....	<b>1,264,599</b>	<b>1,394,892</b>	<b>1,516,100</b>	<b>1,571,200</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	1,329,316	1,394,892	1,516,100	1,571,200
72.40	Obligated balance, start of year.....	83,754	111,852	167,572	203,972
74.40	Obligated balance, end of year.....	-111,852	-167,572	-203,972	-235,372
77.00	Adjustments in expired accounts.....	-8,891			
90.00	Outlays.....	1,292,327	1,339,172	1,479,700	1,539,800

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	1,264,599	1,394,892	1,516,100	1,571,200
Outlays.....	1,292,327	1,339,172	1,479,700	1,539,800
<b>Supplemental under existing legislation:</b>				
Budget authority.....		2,128		
Outlays.....		2,128		
<b>Total:</b>				
Budget authority.....	1,264,599	1,397,020	1,516,100	1,571,200
Outlays.....	1,292,327	1,341,300	1,479,700	1,539,800

**Object Classification** (in thousands of dollars)

Identification code	17-1405-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
11.7	Personnel compensation: Military personnel.....	806,254	891,256	978,174	1,020,336
Personnel benefits: Military personnel:					
12.2	Accrued retirement benefits.....	319,979	277,015	294,045	301,855

General and special funds—Continued

RESERVE PERSONNEL, NAVY—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	17-1405-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
12.2	Other personnel benefits.....	62,500	80,189	83,268	75,495
21.0	Travel and transportation of persons.....	92,624	99,833	111,591	119,866
22.0	Transportation of things.....	10,225	12,494	12,486	14,360
25.0	Other services: Other.....	46	583	581	667
26.0	Supplies and materials.....	36,362	32,616	34,835	37,431
42.0	Insurance claims and indemnities.....	1,326	906	1,120	1,190
99.0	Subtotal, direct obligations.....	1,329,316	1,394,892	1,516,100	1,571,200
99.0	Reimbursable obligations.....	309	400	400	400
99.9	Total obligations.....	1,329,625	1,395,292	1,516,500	1,571,600

RESERVE PERSONNEL, MARINE CORPS\*

\*See Part II for additional information.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 265 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and for payments to the Department of Defense Military Retirement Fund; **[\$303,968,000] \$294,700,000.**

Further, for the foregoing purposes, \$302,600,000, to become available for obligation on October 1, 1988. (10 U.S.C. 600, 683, 1475-80, 2031, 2101-11, 5456, 5458, 6081-86, 6148; 37 U.S.C. 206, 301, 305, 402-04, 415-18, 1002; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1108-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
Direct program:					
00.01	Unit and individual training.....	187,016	177,662	182,013	185,124
00.02	Other training and support.....	96,029	100,285	112,687	117,476
00.91	Total direct program.....	283,045	277,947	294,700	302,600
01.01	Reimbursable program.....	741	700	700	700
10.00	Total obligations.....	283,786	278,647	295,400	303,300
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-647	-650	-650	-650
14.00	Non-Federal sources.....	-94	-50	-50	-50
22.40	Unobligated balance transferred, net.....	-12,276			
25.00	Unobligated balance lapsing.....	157			
39.00	<b>Budget authority.....</b>	<b>270,926</b>	<b>277,947</b>	<b>294,700</b>	<b>302,600</b>
<b>Budget authority:</b>					
40.00	Appropriation.....	270,926	303,968	294,700	302,600
40.00	Reduction pursuant to P.L. 99-500.....		-31,000		
42.00	Transferred from other accounts.....		4,979		
43.00	<b>Appropriation (adjusted).....</b>	<b>270,926</b>	<b>277,947</b>	<b>294,700</b>	<b>302,600</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	283,045	277,947	294,700	302,600
72.40	Obligated balance, start of year.....	36,386	45,553	45,160	53,760
74.40	Obligated balance, end of year.....	-45,553	-45,160	-53,760	-59,260
77.00	Adjustments in expired accounts.....	-5,252			
90.00	<b>Outlays.....</b>	<b>268,626</b>	<b>278,340</b>	<b>286,100</b>	<b>297,100</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	270,926	277,947	294,700	302,600
Outlays.....	268,626	278,340	286,100	297,100
<b>Supplemental under existing legislation:</b>				
Budget authority.....		360		
Outlays.....		360		
<b>Total:</b>				
Budget authority.....	270,926	278,307	294,700	302,600
Outlays.....	268,626	278,700	286,100	297,100

Object Classification (in thousands of dollars)

Identification code	17-1108-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
11.7	Personnel compensation: Military personnel.....	157,104	172,250	183,491	193,436
<b>Personnel benefits: Military personnel:</b>					
12.2	Accrued retirement benefits.....	67,344	46,808	49,661	51,704
12.2	Other personnel benefits.....	15,641	15,144	15,347	8,888
21.0	Travel and transportation of persons.....	23,849	23,860	25,817	27,689
22.0	Transportation of things.....	370	375	442	462
26.0	Supplies and materials.....	17,746	18,511	18,943	19,422
42.0	Insurance claims and indemnities.....	991	999	999	999
99.0	Subtotal, direct obligations.....	283,045	277,947	294,700	302,600
99.0	Reimbursable obligations.....	741	700	700	700
99.9	Total obligations.....	283,786	278,647	295,400	303,300

RESERVE PERSONNEL, AIR FORCE\*

\*See Part II for additional information.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 265, 8019, and 8033 of title 10, United States Code, or while serving on active duty under section 672(d) of title 10, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and for payments to the Department of Defense Military Retirement Fund; **[\$629,200,000] \$614,700,000.**

Further, for the foregoing purposes, \$616,500,000, to become available for obligation on October 1, 1988. (10 U.S.C. 261-80, 591-95, 597-600, 651, 671-85, 687, 715, 1475-80, 2031, 2101-11, 2120-27, 2131-33, 2511, 8062, 8076, 8221-23, 8259-60, 8351-54, 8356-63, 8365-68, 8371-81, 8392-95, 8491, 8687, 8722, 9301, 9411-14, 9561-63, 9741, 9743; 37 U.S.C. 204, 206, 209, 301, 309, 402-11, 415-18, 1002; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	57-3700-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
Direct program:					
00.01	Unit and individual training.....	392,098	346,650	386,083	391,420
00.02	Other training and support.....	210,599	217,249	228,617	225,080
00.91	Total direct program.....	602,697	563,899	614,700	616,500
01.01	Reimbursable program.....	1,600	1,601	1,600	1,600
10.00	Total obligations.....	604,297	565,500	616,300	618,100
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-1,575	-1,571	-1,570	-1,570
14.00	Non-Federal sources.....	-25	-30	-30	-30
22.40	Unobligated balance transferred, net.....	-23,117			
25.00	Unobligated balance lapsing.....	927			
39.00	<b>Budget authority.....</b>	<b>580,507</b>	<b>563,899</b>	<b>614,700</b>	<b>616,500</b>

Budget authority:					
40.00	Appropriation	580,507	629,200	614,700	616,500
40.00	Reduction pursuant to P.L. 99-500		-75,000		
42.00	Transferred from other accounts		9,699		
43.00	<b>Appropriation (adjusted)</b>	<b>580,507</b>	<b>563,899</b>	<b>614,700</b>	<b>616,500</b>
Relation of obligations to outlays:					
71.00	Obligations incurred, net	602,697	563,899	614,700	616,500
72.40	Obligated balance, start of year	85,225	62,057	78,057	105,757
74.40	Obligated balance, end of year	-62,057	-78,057	-105,757	-131,057
77.00	Adjustments in expired accounts	-47,338			
90.00	<b>Outlays</b>	<b>578,528</b>	<b>547,899</b>	<b>587,000</b>	<b>591,200</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority	580,507	563,899	614,700	616,500
Outlays	578,528	547,899	587,000	591,200
Supplemental under existing legislation:				
Budget authority		701		
Outlays		701		
Total:				
Budget authority	580,507	564,600	614,700	616,500
Outlays	578,528	548,600	587,000	591,200

**Object Classification (in thousands of dollars)**

Identification code 57-3700-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
11.7 Personnel compensation: Military personnel	367,977	381,914	416,797	422,010
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits	152,380	87,204	94,234	93,901
12.2 Other personnel benefits	19,172	27,893	27,989	22,007
21.0 Travel and transportation of persons	48,141	50,764	57,650	59,647
22.0 Transportation of things	1,179	927	1,295	1,388
26.0 Supplies and materials	13,698	15,047	16,582	17,394
42.0 Insurance claims and indemnities	150	150	153	153
99.0 Subtotal, direct obligations	602,697	563,899	614,700	616,500
99.0 Reimbursable obligations	1,600	1,601	1,600	1,600
99.9 Total obligations	604,297	565,500	616,300	618,100

**NATIONAL GUARD PERSONNEL, ARMY\***

\*See Part II for additional information.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 265, 3033, or 3496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and for payments to the Department of Defense Military Retirement Fund; **[\$3,323,145,000] \$3,217,700,000.**

Further, for the foregoing purposes, **\$3,269,100,000, to become available for obligation on October 1, 1988.** (10 U.S.C. 633, 1475-80, 3722; 37 U.S.C. 301, 305, 402-04, 418, 1002; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 21-2060-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01 Unit and individual training	1,871,431	1,667,658	1,739,815	1,770,590
00.02 Other training and support	1,290,289	1,403,339	1,477,885	1,498,510
00.91 Total direct program	3,161,720	3,070,997	3,217,700	3,269,100
01.01 Reimbursable program	5,391	5,659	5,659	5,659
10.00 Total obligations	3,167,111	3,076,656	3,223,359	3,274,759

Financing:					
Offsetting collections from:					
11.00	Federal funds	-2,600	-3,108	-3,108	-3,108
14.00	Non-Federal sources	-2,791	-2,551	-2,551	-2,551
22.40	Unobligated balance transferred, net	-105,796			
25.00	Unobligated balance lapsing	894			
39.00	<b>Budget authority</b>	<b>3,056,818</b>	<b>3,070,997</b>	<b>3,217,700</b>	<b>3,269,100</b>

Budget authority:					
40.00	Appropriation	3,056,818	3,323,145	3,217,700	3,269,100
40.00	Reduction pursuant to P.L. 99-500		-306,000		
41.00	Transferred to other accounts		-6,000		
42.00	Transferred from other accounts		59,852		
43.00	<b>Appropriation (adjusted)</b>	<b>3,056,818</b>	<b>3,070,997</b>	<b>3,217,700</b>	<b>3,269,100</b>

Relation of obligations to outlays:					
71.00	Obligations incurred, net	3,161,720	3,070,997	3,217,700	3,269,100
72.40	Obligated balance, start of year	271,860	294,998	453,821	539,421
74.40	Obligated balance, end of year	-294,998	-453,821	-539,421	-614,121
77.00	Adjustments in expired accounts	-16,705			
90.00	<b>Outlays</b>	<b>3,121,876</b>	<b>2,912,174</b>	<b>3,132,100</b>	<b>3,194,400</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority	3,056,818	3,070,997	3,217,700	3,269,100
Outlays	3,121,876	2,912,174	3,132,100	3,194,400
Supplemental under existing legislation:				
Budget authority		4,326		
Outlays		4,326		
Total:				
Budget authority	3,056,818	3,075,323	3,217,700	3,269,100
Outlays	3,121,876	2,916,500	3,132,100	3,194,400

**Object Classification (in thousands of dollars)**

Identification code 21-2060-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
11.7 Personnel compensation: Military personnel	1,885,372	1,992,709	2,114,288	2,181,099
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits	800,738	571,488	595,661	604,357
12.2 Other personnel benefits	221,545	234,941	206,817	163,358
21.0 Travel and transportation of persons	131,321	148,901	163,294	176,389
22.0 Transportation of things	1,652	1,602	1,656	1,763
26.0 Supplies and materials	121,036	121,281	135,909	142,059
42.0 Insurance claims and indemnities	56	75	75	75
99.0 Subtotal, direct obligations	3,161,720	3,070,997	3,217,700	3,269,100
99.0 Reimbursable obligations	5,391	5,659	5,659	5,659
99.9 Total obligations	3,167,111	3,076,656	3,223,359	3,274,759

**NATIONAL GUARD PERSONNEL, AIR FORCE\***

\*See Part II for additional information.

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 265, 8033, or 8496 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 672(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 678(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty, or other duty, and expenses authorized by section 2131 of title 10, United States Code, as authorized by law; for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and for payments to the Department of Defense Military Retirement Fund; **[\$1,027,778,000] \$980,000,000.**

Further, for the foregoing purposes, **\$980,000,000, to become available for obligation on October 1, 1988.** (10 U.S.C. 261-812, 510, 591-95, 597-600, 651, 671-85, 2131-33, 2511, 3015, 8062, 8077-78, 8080, 8224-25, 8261, 8351-54, 8356, 8358-63, 8365-68, 8371-81, 8392-95, 8491, 8722, 9301, 9561-63, 9741; 31 U.S.C. 698; 32 U.S.C. 101-11, 301-05, 307-08, 312-33, 501-07, 701, 37 U.S.C. 201, 203-06, 301, 309, 402-11, 414-18, 501-02, 1002; Department of Defense Appropriations Act, 1987, as in-

General and special funds—Continued

NATIONAL GUARD PERSONNEL, AIR FORCE—Continued

cluded in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 57-3850-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Unit and individual training.....	558,435	490,086	509,874	519,998
00.02 Other training and support.....	415,898	457,157	470,126	460,002
00.91 Total direct program.....	974,333	947,243	980,000	980,000
01.01 Reimbursable program.....	583	600	625	650
10.00 Total obligations.....	974,916	947,843	980,625	980,650
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-73			
14.00 Non-Federal sources.....	-510	-600	-625	-650
22.40 Unobligated balance transferred, net.....	-59,278			
25.00 Unobligated balance lapsing.....	1,541			
39.00 Budget authority.....	916,597	947,243	980,000	980,000
<b>Budget authority:</b>				
40.00 Appropriation.....	922,797	1,027,778	980,000	980,000
40.00 Reduction pursuant to P.L. 99-500.....		-99,000		
41.00 Transferred to other accounts.....	-6,200			
42.00 Transferred from other accounts.....		18,465		
43.00 Appropriation (adjusted).....	916,597	947,243	980,000	980,000
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	974,333	947,243	980,000	980,000
72.40 Obligated balance, start of year.....	37,542	66,767	83,045	93,545
74.40 Obligated balance, end of year.....	-66,767	-83,045	-93,545	-102,145
77.00 Adjustments in expired accounts.....	-1,146			
90.00 Outlays.....	943,962	930,965	969,500	971,400

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	916,597	947,243	980,000	980,000
Outlays.....	943,962	930,965	969,500	971,400
<b>Supplemental under existing legislation:</b>				
Budget authority.....		1,335		
Outlays.....		1,335		
<b>Total:</b>				
Budget authority.....	916,597	948,578	980,000	980,000
Outlays.....	943,962	932,300	969,500	971,400

Object Classification (in thousands of dollars)

Identification code 57-3850-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
11.7 Personnel compensation: Military personnel.....	623,860	652,386	679,417	695,950
<b>Personnel benefits: Military personnel:</b>				
12.2 Accrued retirement benefits.....	255,213	181,337	186,143	187,375
12.2 Other personnel benefits.....	41,518	59,276	56,380	36,211
21.0 Travel and transportation of persons.....	37,340	36,536	38,349	39,733
22.0 Transportation of things.....	2,176	2,741	3,114	3,241
26.0 Supplies and materials.....	14,190	14,931	16,561	17,454
42.0 Insurance claims and indemnities.....	36	36	36	36
99.0 Subtotal, direct obligations.....	974,333	947,243	980,000	980,000
99.0 Reimbursable obligations.....	583	600	625	650
99.9 Total obligations.....	974,916	947,843	980,625	980,650

OPERATION AND MAINTENANCE

These appropriations finance the costs of operating and maintaining the Armed Forces, including the Reserve components and related support activities of the Department of Defense, except military personnel costs.

Included are amounts for pay of civilians, contract services for maintenance of equipment and facilities, fuel, supplies, and repair parts for weapons and equipment. Financial requirements are influenced by many factors, including the number of aircraft squadrons, Army and Marine Corps divisions, installations, military strength and deployments, rates of operational activity, and quantity and complexity of major equipment (aircraft, ships, missiles, tanks, et cetera) in operation.

Federal Funds

General and special funds:

OPERATION AND MAINTENANCE, ARMY\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Army, as authorized by law; and not to exceed \$15,664,000 \$17,923,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; \$20,022,399,000 \$22,120,394,000, of which not less than \$1,705,000,000 \$1,535,000,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, and not to exceed \$18,487,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; \$23,679,570,000, to become available for obligation on October 1, 1988, of which not less than \$1,697,000,000 shall be available only for the maintenance of real property facilities. (5 U.S.C. 5943-44; 10 U.S.C. 127, 520b, 951-56, 1037, 1044, 1049-50, 1071-85, 1093, 1481-88, 2006-08, 2483, 2602, 2637-39, 2675, 2805, 3013-14, 3062, 4302, 4331-55, 4505, 4536, 4741; 37 U.S.C. 404-22; 39 U.S.C. 4169; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 21-2020-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.02 General purpose forces.....	7,131,184	7,610,917	7,885,139	8,520,470
00.03 Intelligence and communications.....	1,400,187	1,435,031	1,517,460	1,648,290
00.07 Central supply and maintenance.....	4,950,817	5,288,531	5,707,764	6,124,481
00.08 Training, medical, and other general personnel activities.....	4,287,874	4,721,212	5,760,423	6,082,872
00.09 Administration and associated activities.....	1,068,960	1,173,313	1,018,017	1,058,959
00.10 Support of other nations.....	164,696	211,012	231,591	244,498
00.91 Total direct program.....	19,003,718	20,440,016	22,120,394	23,679,570
01.01 Reimbursable program.....	2,457,785	2,725,407	2,838,784	2,956,877
10.00 Total obligations.....	21,461,503	23,165,423	24,959,178	26,636,447
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-2,014,173	-2,390,628	-2,476,098	-2,617,121
13.00 Trust funds.....	-317,496	-219,599	-237,010	-215,213
14.00 Non-Federal sources.....	-126,116	-115,180	-125,676	-124,543
17.00 Recovery of prior year obligations.....	-140,472			
22.40 Unobligated balance transferred, net.....	-825,828	-185,418		
22.40 Portion applied to meet foreign currency fluctuations in expired accounts.....	74,200	185,000		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	31,017			
25.00 Unobligated balance lapsing.....	5,459			
39.00 Budget authority.....	18,148,095	20,439,598	22,120,394	23,679,570

Budget authority:					
40.00	Appropriation.....	18,045,707	20,022,399	22,120,394	23,679,570
41.00	Transferred to other accounts.....	-22,818	-21,300		
42.00	Transferred from other accounts.....	125,206	316,773		
43.00	<b>Appropriation (adjusted)</b>	<b>18,148,095</b>	<b>20,317,872</b>	<b>22,120,394</b>	<b>23,679,570</b>
44.10	Supplemental for wage-board pay raises.....		591		
44.20	Supplemental for civilian pay raises.....		2,088		
44.40	Supplemental for retirement contributions (P.L. 99-335).....		119,047		

Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	19,003,718	20,440,016	22,120,394	23,679,570
72.40	Obligated balance, start of year..	6,342,759	6,354,310	6,958,126	8,070,020
74.40	Obligated balance, end of year....	-6,354,310	-6,958,126	-8,070,020	-9,168,890
77.00	Adjustments in expired accounts.....	-18,031	-185,000		
78.00	Adjustments in unexpired accounts.....	-140,472			
89.00	Outlays.....	18,833,665	19,651,200	21,008,500	22,580,700

Outlays:					
90.00	Outlays, excluding pay and retirement supplementals.....	18,833,665	19,529,474	21,008,500	22,580,700
91.10	Outlays from wage-board pay raise supplemental.....		591		
91.20	Outlays from civilian pay raise supplemental.....		2,088		
91.40	Outlays from retirement contribution supplemental.....		119,047		

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	18,148,095	20,439,598	22,120,394	23,679,570
Outlays.....	18,833,665	19,651,200	21,008,500	22,580,700
Supplemental—additional authorizing legislation required:				
Budget authority.....		75,000		
Outlays.....		75,000		
Total:				
Budget authority.....	18,148,095	20,514,598	22,120,394	23,679,570
Outlays.....	18,833,665	19,726,200	21,008,500	22,580,700

Object Classification (in thousands of dollars)

Identification code 21-2020-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
Direct obligations:					
Personnel compensation:					
11.1	Full-time permanent.....	4,137,364	4,133,591	4,197,476	4,325,179
11.3	Other than full-time permanent.....	342,373	342,061	347,348	357,916
11.5	Other personnel compensation.....	178,408	178,245	180,999	186,505
11.9	Total personnel compensation.....	4,658,145	4,653,897	4,725,823	4,869,600
12.1	Personnel benefits: Civilian.....	643,859	727,296	971,897	1,042,213
13.0	Benefits for former personnel.....	27,087	35,717	35,637	36,911
21.0	Travel and transportation of persons.....	610,163	622,915	645,401	665,000
22.0	Transportation of things.....	788,316	802,776	804,330	822,700
23.1	Rental payments to GSA.....	113,832	114,541	133,703	135,358
23.2	Rental payments to others.....	166,997	238,183	250,537	271,921
23.3	Communications, utilities, and miscellaneous charges.....	715,653	612,636	519,542	494,111
24.0	Printing and reproduction.....	105,663	101,097	86,356	91,384
Other services:					
25.0	Payments to foreign national indirect hire personnel.....	631,886	1,175,544	1,445,637	1,543,508
25.0	Purchases from industrial funds.....	894,169	1,150,605	1,542,595	1,677,353
25.0	Contracts.....	7,217,255	7,332,575	7,635,661	8,245,499
25.0	Other.....	66,439	174,214	177,853	181,355
26.0	Supplies and materials.....	2,005,837	2,396,500	2,824,302	3,213,051
31.0	Equipment.....	347,579	301,520	321,120	389,606
32.0	Lands and structures.....	8,661			
41.0	Grants, subsidies, and contributions.....	2,177			
99.0	Subtotal, direct obligations.....	19,003,718	20,440,016	22,120,394	23,679,570
99.0	Reimbursable obligations.....	2,457,785	2,725,407	2,838,784	2,956,877
99.9	Total obligations.....	21,461,503	23,165,423	24,959,178	26,636,447

Personnel Summary

Total number of full-time permanent positions.....	173,735	192,001	190,441	196,765
Total compensable workyears:				
Full-time equivalent employment.....	217,714	219,484	218,504	225,952
Full-time equivalent of overtime and holiday hours.....	8,618	9,332	9,380	9634

OPERATION AND MAINTENANCE, NAVY\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed **[\$3,919,000] \$3,886,000** can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; **[\$22,939,674,000] \$25,652,830,000**, of which not less than **[\$795,000,000] \$871,000,000** shall be available only for the maintenance of real property facilities, and of which **\$75,000,000** shall be available only to reimburse United States Coast Guard Operating Expenses for operations and training relating to the Coast Guard defense, military readiness and drug enforcement missions; **Provided**, That of the total amount of this appropriation made available for the alteration, overhaul, and repair of naval vessels, not more than **[\$3,415,000,000] \$2,935,000,000** shall be available for the performance of such work in Navy shipyards; **Provided further**, That from the amounts of this appropriation for the alteration, overhaul and repair of naval vessels and aircraft, funds shall be available to acquire the alteration, overhaul and repair by competition between public and private shipyards and air rework facilities. The Navy shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private shipyards and air rework facilities. Competitions shall not be subject to section 502 of the Department of Defense Authorization Act, 1981, as amended, section 307 of the fiscal year 1985 Department of Defense Authorization Act, or Office of Management and Budget Circular A-76; **Provided further**, That funds herein provided shall be available for payments in support of the LEASAT program in accordance with the terms of the Aide Memoire, dated January 5, 1981; **Provided further**, That of the funds appropriated herein, not to exceed **\$5,080,000** shall be available for a grant to the Battleship Texas Advisory Board of the State of Texas for the restoration of the Battleship Texas].

Further, for the foregoing purposes, and not to exceed **\$4,014,000** can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; **\$26,526,092,000**, to become available for obligation on October 1, 1988, of which not less than **\$778,000,000** shall be available only for the maintenance of real property facilities; **Provided**, That of the total amount of this appropriation made available for the alteration, overhaul, and repair of naval vessels, not more than **\$3,200,000,000** shall be available for the performance of such work in Navy shipyards; **Provided further**, That funds herein provided shall be available for payments in support of the LEASAT program in accordance with the terms of the Aide Memoire, dated January 5, 1981. (5 U.S.C. 5943-44; 10 U.S.C. 127, 265, 276, 351, 951-56, 1037, 1044, 1049-50, 1071-85, 1125, 1481-88, 2006-08, 2110, 2127, 2483, 2602, 2632, 2637-39, 2675, 2805, 5013, 5151, 5062-63, 6022, 6029, 6153, 6201-03, 6951-52, 6968, 7041, 7043-44, 7085, 7205, 7207-09, 7212, 7214, 7229, 7293, 7297, 7303, 7361-62, 7395-96, 7421, 7432, 7571, 7580; 24 U.S.C. 14a, 16a, 21a, 21b, 37; 37 U.S.C. 404; 39 U.S.C. 406, 2601, 3208; 44 U.S.C. 1321; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**For an additional amount for "Operation and maintenance, Navy", \$15,000,000.** (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 17-1804-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
Program by activities:					
Direct program:					
00.01	Strategic forces.....	1,790,329	1,949,728	1,623,026	1,821,258
00.02	General purpose forces.....	11,210,680	11,810,841	11,121,676	11,626,186

General and special funds—Continued

OPERATION AND MAINTENANCE, NAVY—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 17-1804-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
00.03 Intelligence and communications	1,035,024	1,135,780	1,173,306	1,167,266
00.04 Airlift and sealift	751,548	596,729	549,099	578,782
00.07 Central supply and maintenance	5,268,433	4,472,564	6,718,286	6,547,291
00.08 Training, medical, and other general personnel activities	2,393,086	2,520,845	3,609,251	3,914,304
00.09 Administration and associated activities	724,561	815,072	854,267	866,958
00.10 Support of other nations	2,296	2,406	3,919	4,047
00.91 Total direct program	23,175,957	23,303,965	25,652,830	26,526,092
01.01 Reimbursable program	2,962,153	3,147,465	3,267,216	3,656,547
10.00 Total obligations	26,138,110	26,451,430	28,920,046	30,182,639
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds	-2,797,731	-2,963,953	-3,082,287	-3,467,996
13.00 Trust funds	-96,827	-139,861	-138,210	-142,041
14.00 Non-Federal sources	-67,595	-43,651	-46,719	-46,510
17.00 Recovery of prior year obligations	-220,752			
21.40 Unobligated balance available, start of year		-1,341		
22.40 Unobligated balance transferred, net	-54,648	-900		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance	5,733			
24.40 Unobligated balance available, end of year	1,341			
25.00 Unobligated balance lapsing	410,964	1,341		
39.00 Budget authority	23,318,595	23,303,065	25,652,830	26,526,092
<b>Budget authority:</b>				
40.00 Appropriation	23,277,695	22,954,674	25,652,830	26,526,092
41.00 Transferred to other accounts	-25,100	-20,000		
42.00 Transferred from other accounts	66,000	216,161		
43.00 Appropriation (adjusted)	23,318,595	23,150,835	25,652,830	26,526,092
44.10 Supplemental for wage-board pay raises		833		
44.20 Supplemental for civilian pay raises		2,517		
44.40 Supplemental for retirement contributions (P.L. 99-335)		148,880		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	23,175,957	23,303,965	25,652,830	26,526,092
72.40 Obligated balance, start of year	8,667,335	9,347,089	10,658,854	12,464,784
74.40 Obligated balance, end of year	-9,347,089	-10,658,854	-12,464,784	-13,895,076
77.00 Adjustments in expired accounts	322,549			
78.00 Adjustments in unexpired accounts	-220,752			
89.00 Outlays	22,597,999	21,992,200	23,846,900	25,095,800
<b>Outlays:</b>				
90.00 Outlays, excluding pay and retirement supplementals	22,597,999	21,839,970	23,846,900	25,095,800
91.10 Outlays from wage-board pay raise supplemental		833		
91.20 Outlays from civilian pay raise supplemental		2,517		
91.40 Outlays from retirement contribution supplemental		148,880		

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority	23,318,595	23,303,065	25,652,830	26,526,092
Outlays	22,597,999	21,992,200	23,846,900	25,095,800
Supplemental—additional authorizing legislation required:				
Total:				
Budget authority		120,000		

Outlays		120,000		
Budget authority	23,318,595	23,423,065	25,652,830	26,526,092
Outlays	22,597,999	22,112,200	23,846,900	25,095,800

Object Classification (in thousands of dollars)

Identification code 17-1804-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1 Full-time permanent	2,410,332	2,527,012	2,616,179	2,663,950
11.3 Other than full-time permanent	175,743	192,419	202,785	202,751
11.5 Other personnel compensation	117,114	113,823	115,566	120,402
11.8 Special personal services payments	848	873	887	928
11.9 Total personnel compensation	2,704,037	2,834,127	2,935,417	2,988,031
12.1 Personnel benefits: Civilian	353,764	419,365	574,146	610,267
13.0 Benefits for former personnel	6,654	14,019	13,532	13,952
21.0 Travel and transportation of persons	324,067	322,167	337,421	357,112
22.0 Transportation of things	410,868	408,459	427,799	452,764
23.1 Rental payments to GSA	138,571	137,759	144,281	152,701
23.2 Rental payments to others	70,590	70,176	69,767	73,902
23.3 Communications, utilities, and miscellaneous charges	832,091	827,213	866,381	916,938
24.0 Printing and reproduction	40,092	39,857	41,744	44,180
<b>Other services:</b>				
25.0 Payments to foreign national indirect hire personnel	69,014	108,617	136,338	137,832
25.0 Purchases from industrial funds	6,167,395	6,131,238	6,421,548	6,796,275
25.0 Contracts	7,927,949	7,884,322	9,383,362	9,430,055
25.0 Other	18,565	18,456	19,330	20,458
26.0 Supplies and materials	3,556,478	3,535,627	3,703,037	3,919,127
31.0 Equipment	555,822	552,563	578,727	612,498
99.0 Subtotal, direct obligations	23,175,957	23,303,965	25,652,830	26,526,092
99.0 Reimbursable obligations	2,962,153	3,147,465	3,267,216	3,656,547
99.9 Total obligations	26,138,110	26,451,430	28,920,046	30,182,639

Personnel Summary

Total number of full-time permanent positions	109,615	116,015	117,777	123,708
Total compensable workyears:				
Full-time equivalent employment	132,894	133,709	136,625	143,166
Full-time equivalent of overtime and holiday hours	4,868	4,004	3,402	3,721

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; **[\$1,793,750,000]** \$1,918,367,000, of which not less than **[\$280,000,000]** \$329,083,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, \$1,939,216,000, to become available for obligation on October 1, 1988, of which not less than \$328,810,000 shall be available only for the maintenance of real property facilities. (5 U.S.C. 5943, 5944, 7903; 10 U.S.C. 265, 276, 520b, 951-56, 1037, 1044, 1049-50, 1071-85, 1125, 1481-88, 2006-08, 2110, 6911, 7214, 7571, 7580; 37 U.S.C. 404-11; 39 U.S.C. 406, 2601, 3208; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500; and 99-591, section 101(c) additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 17-1106-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.02 General purpose forces	871,734	1,010,123	1,116,453	1,122,117
00.07 Central supply and maintenance	342,982	407,042	375,252	387,795
00.08 Training, medical, and other general personnel activities	242,483	262,609	287,165	284,366
00.09 Administration and associated activities	118,430	129,866	139,497	144,938
00.91 Total direct program	1,575,629	1,809,640	1,918,367	1,939,216
01.01 Reimbursable program	290,956	308,000	314,000	319,000
10.00 Total obligations	1,866,585	2,117,640	2,232,367	2,258,216

Financing:					
Offsetting collections from:					
11.00	Federal funds .....	-278,541	-294,750	-291,750	-287,750
13.00	Trust funds .....	-716	-2,650	-2,650	-2,650
14.00	Non-Federal sources .....	-11,699	-10,600	-19,600	-28,600
17.00	Recovery of prior year obligations .....	-27,400			
22.40	Unobligated balance transferred, net .....	-39,339			
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance .....	1,862			
25.00	Unobligated balance lapsing .....	22,308			
39.00	<b>Budget authority .....</b>	<b>1,533,060</b>	<b>1,809,640</b>	<b>1,918,367</b>	<b>1,939,216</b>
Budget authority:					
40.00	Appropriation .....	1,533,060	1,793,750	1,918,367	1,939,216
42.00	Transferred from other accounts .....		7,590		
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,533,060</b>	<b>1,801,340</b>	<b>1,918,367</b>	<b>1,939,216</b>
44.10	Supplemental for wage-board pay raises .....		54		
44.20	Supplemental for civilian pay raises .....		129		
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		8,117		
Relation of obligations to outlays:					
71.00	Obligations incurred, net .....	1,575,629	1,809,640	1,918,367	1,939,216
72.40	Obligated balance, start of year .....	715,328	641,602	744,542	815,409
74.40	Obligated balance, end of year .....	-641,602	-744,542	-815,409	-850,725
77.00	Adjustments in expired accounts .....	-9,785			
78.00	Adjustments in unexpired accounts .....	-27,400			
89.00	<b>Outlays .....</b>	<b>1,612,171</b>	<b>1,706,700</b>	<b>1,847,500</b>	<b>1,903,900</b>
Outlays:					
90.00	Outlays, excluding pay and retirement supplementals .....	1,612,171	1,698,400	1,847,500	1,903,900
91.10	Outlays from wage-board pay raise supplemental .....		54		
91.20	Outlays from civilian pay raise supplemental .....		129		
91.40	Outlays from retirement contribution supplemental .....		8,117		

Object Classification (in thousands of dollars)					
Identification code 17-1106-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Direct obligations:</b>					
<b>Personnel compensation:</b>					
11.1	Full-time permanent .....	328,335	330,453	333,118	327,908
11.3	Other than full-time permanent .....	10,157	9,055	9,110	9,009
11.5	Other personnel compensation .....	15,991	13,634	13,699	13,602
11.9	Total personnel compensation .....	354,483	353,142	355,927	350,519
12.1	Personnel benefits: Civilian .....	45,513	51,672	69,964	72,140
21.0	Travel and transportation of persons .....	76,833	58,394	58,795	59,927
22.0	Transportation of things .....	67,009	84,761	83,748	90,445
23.2	Rental payments to others .....	114,918	157,616	175,376	180,822
24.0	Printing and reproduction .....	6,715	8,099	8,545	8,944
<b>Other services:</b>					
25.0	Payments to foreign national indirect hire personnel .....	38,547	64,088	81,266	85,288
25.0	Purchases from industrial funds .....	66,578	132,860	116,964	123,996
25.0	Contracts .....	503,661	512,022	575,282	566,327
26.0	Supplies and materials .....	251,299	311,094	311,518	323,614
31.0	Equipment .....	50,073	75,892	80,982	77,194
99.0	Subtotal, direct obligations .....	1,575,629	1,809,640	1,918,367	1,939,216
99.0	Reimbursable obligations .....	290,956	308,000	314,000	319,000
99.9	<b>Total obligations .....</b>	<b>1,866,585</b>	<b>2,117,640</b>	<b>2,232,367</b>	<b>2,258,216</b>

Personnel Summary				
Total number of full-time permanent positions .....	15,590	15,826	15,826	15,826
Total compensable workyears:				
Full-time equivalent employment .....	17,390	17,077	17,033	17,029
Full-time equivalent of overtime and holiday hours .....	340	275	277	274

OPERATION AND MAINTENANCE, AIR FORCE\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law, includ-

ing the lease and associated maintenance of replacement aircraft for the CT-39 aircraft to the same extent and manner as authorized for service contracts by section 2306(g), title 10, United States Code; and not to exceed **[\$6,171,000]** \$6,775,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; **[\$18,636,816,000]** \$21,325,282,000, of which not less than **[\$1,650,000,000]** \$1,600,000,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, and not to exceed \$7,690,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; \$22,208,044,000, to become available for obligation on October 1, 1988, of which not less than \$1,690,000,000 shall be available only for the maintenance of real property facilities. (5 U.S.C. 5943, 5944, 7903; 10 U.S.C. 122, 127, 503, 520b, 717, 951-56, 1037, 1040, 1044, 1049-50, 1071-89, 1121-26, 1481-88, 2002, 2006-08, 2101-11, 2112-17, 2120-27, 2389, 2421, 2481, 2483, 2602, 2632-34, 2637-39, 2663, 2675, 8013, 8541, 8542, 8547, 8721-23, 8741-52, 9022, 9025, 9301-04, 9305, 9315, 9331-37, 9341-55, 9411-14, 9441, 9501, 9502, 9505, 9531, 9536, 9561, 9562, 9563, 9651-56, 9712, 9741, 9742, 9743, 9746, 9780; 20 U.S.C. 901-07; 37 U.S.C. 201, 421, 404-11e; 38 U.S.C. 5011; 39 U.S.C. 406, 3401-02; 40 U.S.C. 35; 42 U.S.C. 1856-56d, 3374, 315q; 43 U.S.C. 1241-43; 44 U.S.C. 1108; 50 U.S.C. 451-55, 491-94; Public Law 94-524 (18 U.S.C. 3056 note); Public Law 97-252; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

[For an additional amount for "Operation and maintenance, Air Force", \$12,615,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 57-3400-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Program by activities:</b>					
<b>Direct program:</b>					
00.01	Strategic forces .....	3,087,366	2,905,463	3,351,973	3,572,424
00.02	General purpose forces .....	4,206,096	3,866,008	4,473,897	4,783,994
00.03	Intelligence and communications .....	2,224,843	2,374,218	2,475,132	2,732,697
00.04	Airlift and sealift .....	1,120,289	1,164,581	1,072,737	1,179,185
00.07	Central supply and maintenance .....	5,720,591	5,765,050	6,404,580	6,236,317
00.08	Training, medical, and other general personnel activities .....	2,077,364	2,261,753	2,907,271	3,037,812
00.09	Administration and associated activities .....	546,222	592,848	633,577	656,921
00.10	Support of other nations .....	5,214	5,852	6,115	8,694
00.91	Total direct program .....	18,987,985	18,935,773	21,325,282	22,208,044
01.01	Reimbursable program .....	1,579,779	1,625,000	1,700,000	1,785,000
10.00	<b>Total obligations .....</b>	<b>20,567,764</b>	<b>20,560,773</b>	<b>23,025,282</b>	<b>23,993,044</b>
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds .....	-1,194,198	-1,365,000	-1,428,000	-1,499,400
13.00	Trust funds .....	-325,184	-195,000	-204,000	-214,200
14.00	Non-Federal sources .....	-60,397	-65,000	-68,000	-71,400
17.00	Recovery of prior year obligations .....	-153,000			
22.40	Unobligated balance transferred, net .....	-205,000	-60,000		
22.40	Portion applied to meet foreign currency fluctuations in expired accounts .....	15,000	60,000		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance .....	8,085			
25.00	Unobligated balance lapsing .....	13,970			
39.00	<b>Budget authority .....</b>	<b>18,667,040</b>	<b>18,935,773</b>	<b>21,325,282</b>	<b>22,208,044</b>
<b>Budget authority:</b>					
40.00	Appropriation .....	18,579,509	18,649,431	21,325,282	22,208,044
41.00	Transferred to other accounts .....	-23,200	-15,315		
42.00	Transferred from other accounts .....	110,731	207,168		
43.00	<b>Appropriation (adjusted) .....</b>	<b>18,667,040</b>	<b>18,841,284</b>	<b>21,325,282</b>	<b>22,208,044</b>

General and special funds—Continued

OPERATION AND MAINTENANCE, AIR FORCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 57-3400-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
44.10 Supplemental for wage-board pay raises .....		507		
44.20 Supplemental for civilian pay raises .....		1,418		
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		85,564		
50.00 Reappropriation .....		7,000		
Relation of obligations to outlays:				
71.00 Obligations incurred, net .....	18,987,985	18,935,773	21,325,282	22,208,044
72.40 Obligated balance, start of year ..	6,267,503	6,487,195	6,740,968	7,754,750
74.40 Obligated balance, end of year ..	-6,487,195	-6,740,968	-7,754,750	-8,472,294
77.00 Adjustments in expired accounts ..	31,172	-60,000		
78.00 Adjustments in unexpired accounts ..	-153,000			
89.00 Outlays .....	18,646,465	18,622,000	20,311,500	21,490,500
Outlays:				
90.00 Outlays, excluding pay and retirement supplementals .....	18,646,465	18,534,511	20,311,500	21,490,500
91.10 Outlays from wage-board pay raise supplemental .....		507		
91.20 Outlays from civilian pay raise supplemental .....		1,418		
91.40 Outlays from retirement contribution supplemental .....		85,564		

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority .....	18,667,040	18,935,773	21,325,282	22,208,044
Outlays .....	18,646,465	18,622,000	20,311,500	21,490,500
Supplemental—additional authorizing legislation required:				
Budget authority .....		21,000		
Outlays .....		21,000		
Total:				
Budget authority .....	18,667,040	18,956,773	21,325,282	22,208,044
Outlays .....	18,646,465	18,643,000	20,311,500	21,490,500

Object Classification (in thousands of dollars)

Identification code 57-3400-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent .....	3,103,487	3,205,731	3,608,570	3,667,805
11.3 Other than full-time permanent .....	109,535	113,144	127,361	129,452
11.5 Other personnel compensation .....	73,023	75,429	84,908	86,301
11.9 Total personnel compensation .....	3,286,045	3,394,304	3,820,839	3,883,558
12.1 Personnel benefits: Civilian .....	328,604	339,431	382,084	388,356
13.0 Benefits for former personnel .....	36,512	37,715	42,454	43,151
21.0 Travel and transportation of persons .....	532,119	497,173	507,608	517,922
22.0 Transportation of things .....	651,083	681,048	588,223	605,140
23.1 Rental payments to GSA .....	18,426	20,313	19,724	20,394
23.2 Rental payments to others .....	193,625	184,552	127,595	131,321
23.3 Communications, utilities, and miscellaneous charges .....	861,542	1,056,829	1,059,915	1,094,192
24.0 Printing and reproduction .....	47,627	49,600	52,677	54,286
Other services:				
25.0 Payments to foreign national indirect hire personnel .....	142,678	207,398	272,278	281,908
25.0 Purchases from industrial funds .....	3,257,102	3,365,043	3,051,209	2,801,152
25.0 Contracts .....	5,673,386	6,210,800	7,313,032	8,049,069
26.0 Supplies and materials .....	3,526,240	2,544,923	3,703,861	3,964,290
31.0 Equipment .....	356,922	261,532	297,580	283,363
32.0 Lands and structures .....	30	37	51	63
41.0 Grants, subsidies, and contributions .....	1,075	838	2,156	2,146
42.0 Insurance claims and indemnities .....	74,548	84,225	83,984	87,719
43.0 Interest and dividends .....	421	12	12	14
99.0 Subtotal, direct obligations .....	18,987,985	18,935,773	21,325,282	22,208,044
99.0 Reimbursable obligations .....	1,579,779	1,625,000	1,700,000	1,785,000
99.9 Total obligations .....	20,567,764	20,560,773	23,025,282	23,993,044

Personnel Summary

	128,669	131,115	139,331	140,308
Total number of full-time permanent positions .....				
Total compensable workyears:				
Full-time equivalent employment .....	148,852	144,867	153,990	153,627
Full-time equivalent of overtime and holiday hours .....	2,754	2,775	2,765	2,755

OPERATION AND MAINTENANCE, DEFENSE AGENCIES\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; **[\$7,978,674,000: Provided, That] \$7,602,907,000, of which not to exceed [\$10,904,000] \$10,789,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided [further, That \$372,000 is available to the Office of Economic Adjustment for making community planning assistance grants pursuant to section 2391 of title 10, United States Code, and joint community/military planning assistance grants for mitigation of operational impacts from encroachment: Provided further], That not less than [\$116,465,000] \$139,285,000 shall be available only for the maintenance of real property facilities[: Provided further, That \$1,500,000 shall be transferred to the Department of Commerce, International Trade Administration, "Operations and administration", for export administration activities].**

**Further, for the foregoing purposes, and not to exceed \$11,691,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; \$7,800,619,000, to become available for obligation on October 1, 1988, of which not less than \$138,201,000 shall be available only for the maintenance of real property facilities. (Department of Defense Appropriations Act, 1987, as included in Public Law 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 97-0100-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.02 General purpose forces: Joint Chiefs of Staff .....	253,672	270,906	281,177	287,765
Intelligence and communications:				
00.03 Defense Investigative Service .....	136,288	152,899	159,904	165,515
00.03 Defense Mapping Agency .....	437,758	484,077	527,026	536,013
00.03 Defense Nuclear Agency .....	40,436	50,936	60,406	67,522
00.03 Intelligence and communications activities .....	1,966,236	2,290,211	2,586,112	2,619,533
00.07 Central supply and maintenance: Defense Logistics Agency .....	1,770,094	1,814,614	2,017,345	2,012,164
Training, medical, and other general personnel activities:				
00.08 Department of Defense Dependents Schools .....	662,843	779,930	949,148	1,019,677
00.08 American Forces Information Service .....	53,028	58,310	67,339	69,986
00.08 Defense Medical Systems Support Center .....	68,655	107,003	95,243	108,094
00.08 Uniformed Services University of the Health Sciences .....	28,990	34,892	36,636	38,029
00.08 Civilian Health and Medical Program of the Uniformed Services .....	1,734,239	1,540,901	83,866	86,766
Administration and associated activities:				
00.09 Secretary of Defense .....	107,827	114,250	143,885	155,839
00.09 Office of Economic Adjustment .....	13,750	18,172	18,583	18,655

00.09	Washington Headquarters Services.....	91,472	99,442	127,993	135,548
00.09	Joint Chiefs of Staff.....	51,743	55,281	57,839	62,583
00.09	Defense Contract Audit Agency.....	178,750	223,746	290,925	312,756
00.09	Defense Legal Services Agency.....	4,970	5,082	5,658	5,670
00.09	Office of the Inspector General.....	63,701	79,977	85,868	90,075
00.09	Defense Information Services activity.....	1,486	2,004	2,407	2,456
00.09	Defense Technology Security Administration.....	3,946	4,900	5,547	5,973
00.91	Total direct program.....	7,669,884	8,187,533	7,602,907	7,800,619
01.01	Reimbursable program.....	587,545	711,640	778,422	824,043
10.00	Total obligations.....	8,257,429	8,899,173	8,381,329	8,624,662
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-531,523	-685,229	-751,525	-796,705
13.00	Trust funds.....	-40,046	-7,569	-7,740	-7,740
14.00	Non-Federal sources.....	-15,976	-18,842	-19,157	-19,598
17.00	Recovery of prior year obligations.....	-147,415			
21.40	Unobligated balance available, start of year.....		-791		
22.40	Unobligated balance transferred, net.....	-308,782			
22.40	Portion applied to meet foreign currency fluctuations in expired accounts.....	10,900			
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	2,009			
24.40	Unobligated balance available, end of year.....	791			
25.00	Unobligated balance lapsing.....	33,242	791		
39.00	<b>Budget authority.....</b>	<b>7,260,628</b>	<b>8,187,533</b>	<b>7,602,907</b>	<b>7,800,619</b>
Budget authority:					
40.00	Appropriation.....	7,068,373	7,978,674	7,602,907	7,800,619
41.00	Transferred to other accounts.....	-9,200	-21,000		
42.00	Transferred from other accounts.....	201,455	125,099		
43.00	<b>Appropriation (adjusted) Supplemental for wage-board pay raises.....</b>	<b>7,260,628</b>	<b>8,082,773</b>	<b>7,602,907</b>	<b>7,800,619</b>
44.10	Supplemental for civilian pay raises.....		114		
44.20	Supplemental for retirement contributions.....		2,193		
44.40	Supplemental for retirement contributions (P.L. 99-335).....		102,453		
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	7,669,884	8,187,533	7,602,907	7,800,619
72.40	Obligated balance, start of year..	1,265,625	1,256,296	1,428,529	1,478,736
74.40	Obligated balance, end of year....	-1,256,296	-1,428,529	-1,478,736	-1,598,955
77.00	Adjustments in expired accounts.....	70,187			
78.00	Adjustments in unexpired accounts.....	-147,415			
89.00	Outlays.....	7,601,984	8,015,300	7,552,700	7,680,400
Outlays:					
90.00	Outlays, excluding pay and retirement supplementals.....	7,601,984	7,910,540	7,552,700	7,680,400
91.10	Outlays from wage-board pay raise supplemental.....		114		
91.20	Outlays from civilian pay raise supplemental.....		2,193		
91.40	Outlays from retirement contribution supplemental.....		102,453		

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

		(In thousands of dollars)			
		1986 actual	1987 est.	1988 est.	1989 est.
Enacted/requested:	Budget authority.....	7,260,628	8,187,533	7,602,907	7,800,619
	Outlays.....	7,601,984	8,015,300	7,552,700	7,680,400
Supplemental—additional authorizing legislation required:	Budget authority.....		357,000		
	Outlays.....		357,000		
<b>Total:</b>	<b>Budget authority.....</b>	<b>7,260,628</b>	<b>8,544,533</b>	<b>7,602,907</b>	<b>7,800,619</b>
	<b>Outlays.....</b>	<b>7,601,984</b>	<b>8,372,300</b>	<b>7,552,700</b>	<b>7,680,400</b>

		Object Classification (in thousands of dollars)			
Identification code 97-0100-0-1-051		1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
<b>Personnel compensation:</b>					
11.1	Full-time permanent.....	2,157,923	2,328,615	2,530,268	2,586,789
11.3	Other than full-time permanent.....	67,662	63,111	69,895	71,866
11.5	Other personnel compensation.....	80,217	81,813	88,267	88,535
11.8	Special personal services payments.....	858	1,129	1,157	1,207
11.9	Total personnel compensation.....	2,306,660	2,474,668	2,689,587	2,748,397
12.1	Personnel benefits: Civilian.....	317,351	370,710	485,622	515,966
13.0	Benefits for former personnel.....	136	358	479	349
21.0	Travel and transportation of persons.....	154,693	198,778	221,398	232,815
22.0	Transportation of things.....	294,273	309,328	319,138	329,047
23.1	Rental payments to GSA.....	56,436	61,464	74,036	78,645
23.2	Rental payments to others.....	141,360	191,458	224,721	233,560
23.3	Communications, utilities, and miscellaneous charges.....	155,141	125,571	135,662	140,634
24.0	Printing and reproduction.....	22,822	23,666	24,938	24,835
<b>Other services:</b>					
25.0	Payments to foreign national indirect hire personnel.....	27,058	48,136	57,154	59,814
25.0	Purchases from industrial funds.....	39,369	24,926	86,871	41,698
25.0	Contracts.....	988,632	1,274,972	1,406,633	1,418,205
25.0	Other.....	2,886,688	2,771,074	1,503,142	1,595,797
26.0	Supplies and materials.....	190,984	198,924	239,357	252,885
31.0	Equipment.....	81,082	112,212	132,149	125,805
41.0	Grants, subsidies, and contributions.....	7,199	1,288	2,020	2,167
99.0	Subtotal, direct obligations.....	7,669,884	8,187,533	7,602,907	7,800,619
99.0	Reimbursable obligations.....	587,545	711,640	778,422	824,043
99.9	Total obligations.....	8,257,429	8,899,173	8,381,329	8,624,662

**Personnel Summary**

	1986 actual	1987 est.	1988 est.	1989 est.
Total number of full-time permanent positions.....	87,761	91,673	93,530	93,967
Total compensable workyears:				
Full-time equivalent employment.....	89,161	91,320	93,822	94,647
Full-time equivalent of overtime and holiday hours.....	1,719	2,575	2,801	2,741

**OPERATION AND MAINTENANCE, ARMY RESERVE\***

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$769,966,000]** **\$879,103,000**, of which not less than **[\$38,336,000]** **\$43,000,000** shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, **\$958,229,000**, to become available for obligation on October 1, 1988, of which not less than **\$52,700,000** shall be available only for the maintenance of real property facilities. (5 U.S.C. 7903; 10 U.S.C. 1481-88, 3013-14, 3062, 4302, 4411-14, 4741; 37 U.S.C. 404; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 21-2080-0-1-051		1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
<b>Direct program:</b>					
00.01	Mission forces.....	411,155	469,236	516,852	555,318
00.02	Depot maintenance.....	6,013	10,510	10,278	11,149
00.03	Other support.....	323,772	300,375	351,973	391,762
00.91	Total direct program.....	740,940	780,121	879,103	958,229
01.01	Reimbursable program.....	21,515	11,184	9,120	10,237
10.00	Total obligations.....	762,455	791,305	888,223	968,466
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-20,429	-11,097	-9,033	-10,150
13.00	Trust funds.....	-93			
14.00	Non-Federal sources.....	-993	-87	-87	-87

General and special funds—Continued

OPERATION AND MAINTENANCE, ARMY RESERVE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	21-2080-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
17.00	Recovery of prior year obligations .....	-21,461			
22.40	Unobligated balance transferred, net .....	21,461			
25.00	Unobligated balance lapsing .....	935			
<b>39.00</b>	<b>Budget authority .....</b>	<b>741,875</b>	<b>780,121</b>	<b>879,103</b>	<b>958,229</b>
Budget authority:					
40.00	Appropriation .....	741,875	769,966	879,103	958,229
42.00	Transferred from other accounts .....		5,188		
<b>43.00</b>	<b>Appropriation (adjusted) .....</b>	<b>741,875</b>	<b>775,154</b>	<b>879,103</b>	<b>958,229</b>
44.10	Supplemental for wage-board pay raises .....		32		
44.20	Supplemental for civilian pay raises .....		77		
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		4,858		
Relation of obligations to outlays:					
71.00	Obligations incurred, net .....	740,940	780,121	879,103	958,229
72.40	Obligated balance, start of year .....	182,903	190,784	258,405	306,008
74.40	Obligated balance, end of year .....	-190,784	-258,405	-306,008	-352,737
77.00	Adjustments in expired accounts .....	3,447			
78.00	Adjustments in unexpired accounts .....	-21,461			
<b>89.00</b>	<b>Outlays .....</b>	<b>715,044</b>	<b>712,500</b>	<b>831,500</b>	<b>911,500</b>
Outlays:					
90.00	Outlays, excluding pay and retirement supplements .....	715,044	707,533	831,500	911,500
91.10	Outlays from wage-board pay raise supplemental .....		32		
91.20	Outlays from civilian pay raise supplemental .....		77		
91.40	Outlays from retirement contribution supplemental .....		4,858		

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority .....	741,875	780,121	879,103	958,229
Outlays .....	715,044	712,500	831,500	911,500
Supplemental—additional authorizing legislation required:				
Budget authority .....		15,000		
Outlays .....		15,000		
<b>Total:</b>				
Budget authority .....	741,875	795,121	879,103	958,229
Outlays .....	715,044	727,500	831,500	911,500

Object Classification (in thousands of dollars)

Identification code	21-2080-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:					
Personnel compensation:					
11.1	Full-time permanent .....	273,989	232,349	265,612	271,812
11.3	Other than full-time permanent .....	13,700	11,619	13,287	12,644
11.5	Other personnel compensation .....	6,955	5,896	6,743	7,854
11.9	Total personnel compensation .....	294,644	249,864	285,642	292,310
12.1	Personnel benefits: Civilian .....	40,292	40,768	61,266	65,445
13.0	Benefits for former personnel .....	20	29	29	29
21.0	Travel and transportation of persons .....	63,718	76,513	81,738	86,334
22.0	Transportation of things .....	3,240	3,319	3,220	3,270
23.2	Rental payments to others .....	61,649	67,093	78,201	85,226
24.0	Printing and reproduction .....	6,957	4,115	7,614	7,945
Other services:					
25.0	Payments to foreign national indirect hire personnel .....	39	71	92	98
25.0	Purchases from industrial funds .....	8,416	8,479	9,298	11,169
25.0	Contracts .....	140,870	144,967	166,092	175,518
26.0	Supplies and materials .....	103,223	114,656	108,349	134,503
31.0	Equipment .....	17,872	70,247	77,562	96,382
99.0	Subtotal, direct obligations .....	740,940	780,121	879,103	958,229
99.0	Reimbursable obligations .....	21,515	11,184	9,120	10,237
<b>99.9</b>	<b>Total obligations .....</b>	<b>762,455</b>	<b>791,305</b>	<b>888,223</b>	<b>968,466</b>

Personnel Summary

Total number of full-time permanent positions .....	12,486	11,558	12,866	13,296
Total compensable workyears:				
Full-time equivalent employment .....	13,658	11,445	13,049	13,468
Full-time equivalent of overtime and holiday hours .....	126	101	125	129

OPERATION AND MAINTENANCE, NAVY RESERVE\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$884,097,000]** \$957,115,000, of which not less than **[\$37,248,000]** \$43,772,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, \$1,036,814,000, to become available for obligation on October 1, 1988, of which not less than \$48,149,000 shall be available only for the maintenance of real property facilities. (10 U.S.C. 262, 276, 503, 1481-88, 2110, 2202, 2231, 2233a, 2631-34, 5013, 5062, 5251, 6022; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1806-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
Direct program:					
00.01	Mission forces .....	503,940	562,342	577,102	645,871
00.02	Depot maintenance .....	110,088	93,018	124,099	128,687
00.03	Other support .....	213,893	231,401	255,914	262,256
00.91	Total direct program .....	827,921	886,761	957,115	1,036,814
01.01	Reimbursable program .....	16,274	16,100	16,050	15,050
10.00	Total obligations .....	844,195	902,861	973,165	1,051,864
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds .....	-14,938	-15,000	-15,000	-14,050
13.00	Trust funds .....	-18			
14.00	Non-Federal sources .....	-1,318	-1,100	-1,050	-1,000
17.00	Recovery of prior year obligations .....	-27,012			
22.40	Unobligated balance transferred, net .....	27,012			
25.00	Unobligated balance lapsing .....	23,176			
<b>39.00</b>	<b>Budget authority .....</b>	<b>851,097</b>	<b>886,761</b>	<b>957,115</b>	<b>1,036,814</b>
Budget authority:					
40.00	Appropriation .....	851,097	884,097	957,115	1,036,814
42.00	Transferred from other accounts .....		1,329		
<b>43.00</b>	<b>Appropriation (adjusted) .....</b>	<b>851,097</b>	<b>885,426</b>	<b>957,115</b>	<b>1,036,814</b>
44.10	Supplemental for wage-board pay raises .....		5		
44.20	Supplemental for civilian pay raises .....		24		
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		1,306		
Relation of obligations to outlays:					
71.00	Obligations incurred, net .....	827,921	886,761	957,115	1,036,814
72.40	Obligated balance, start of year .....	328,218	408,007	483,868	561,983
74.40	Obligated balance, end of year .....	-408,007	-483,868	-561,983	-643,897
77.00	Adjustments in expired accounts .....	17,327			
78.00	Adjustments in unexpired accounts .....	-27,012			
<b>89.00</b>	<b>Outlays .....</b>	<b>738,447</b>	<b>810,900</b>	<b>879,000</b>	<b>954,900</b>
Outlays:					
90.00	Outlays, excluding pay and retirement supplements .....	738,447	809,565	879,000	954,900
91.10	Outlays from wage-board pay raise supplemental .....		5		
91.20	Outlays from civilian pay raise supplemental .....		24		
91.40	Outlays from retirement contribution supplemental .....		1,306		

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	851,097	886,761	957,115	1,036,814
Outlays.....	738,447	810,900	879,000	954,900
Supplemental—additional authorizing legislation required:				
Budget authority.....		5,000		
Outlays.....		5,000		
<b>Total:</b>				
Budget authority.....	851,097	891,761	957,115	1,036,814
Outlays.....	738,447	815,900	879,000	954,900

**Object Classification (in thousands of dollars)**

Identification code 17-1806-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1 Full-time permanent.....	56,499	61,089	63,666	64,142
11.3 Other than full-time permanent.....	4,338	3,353	3,407	3,381
11.5 Other personnel compensation.....	2,367	2,432	2,470	2,455
11.9 Total personnel compensation.....	63,204	66,874	69,543	69,978
12.1 Personnel benefits: Civilian.....	7,677	9,382	13,195	13,829
13.0 Benefits for former personnel.....	6			
21.0 Travel and transportation of persons.....	17,682	16,936	19,197	19,973
22.0 Transportation of things.....	1,128	1,004	1,048	1,067
23.2 Rental payments to others.....	34,089	38,812	43,715	46,836
24.0 Printing and reproduction.....	1,170	1,372	1,423	1,464
<b>Other services:</b>				
25.0 Payments to foreign national indirect hire personnel.....			2,565	2,671
25.0 Purchases from industrial funds.....	121,368	118,674	113,511	136,053
25.0 Contracts.....	248,564	295,714	281,259	296,682
25.0 Other.....	13,505	16,767	13,290	12,447
26.0 Supplies and materials.....	300,206	301,166	374,135	411,015
31.0 Equipment.....	19,322	20,060	24,234	24,799
99.0 Subtotal, direct obligations.....	827,921	886,761	957,115	1,036,814
99.0 Reimbursable obligations.....	16,274	16,100	16,050	15,050
99.9 Total obligations.....	844,195	902,861	973,165	1,051,864

**Personnel Summary**

Total number of full-time permanent positions.....	2,849	3,018	3,010	3,000
Total compensable workyears:				
Full-time equivalent employment.....	3,035	3,140	3,155	3,145
Full-time equivalent of overtime and holiday hours.....	25	27	23	23

**OPERATION AND MAINTENANCE, MARINE CORPS RESERVE**

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$63,875,000]** \$71,361,000, of which not less than **[\$3,146,000]** \$4,038,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, \$85,160,000, to become available for obligation on October 1, 1988, of which not less than \$4,176,000 shall be available only for the maintenance of real property facilities. (10 U.S.C. 262, 276, 503, 1481-88, 2110, 2202, 2231, 2233a, 2631-34, 5013, 5062, 5252, 6022; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 17-1107-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Mission forces.....	24,588	26,742	31,350	44,608
00.02 Depot maintenance.....	1,578	1,954	1,866	1,929
00.03 Other support.....	28,191	35,471	38,145	38,623
00.91 Total direct program.....	54,357	64,167	71,361	85,160

01.01 Reimbursable program.....	959	950	970	990
10.00 Total obligations.....	55,316	65,117	72,331	86,150
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds.....	-959	-950	-970	-990
17.00 Recovery of prior year obligations.....	-3,350			
22.40 Unobligated balance transferred, net.....	3,350			
25.00 Unobligated balance lapsing.....	42			
39.00 <b>Budget authority.....</b>	<b>54,399</b>	<b>64,167</b>	<b>71,361</b>	<b>85,160</b>
<b>Budget authority:</b>				
40.00 Appropriation.....	54,399	63,875	71,361	85,160
42.00 Transferred from other accounts.....		154		
43.00 <b>Appropriation (adjusted).....</b>	<b>54,399</b>	<b>64,029</b>	<b>71,361</b>	<b>85,160</b>
44.20 <b>Supplemental for civilian pay raises.....</b>		<b>3</b>		
44.40 <b>Supplemental for retirement contributions (P.L. 99-335).....</b>		<b>135</b>		

**Relation of obligations to outlays:**

71.00 Obligations incurred, net.....	54,357	64,167	71,361	85,160
72.40 Obligated balance, start of year.....	24,774	23,435	28,202	32,463
74.40 Obligated balance, end of year.....	-23,435	-28,202	-32,463	-38,923
77.00 Adjustments in expired accounts.....	667			
78.00 Adjustments in unexpired accounts.....	-3,350			
89.00 <b>Outlays.....</b>	<b>53,012</b>	<b>59,400</b>	<b>67,100</b>	<b>78,700</b>
<b>Outlays:</b>				
90.00 Outlays, excluding pay and retirement supplementals.....	53,012	59,262	67,100	78,700
91.20 Outlays from civilian pay raise supplemental.....		3		
91.40 Outlays from retirement contribution supplemental.....		135		

**Object Classification (in thousands of dollars)**

Identification code 17-1107-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1 Full-time permanent.....	4,798	6,978	7,060	7,006
11.3 Other than full-time permanent.....	182			
11.5 Other personnel compensation.....	102	36	36	36
11.9 Total personnel compensation.....	5,082	7,014	7,096	7,042
12.1 Personnel benefits: Civilian.....	647	1,045	1,425	1,482
21.0 Travel and transportation of persons.....	6,347	5,852	6,141	6,353
22.0 Transportation of things.....	2,422	2,921	3,723	3,850
23.2 Rental payments to others.....	7,462	7,819	8,818	9,066
24.0 Printing and reproduction.....	444	458	474	490
<b>Other services:</b>				
25.0 Payments to foreign national indirect hire personnel.....	15,722			
25.0 Purchases from industrial funds.....		1,954	1,866	1,929
25.0 Contracts.....		16,529	17,222	17,582
26.0 Supplies and materials.....	14,331	17,581	21,352	34,297
31.0 Equipment.....	1,900	2,994	3,244	3,069
99.0 Subtotal, direct obligations.....	54,357	64,167	71,361	85,160
99.0 Reimbursable obligations.....	959	950	970	990
99.9 Total obligations.....	55,316	65,117	72,331	86,150

**Personnel Summary**

Total number of full-time permanent positions.....	261	352	352	352
Total compensable workyears:				
Full-time equivalent employment.....	258	342	342	342
Full-time equivalent of overtime and holiday hours.....	1	1	1	1

**OPERATION AND MAINTENANCE, AIR FORCE RESERVE**

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; **[\$911,200,000]** \$1,018,257,000, of which not less than **[\$22,969,000]** \$23,100,000 shall be available only for the

General and special funds—Continued

OPERATION AND MAINTENANCE, AIR FORCE RESERVE—Continued

maintenance of real property facilities.

Further, for the foregoing purposes, \$1,070,395,000, to become available for obligation on October 1, 1988, of which not less than \$22,800,000 shall be available only for the maintenance of real property facilities. (5 U.S.C. 7903; 10 U.S.C. 264, 276, 510-11, 1124, 1481-88, 2231-37, 8013, 8541-42, 8721-23, 9301-04, 9315, 9411-14, 9531, 9536, 9561-63, 9593, 9741, 9743; 37 U.S.C. 404-11; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 57-3740-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Mission forces.....	560,885	588,320	655,206	688,592
00.02 Depot maintenance.....	146,206	180,097	189,576	205,645
00.03 Other support.....	150,264	164,050	173,475	176,158
00.91 Total direct program.....	857,355	932,467	1,018,257	1,070,395
01.01 Reimbursable program.....	8,389	8,500	28,600	33,300
10.00 Total obligations.....	865,744	940,967	1,046,857	1,103,695
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-7,640	-7,050	-27,125	-31,771
13.00 Trust funds.....	-440			
14.00 Non-Federal sources.....	-309	-1,450	-1,475	-1,529
17.00 Recovery of prior year obligations.....	-8,800			
22.40 Unobligated balance transferred, net.....	8,800			
25.00 Unobligated balance lapsing.....	1,140			
39.00 Budget authority.....	858,495	932,467	1,018,257	1,070,395
<b>Budget authority:</b>				
40.00 Appropriation.....	858,495	911,200	1,018,257	1,070,395
42.00 Transferred from other accounts.....		8,515		
43.00 Appropriation (adjusted).....	858,495	919,715	1,018,257	1,070,395
44.10 Supplemental for wage-board pay raises.....		124		
44.20 Supplemental for civilian pay raises.....		157		
44.40 Supplemental for retirement contributions (P.L. 99-335).....		12,471		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	857,355	932,467	1,018,257	1,070,395
72.40 Obligated balance, start of year.....	215,231	150,035	183,902	208,959
74.40 Obligated balance, end of year.....	-150,035	-183,902	-208,959	-233,254
77.00 Adjustments in expired accounts.....	-3,460			
78.00 Adjustments in unexpired accounts.....	-8,800			
89.00 Outlays.....	910,291	898,600	993,200	1,046,100
<b>Outlays:</b>				
90.00 Outlays, excluding pay and retirement supplementals.....	910,291	885,848	993,200	1,046,100
91.10 Outlays from wage-board pay raise supplemental.....		124		
91.20 Outlays from civilian pay raise supplemental.....		157		
91.40 Outlays from retirement contribution supplemental.....		12,471		

Object Classification (in thousands of dollars)

Identification code 57-3740-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1 Full-time permanent.....	316,555	332,726	353,227	362,491
11.5 Other personnel compensation.....	8,580	9,105	10,004	10,435
11.9 Total personnel compensation.....	325,135	341,831	363,231	372,926
12.1 Personnel benefits: Civilian.....	45,109	60,122	92,446	103,257
13.0 Benefits for former personnel.....	11	85	97	108
21.0 Travel and transportation of persons.....	7,791	8,634	8,839	8,867
22.0 Transportation of things.....	3,741	10,082	10,285	10,589
23.2 Rental payments to others.....	3,725	4,458	4,466	4,536

23.3 Communications, utilities, and miscellaneous charges.....	13,791	16,836	18,532	19,189
24.0 Printing and reproduction.....	673	768	972	1,010
Other services:				
25.0 Purchases from industrial funds.....	233,660	274,530	277,563	293,007
25.0 Contracts.....	35,374	48,760	47,015	48,842
25.0 Other.....	2,440	3,318	3,184	3,369
26.0 Supplies and materials.....	174,906	151,516	179,141	192,172
31.0 Equipment.....	10,999	11,527	12,486	12,523
99.0 Subtotal, direct obligations.....	857,355	932,467	1,018,257	1,070,395
99.0 Reimbursable obligations.....	8,389	8,500	28,600	33,300
99.9 Total obligations.....	865,744	940,967	1,046,857	1,103,695

Personnel Summary

Total number of full-time permanent positions.....	12,845	13,405	14,128	14,324
Total compensable workyears:				
Full-time equivalent employment.....	13,162	13,373	13,968	14,444
Full-time equivalent of overtime and holiday hours.....	160	160	160	160

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD\*

\*See Part II for additional information.

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); **[\$1,734,447,000]** \$1,862,152,000, of which not less than **[\$56,300,000]** \$88,900,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, \$2,055,011,000, to become available for obligation on October 1, 1988, of which not less than \$101,900,000 shall be available only for the maintenance of real property facilities. (5 U.S.C. 7903; 10 U.S.C. 261-80, 2231-38, 2511, 4651; 32 U.S.C. 701-02, 709; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 21-2065-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Training operations.....	237,874	274,292	287,333	319,623
00.02 Logistical support.....	1,172,797	1,283,019	1,355,486	1,491,615
00.03 Headquarters and command support.....	141,114	180,520	195,742	217,322
00.04 Medical support.....	14,528	21,427	23,591	26,451
00.91 Total direct program.....	1,566,313	1,759,258	1,862,152	2,055,011
01.01 Reimbursable program.....	28,614	28,000	28,600	29,200
10.00 Total obligations.....	1,594,927	1,787,258	1,890,752	2,084,211
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-27,639	-27,160	-27,742	-28,324
14.00 Non-Federal sources.....	-975	-840	-858	-876
17.00 Recovery of prior year obligations.....	-31,232			
22.40 Unobligated balance transferred, net.....	31,232			
25.00 Unobligated balance lapsing.....	6,825			
39.00 Budget authority.....	1,573,137	1,759,258	1,862,152	2,055,011
<b>Budget authority:</b>				
40.00 Appropriation.....	1,573,137	1,734,447	1,862,152	2,055,011
42.00 Transferred from other accounts.....		11,860		
43.00 Appropriation (adjusted).....	1,573,137	1,746,307	1,862,152	2,055,011

44.10	Supplemental for wage-board pay raises.....		151		
44.20	Supplemental for civilian pay raises.....		134		
44.40	Supplemental for retirement contributions (P.L. 99-335).....		12,666		
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	1,566,313	1,759,258	1,862,152	2,055,011
72.40	Obligated balance, start of year.....	360,830	401,398	494,256	572,308
74.40	Obligated balance, end of year.....	-401,398	-494,256	-572,308	-669,919
77.00	Adjustments in expired accounts.....	-3,961			
78.00	Adjustments in unexpired accounts.....	-31,232			
89.00	Outlays.....	1,490,552	1,666,400	1,784,100	1,957,400
Outlays:					
90.00	Outlays, excluding pay and retirement supplementals.....	1,490,552	1,653,449	1,784,100	1,957,400
91.10	Outlays from wage-board pay raise supplemental.....		151		
91.20	Outlays from civilian pay raise supplemental.....		134		
91.40	Outlays from retirement contribution supplemental.....		12,666		

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	1,573,137	1,759,258	1,862,152	2,055,011
Outlays.....	1,490,552	1,666,400	1,784,100	1,957,400
Supplemental—additional authorizing legislation required:				
Budget authority.....		10,000		
Outlays.....		10,000		
<b>Total:</b>				
Budget authority.....	1,573,137	1,769,258	1,862,152	2,055,011
Outlays.....	1,490,552	1,676,400	1,784,100	1,957,400

**Object Classification (in thousands of dollars)**

Identification code 21-2065-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent.....	591,848	612,599	631,793	642,582
11.3 Other than full-time permanent.....	33,383	34,514	35,596	36,203
11.5 Other personnel compensation.....	3,890	4,103	4,231	4,304
11.9 Total personnel compensation.....	629,121	651,216	671,620	683,089
12.1 Personnel benefits: Civilian.....	88,519	109,539	148,975	158,310
13.0 Benefits for former personnel.....	823	805	846	856
21.0 Travel and transportation of persons.....	29,320	44,206	50,294	61,571
22.0 Transportation of things.....	20,284	20,206	24,418	27,363
23.2 Rental payments to others.....	38,456	77,862	90,647	105,977
24.0 Printing and reproduction.....	5,712	11,148	11,949	14,008
Other services:				
25.0 Purchases from industrial funds.....	51,811	53,896	61,653	68,012
25.0 Contracts.....	257,800	273,041	272,372	293,806
26.0 Supplies and materials.....	268,697	444,467	437,051	533,658
31.0 Equipment.....	175,770	72,872	92,327	108,361
99.0 Subtotal, direct obligations.....	1,566,313	1,759,258	1,862,152	2,055,011
99.0 Reimbursable obligations.....	28,614	28,000	28,600	29,200
99.9 Total obligations.....	1,594,927	1,787,258	1,890,752	2,084,211

**Personnel Summary**

Total number of full-time permanent positions.....	25,064	27,532	28,026	28,526
Total compensable workyears:				
Full-time equivalent employment.....	26,837	27,022	27,451	28,105
Full-time equivalent of overtime and holiday hours.....	1	1	1	1

**OPERATION AND MAINTENANCE, AIR NATIONAL GUARD**

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the

Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things; hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; **[\$1,755,658,000]** \$1,972,992,000, of which not less than **[\$41,000,000]** \$41,000,000 shall be available only for the maintenance of real property facilities.

Further, for the foregoing purposes, \$2,030,888,000, to become available for obligation on October 1, 1988, of which not less than \$38,000,000 shall be available only for the maintenance of real property facilities. (5 U.S.C. 7903; 10 U.S.C. 261-80, 2231-38, 2511, 8012, 8721-22, 9741, 9743; 32 U.S.C. 106, 107, 320, 701-03, 709; 37 U.S.C. 404-11; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 57-3840-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Mission forces.....	1,285,755	1,307,284	1,476,253	1,534,374
00.02 Depot maintenance.....	322,386	366,541	389,668	394,285
00.03 Other support.....	115,195	121,703	107,071	102,229
00.91 Total direct program.....	1,723,336	1,795,528	1,972,992	2,030,888
01.01 Reimbursable program.....	17,205	18,800	32,847	34,999
10.00 Total obligations.....	1,740,541	1,814,328	2,005,839	2,065,887
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-14,621	-16,174	-30,124	-32,189
13.00 Trust funds.....	-31			
14.00 Non-Federal sources.....	-2,553	-2,626	-2,723	-2,810
17.00 Recovery of prior year obligations.....	-16,600			
22.40 Unobligated balance transferred, net.....	16,600			
25.00 Unobligated balance lapsing.....	562			
39.00 <b>Budget authority</b> .....	<b>1,723,898</b>	<b>1,795,528</b>	<b>1,972,992</b>	<b>2,030,888</b>
Budget authority:				
40.00 Appropriation.....	1,717,698	1,755,658	1,972,992	2,030,888
42.00 Transferred from other accounts.....	6,200	11,773		
43.00 <b>Appropriation (adjusted)</b> .....	<b>1,723,898</b>	<b>1,767,431</b>	<b>1,972,992</b>	<b>2,030,888</b>
44.10 <b>Supplemental for wage-board pay raises</b> .....		<b>308</b>		
44.20 <b>Supplemental for civilian pay raises</b> .....			<b>310</b>	
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....				<b>27,479</b>
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	1,723,336	1,795,528	1,972,992	2,030,888
72.40 Obligated balance, start of year.....	350,236	316,488	365,716	419,008
74.40 Obligated balance, end of year.....	-316,488	-365,716	-419,008	-454,196
77.00 Adjustments in expired accounts.....	2,846			
78.00 Adjustments in unexpired accounts.....	-16,600			
89.00 Outlays.....	1,743,331	1,746,300	1,919,700	1,995,700
Outlays:				
90.00 Outlays, excluding pay and retirement supplementals.....	1,743,331	1,718,203	1,919,700	1,995,700
91.10 Outlays from wage-board pay raise supplemental.....		308		
91.20 Outlays from civilian pay raise supplemental.....			310	
91.40 Outlays from retirement contribution supplemental.....				27,479

General and special funds—Continued

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD—Continued

Object Classification (in thousands of dollars)

Identification code 57-3840-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1 Full-time permanent.....	626,580	666,606	682,309	677,850
11.5 Other personnel compensation.....	12,946	13,425	13,961	13,888
11.9 Total personnel compensation.....	639,526	680,031	696,270	691,738
12.1 Personnel benefits: Civilian.....	85,255	111,017	180,844	192,100
13.0 Benefits for former personnel.....	394	434	445	443
21.0 Travel and transportation of persons.....	16,486	18,149	18,367	18,574
22.0 Transportation of things.....	8,468	13,889	13,436	13,640
23.2 Rental payments to others.....	7,827	9,848	6,852	7,116
23.3 Communications, utilities, and miscellaneous charges.....	37,193	37,296	34,656	35,919
24.0 Printing and reproduction.....	1,152	1,634	1,545	1,609
<b>Other services:</b>				
25.0 Purchases from industrial funds.....	309,234	354,467	378,755	382,856
25.0 Contracts.....	148,865	183,148	171,105	182,917
26.0 Supplies and materials.....	450,317	367,664	456,125	490,097
31.0 Equipment.....	18,619	17,951	14,592	13,879
99.0 Subtotal, direct obligations.....	1,723,336	1,795,528	1,972,992	2,030,888
99.0 Reimbursable obligations.....	17,205	18,800	32,847	34,999
99.9 Total obligations.....	1,740,541	1,814,328	2,005,839	2,065,887

Personnel Summary

Total number of full-time permanent positions.....	23,540	24,317	24,309	24,323
<b>Total compensable workyears:</b>				
Full-time equivalent employment.....	24,399	25,125	25,338	25,369
Full-time equivalent of overtime and holiday hours.....	99	113	115	114

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For the necessary expenses and personnel services (other than pay and non-travel related allowances of members of the Armed Forces of the United States, except for members of the Reserve components thereof called or ordered to active duty to provide support for the national matches) in accordance with law, for construction, equipment, and maintenance of rifle ranges; the instruction of citizens in marksmanship; the promotion of rifle practice; the conduct of the national matches; the issuance of ammunition under the authority of title 10, United States Code, sections 4308 and 4311; [and] the travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions; and the payment to competitors at national matches under section 4312 of title 10, United States Code, of subsistence and travel allowances in excess of the amounts provided under section 4313 of title 10, United States Code; not to exceed [\$4,316,000] \$4,099,000, of which not to exceed \$7,500 shall be available for incidental expenses of the National Board: *Provided*, That competitors at national matches under title 10, United States Code, section 4312, may be paid subsistence and travel allowances in excess of the amounts provided under title 10, United States Code, section 4313].

Further, for the foregoing purposes, \$4,285,000, to become available for obligation on October 1, 1988, of which not to exceed \$7,500 shall be available for incidental expenses of the National Board. (10 U.S.C. 4307-13; 32 U.S.C. 316; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 21-1705-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations.....	872	4,332	4,099	4,285
<b>Financing:</b>				
25.00 Unobligated balance lapsing.....	3			
39.00 Budget authority.....	875	4,332	4,099	4,285

<b>Budget authority:</b>				
40.00 Appropriation.....	875	4,316	4,099	4,285
42.00 Transferred from other accounts.....		9		
43.00 Appropriation (adjusted).....	875	4,325	4,099	4,285
44.40 Supplemental for retirement contributions (P.L. 99-335).....		7		

<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	872	4,332	4,099	4,285
72.40 Obligated balance, start of year.....	95	266	1,498	1,697
74.40 Obligated balance, end of year.....	-266	-1,498	-1,697	-1,782
77.00 Adjustments in expired accounts.....	-33			
89.00 Outlays.....	667	3,100	3,900	4,200

<b>Outlays:</b>				
90.00 Outlays, excluding retirement contribution supplemental.....	667	3,093	3,900	4,200
91.40 Outlays from retirement contribution supplemental.....		7		

Object Classification (in thousands of dollars)

Identification code 21-1705-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1 Full-time permanent.....	241	666	671	667
11.3 Other than full-time permanent.....	19	52	52	52
11.5 Other personnel compensation.....	57	157	159	158
11.9 Total personnel compensation.....	317	875	882	877
12.1 Personnel benefits: Civilian.....	36	122	150	154
21.0 Travel and transportation of persons.....	214	266	266	266
22.0 Transportation of things.....	12	20	20	20
23.3 Communications, utilities, and miscellaneous charges.....	62	135	135	135
<b>Other services:</b>				
25.0 Contracts.....	26	77	77	77
25.0 Other.....	48	2,687	2,419	2,606
26.0 Supplies and materials.....	139	150	150	150
31.0 Equipment.....	18			
99.9 Total obligations.....	872	4,332	4,099	4,285

Personnel Summary

Total number of full-time permanent positions.....	16	37	37	37
<b>Total compensable workyears:</b>				
Full-time equivalent employment.....	16	37	37	37
Full-time equivalent of overtime and holiday hours.....	1	5	5	5

CLAIMS, DEFENSE

For payment, not otherwise provided for, of claims authorized by law to be paid by the Department of Defense (except for civil functions), including claims for damages arising under training contracts with carriers, and repayment of amounts determined by the Secretary concerned, or officers designated by him, to have been erroneously collected from military and civilian personnel of the Department of Defense, or from States, territories, or the District of Columbia, or members of the National Guard units thereof; [\$144,400,000: *Provided*, That section 4 of chapter III of Public Law 99-349 is amended by adding before the period at the end thereof the following: "without a determination of legal liability based on an act or omission of an agent or employee of the Federal Government": *Provided further*, That the Secretary of the Navy is authorized and directed to pay from previously authorized and appropriated funds not to exceed \$10,000,000 to reimburse upon verification, the business entity responsible for performance of construction of the Norfolk Navy Steam Plant for losses incurred by said entity arising out of construction according to drawings reviewed and approved by the Navy and issued or released for construction in said performance] \$273,574,000.

Further, for the foregoing purposes, \$211,152,000, to become available for obligation on October 1, 1988. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)				
Identification code 97-0102-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01 Personnel claims.....	103,662	122,517	130,191	138,329
00.02 Tort claims.....	38,039	19,324	140,833	70,191
00.03 Admiralty claims.....	752	2,123	2,098	2,165
00.04 Other miscellaneous claims.....	439	436	452	467
10.00 Total obligations (object class 42.0)	142,892	144,400	273,574	211,152
<b>Financing:</b>				
17.00 Recovery of prior year obligations.....	-17,507			
22.40 Unobligated balance transferred, net.....	17,507			
25.00 Unobligated balance lapsing.....	408			
40.00 Budget authority (appropriation)	143,300	144,400	273,574	211,152
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	142,892	144,400	273,574	211,152
72.40 Obligated balance, start of year.....	12,020	12,268	12,568	21,742
74.40 Obligated balance, end of year.....	-12,268	-12,568	-21,742	-19,994
77.00 Adjustments in expired accounts.....	17,049			
78.00 Adjustments in unexpired accounts.....	-17,507			
90.00 Outlays.....	142,187	144,100	264,400	212,900

Object Classification (in thousands of dollars)				
Identification code 97-0104-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1 Full-time permanent.....	1,605	1,928	1,939	1,923
11.3 Other than full-time permanent.....	18			
11.5 Other personnel compensation.....		16	26	26
11.9 Total personnel compensation.....	1,623	1,944	1,965	1,949
12.1 Personnel benefits: Civilian.....	161	237	336	356
21.0 Travel and transportation of persons.....	35	34	51	54
23.1 Rental payments to GSA.....	421	494	494	494
23.3 Communications, utilities, and miscellaneous charges.....	38	56	81	87
24.0 Printing and reproduction.....	7	8	10	12
25.0 Other services: Other.....	163	212	159	173
26.0 Supplies and materials.....	194	216	248	279
31.0 Equipment.....	35	36	117	118
99.9 Total obligations.....	2,677	3,237	3,461	3,522
<b>Personnel Summary</b>				
Total number of full-time permanent positions.....	41	49	49	49
Total comparable workyears: Full-time equivalent employment.....	41	46	46	46

COURT OF MILITARY APPEALS, DEFENSE

For salaries and expenses necessary for the United States Court of Military Appeals; **[\$3,200,000] \$3,461,000**, and not to exceed \$1,500 can be used for official representation purposes.

Further, for the foregoing purposes, **\$3,522,000**, to become available for obligation on October 1, 1988, and not to exceed \$1,500 can be used for official representation purposes. (10 U.S.C. 867; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)				
Identification code 97-0104-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations.....	2,677	3,237	3,461	3,522
<b>Financing:</b>				
17.00 Recovery of prior year obligations.....	-1,267			
22.40 Unobligated balance transferred, net.....	1,267			
25.00 Unobligated balance lapsing.....	366			
39.00 Budget authority.....	3,043	3,237	3,461	3,522
<b>Budget authority:</b>				
40.00 Appropriation.....	3,043	3,200	3,461	3,522
44.20 Supplemental for civilian pay raises.....		1		
44.40 Supplemental for retirement contributions (P.L. 99-335).....		36		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	2,677	3,237	3,461	3,522
72.40 Obligated balance, start of year.....	451	439	476	537
74.40 Obligated balance, end of year.....	-439	-476	-537	-559
77.00 Adjustments in expired accounts.....	1,191			
78.00 Adjustments in unexpired accounts.....	-1,267			
89.00 Outlays.....	2,613	3,200	3,400	3,500
<b>Outlays:</b>				
90.00 Outlays, excluding pay and retirement supplementals.....	2,613	3,163	3,400	3,500
91.20 Outlays from civilian pay raise supplemental.....		1		
91.40 Outlays from retirement contribution supplemental.....		36		

FOREIGN CURRENCY FLUCTUATIONS, DEFENSE

Program and Financing (in thousands of dollars)				
Identification code 97-0801-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Financing:</b>				
21.40 Unobligated balance available, start of year.....	-1,319,928	-418,291	-173,291	-173,291
22.40 Unobligated balance transferred, net.....	885,663	245,000		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	15,974			
24.40 Unobligated balance available, end of year.....	418,291	173,291	173,291	173,291
39.00 Budget authority.....				
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....				
90.00 Outlays.....				

The purpose of this account is to allow transfers to operation and maintenance appropriations available for Defense activities in foreign countries to finance upward adjustment of recorded obligations due to foreign currency fluctuations above the budget rate. Transfers are made, as needed, to meet disbursement requirements in excess of funds otherwise available for obligation adjustment. Net gains from exchange are returned to this appropriation and are available for subsequent transfer when needed.

SUMMER OLYMPICS

Program and Financing (in thousands of dollars)				
Identification code 21-2087-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Financing:</b>				
17.00 Recovery of prior year obligations.....	-18,100			
22.40 Unobligated balance transferred, net.....	18,100			
39.00 Budget authority.....				
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....				
72.40 Obligated balance, start of year.....	2,465	1,149	1,149	1,149
74.40 Obligated balance, end of year.....	-1,149	-1,149	-1,149	-1,149

General and special funds—Continued

SUMMER OLYMPICS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	21-2087-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
77.00	Adjustments in expired accounts	17,144			
78.00	Adjustments in unexpired accounts	-18,100			
90.00	Outlays	359			

【TENTH INTERNATIONAL PAN AMERICAN GAMES】

【For logistical support and personnel services (other than pay and non-travel related allowances of members of the Armed Forces of the United States, except for members of the Reserve components thereof called or ordered to active duty to provide support for the Tenth International Pan American Games) provided by any component of the Department of Defense to the Tenth International Pan American Games; \$15,000,000.】 (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

Program and Financing (in thousands of dollars)

Identification code	97-0812-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Total obligations (object class 25.0)	6,456	18,000		
<b>Financing:</b>					
21.40	Unobligated balance available, start of year		-3,000		
24.40	Unobligated balance available, end of year	3,000			
25.00	Unobligated balance lapsing	54			
40.00	Budget authority (appropriation)	9,510	15,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net	6,456	18,000		
72.40	Obligated balance, start of year		6,424	12,824	1,224
74.40	Obligated balance, end of year	-6,424	-12,824	-1,224	-924
90.00	Outlays	32	11,600	11,600	300

ENVIRONMENTAL RESTORATION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense; 【\$375,900,000】 \$402,800,000, to remain available until transferred and, further, \$436,100,000, to become available for transfer on October 1, 1988 and to remain available until transferred: Provided, That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, research and development associated with hazardous wastes and removal of unsafe buildings and debris of the Department of Defense, or for similar purposes (including programs and operations at sites formerly used by the Department of Defense), transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense as the Secretary may designate, to be merged with and to be available for the same purposes and for the same time period as the appropriations of funds to which transferred: Provided further, That upon a determination that all or part of the funds transferred pursuant to this provision are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	97-0810-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Total obligations (object class 25.0)			402,800	436,100
<b>Financing:</b>					
17.00	Recovery of prior year obligations	-8,532			
21.40	Unobligated balance available, start of year		-1,318		

22.40	Unobligated balance transferred, net	8,532	1,318		
24.40	Unobligated balance available, end of year	1,318			
39.00	Budget authority	1,318		402,800	436,100

Budget authority:					
40.00	Appropriation	360,524	375,900	402,800	436,100
41.00	Transferred to other accounts	-366,624	-375,900		
42.00	Transferred from other accounts	7,418			
43.00	Appropriation (adjusted)	1,318		402,800	436,100

Relation of obligations to outlays:					
71.00	Obligations incurred, net			402,800	436,100
72.40	Obligated balance, start of year	272,631	103,742	40,742	403,542
74.40	Obligated balance, end of year	-103,742	-40,742	-403,542	-547,955
77.00	Adjustments in expired accounts	10,285			2,213
78.00	Adjustments in unexpired accounts	-8,532			
90.00	Outlays	170,642	63,000	40,000	293,900

【HUMANITARIAN ASSISTANCE】

(INCLUDING TRANSFER OF FUNDS)

【For transportation for humanitarian relief for refugees of Afghanistan, acquisition of transportation assets to assist in the distribution of such relief, and distribution of excess nonlethal supplies for worldwide humanitarian relief, as authorized by law; \$10,000,000: Provided, That not more than \$2,500,000 may be transferred to the Secretary of State to provide for necessary expenses related to the transportation of humanitarian relief: Provided further, That of the funds provided under "Operation and Maintenance, Air Force" in Public Law 99-190, \$7,000,000 shall remain available for obligation until September 30, 1987, for nonlethal aid to Afghanistan.】 (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

Program and Financing (in thousands of dollars)

Identification code	97-0819-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Total obligations (object class 25.0)		10,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		10,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		10,000		
72.40	Obligated balance, start of year			5,000	2,000
74.40	Obligated balance, end of year		-5,000	-2,000	-500
90.00	Outlays		5,000	3,000	1,500

CIVILIAN AND MILITARY PAY RAISES\*

\*This account was created to implement section 9094 of the Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).

Program and Financing (in thousands of dollars)

Identification code	97-0823-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Budget authority:</b>					
40.00	Appropriation		1,911,000		
41.00	Transferred to other accounts		-1,911,000		
43.00	Appropriation (adjusted)				
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net				
90.00	Outlays				

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are shown in the schedules of parent appropriations, as follows:

Funds appropriated to the President:  
"Military assistance, Executive."  
"International military education and training."

"Foreign military credit sales."  
 "Advances, foreign military sales, Executive."  
 Executive Office of the President: Official residence of the Vice President, "Operating expenses."  
 Department of Energy: "Operation and research."  
 Department of Transportation, Federal Aviation Administration: "Operations, Federal Aviation Administration."  
 National Aeronautics and Space Administration: "Research and development."

**PROCUREMENT**

The procurement appropriations of the Department of Defense finance the acquisition of weapons, equipment, munitions, spares, and modification of existing equipment.

Procurement continues for the Army's Patriot and Stinger air defense missile systems, Tow and Hellfire antitank missiles, M-1 main battle tank, Bradley Fighting Vehicle System, Multiple Launch Rocket System, AH-64 attack helicopter, and improved conventional munitions.

Modernization of our naval forces in 1988 and 1989 includes continued procurement of the F-18 air combat fighter and the F-14 fleet air defense fighter. Procurement of the Trident strategic missile and submarine continues. General purpose ships to be acquired include SSN-688 and SSN-21 nuclear attack submarines, CG-47 cruisers and DDG-51 Guided Missile Destroyers. Advance procurement for two replacement aircraft carriers is also included.

Significant Air Force programs include procurement of the Peacekeeper ballistic missile, AMRAAM air-to-air missile, F-15 and F-16 air combat fighters, C-17 airlift aircraft, and precision guided munitions.

The 1988 and 1989 budget continues emphasis on the DoD Acquisition Initiatives which include multiyear procurement, economic production rates, and productivity improvements.

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1988 and 1989, it presents, by budget activity, the value of the program requested for the life of these multiple-year appropriations, with comparable amounts in 1986 and 1987.

The appropriations for procurement depend upon the enactment of authorizing legislation.

*Federal Funds*

**General and special funds:**

**AIRCRAFT PROCUREMENT, ARMY**

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$2,762,750,000] \$2,473,959,000, of which \$201,100,000 shall be available only for the Army National Guard and Army Reserve, to remain available for obligation until September 30, [1989] 1990.**

Further, for the foregoing purposes, **\$2,229,539,000, of which \$192,300,000 shall be available only for the Army National Guard and**

*Army Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.*

**[For an additional amount for "Aircraft procurement, Army", \$18,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)**

**Program and Financing** (in thousands of dollars)

Identification code 21-2031-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Aircraft	1,473,749	1,467,208	1,288,204	844,047
00.02 Modification of aircraft	802,408	570,307	599,724	747,426
00.03 Spares and repair parts	765,042	587,896	533,851	540,037
00.04 Support equipment and facilities	293,314	193,775	150,744	167,203
00.91 Total direct program	3,334,513	2,819,186	2,572,523	2,298,713
01.01 Reimbursable program	54,007	63,275	17,900	17,900
10.00 Total obligations	3,388,520	2,882,461	2,590,423	2,316,613
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds	-55,145	-31,100	-8,800	-8,800
13.00 Trust funds	-11,235	-9,600	-8,500	-8,500
14.00 Non-Federal sources	24	-3,100	-600	-600
17.00 Recovery of prior year obligations	-40,745			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans	-893,869	-835,468	-779,397	-680,833
21.40 Available to finance new budget plans	-120,900	-108,200		
22.40 Unobligated balance transferred, net	78,323	-13,940		
23.40 Unobligated balance rescinded		94,400		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance	49,382			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans	835,468	779,397	680,833	611,659
24.40 Available to finance subsequent year budget plans	108,200			
25.00 Unobligated balance lapsing	3,791			
39.00 <b>Budget authority</b>	<b>3,341,814</b>	<b>2,754,850</b>	<b>2,473,959</b>	<b>2,229,539</b>
<b>Budget authority:</b>				
40.00 Appropriation	3,351,514	2,780,750	2,473,959	2,229,539
41.00 Transferred to other accounts	-9,700	-25,900		
43.00 <b>Appropriation (adjusted)</b>	<b>3,341,814</b>	<b>2,754,850</b>	<b>2,473,959</b>	<b>2,229,539</b>
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	3,322,164	2,838,661	2,572,523	2,298,713
72.40 Obligated balance, start of year	4,512,256	4,792,788	4,524,249	4,245,772
74.40 Obligated balance, end of year	-4,792,788	-4,524,249	-4,245,772	-3,979,685
77.00 Adjustments in expired accounts	-14,090			
78.00 Adjustments in unexpired accounts	-40,745			
90.00 Outlays	2,986,797	3,107,200	2,851,000	2,564,800

**Budget Plan** (in thousands of dollars)

(amount for procurement actions programmed)

	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct:</b>				
07.01 Aircraft	1,615,435	1,584,177	1,197,556	712,690
07.02 Modification of aircraft	656,512	503,425	608,308	789,653
07.03 Spares and repair parts	732,662	558,599	512,122	553,029
07.04 Support equipment and facilities	272,345	108,649	155,973	174,167
07.91 Total direct	3,276,954	2,754,850	2,473,959	2,229,539
08.01 Reimbursable	65,303	43,800	17,900	17,900
08.93 Total budget plan	3,342,257	2,798,650	2,491,859	2,247,439

General and special funds—Continued

AIRCRAFT PROCUREMENT, ARMY—Continued

Object Classification (in thousands of dollars)					
Identification code	21-2031-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:					
25.0	Other services: Other	733,593	592,029	540,230	492,578
26.0	Supplies and materials	500,177	422,878	385,878	351,842
31.0	Equipment	2,100,743	1,804,279	1,646,415	1,454,293
99.0	Subtotal, direct obligations	3,334,513	2,819,186	2,572,523	2,298,713
99.0	Reimbursable obligations	54,007	63,275	17,900	17,900
99.9	Total obligations	3,388,520	2,882,461	2,590,423	2,316,613

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment; layaway; and other expenses necessary for the foregoing purposes; **[\$2,206,800,000] \$2,458,466,000, of which \$20,000,000 shall be available only for the Army National Guard and Army Reserve, to remain available for obligation until September 30, [1989] 1990.**

Further, for the foregoing purposes, **\$2,923,200,000, of which \$20,700,000 shall be available only for the Army National Guard and Army Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code	21-2032-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Program by activities:					
Direct program:					
00.01	Other missiles	2,268,466	1,667,407	2,043,746	2,303,280
00.02	Modification of missiles	243,719	166,455	156,847	230,226
00.03	Spares and repair parts	423,734	162,958	233,281	239,748
00.04	Support equipment and facilities	141,884	49,117	37,122	47,930
00.91	Total direct program	3,077,803	2,045,937	2,470,996	2,821,184
01.01	Reimbursable program	520,101	641,994	444,700	444,700
10.00	Total obligations	3,597,904	2,687,931	2,915,696	3,265,884
Financing:					
Offsetting collections from:					
11.00	Federal funds	-474,898	-451,000	-386,600	-386,600
13.00	Trust funds	-97,435	-127,700	-57,500	-57,500
14.00	Non-Federal sources	97	-1,100	-600	-600
17.00	Recovery of prior year obligations	-69,370			
Unobligated balance available, start of year:					
21.40	For completion of prior year budget plans	-999,123	-615,186	-787,315	-774,785
21.40	Available to finance new budget plans	-81,200	-120,700		
22.40	Unobligated balance transferred, net	84,820	-65,360		
23.40	Unobligated balance rescinded		99,600		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance	52,700			
Unobligated balance available, end of year:					
24.40	For completion of prior year budget plans	615,186	787,315	774,785	876,801
24.40	Available to finance subsequent year budget plans	120,700			

25.00	Unobligated balance lapsing	12,639			
39.00	Budget authority	2,762,020	2,193,800	2,458,466	2,923,200
Budget authority:					
40.00	Appropriation	2,762,020	2,206,800	2,458,466	2,923,200
41.00	Transferred to other accounts		-13,000		
43.00	Appropriation (adjusted)	2,762,020	2,193,800	2,458,466	2,923,200
Relation of obligations to outlays:					
71.00	Obligations incurred, net	3,025,668	2,108,131	2,470,996	2,821,184
72.40	Obligated balance, start of year	4,128,284	4,584,453	3,854,884	3,678,180
74.40	Obligated balance, end of year	-4,584,453	-3,854,884	-3,678,180	-4,072,264
77.00	Adjustments in expired accounts	-22,460			
78.00	Adjustments in unexpired accounts	-69,370			
90.00	Outlays	2,477,668	2,837,700	2,647,700	2,427,100

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

Direct:					
07.01	Other missiles	2,299,443	1,881,400	2,015,474	2,371,767
07.02	Modification of missiles	157,308	129,100	161,315	250,272
07.03	Spares and repair parts	253,558	140,400	246,600	250,702
07.04	Support equipment and facilities	50,271	42,900	35,077	50,459
07.91	Total direct	2,760,580	2,193,800	2,458,466	2,923,200
08.01	Reimbursable	562,330	579,800	444,700	444,700
08.93	Total budget plan	3,322,910	2,773,600	2,903,166	3,367,900

Object Classification (in thousands of dollars)

Identification code	21-2032-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:					
25.0	Other services: Other	637,536	429,647	518,909	599,757
26.0	Supplies and materials	1,116,812	756,997	914,269	1,065,414
31.0	Equipment	1,323,455	859,293	1,037,818	1,156,013
99.0	Subtotal, direct obligations	3,077,803	2,045,937	2,470,996	2,821,184
99.0	Reimbursable obligations	520,101	641,994	444,700	444,700
99.9	Total obligations	3,597,904	2,687,931	2,915,696	3,265,884

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY\*

\*See Part II for additional information.

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$3,804,300,000] \$3,152,537,000, of which \$88,100,000 shall be available only for the Army National Guard and Army Reserve, to remain available for obligation until September 30, [1989: Provided, That none of these funds may be used for the noncompetitive procurement of the M249 Squad Automatic Weapon] 1990.**

Further, for the foregoing purposes, **\$3,227,762,000, of which \$155,300,000 shall be available only for the Army National Guard and Army Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 21-2033-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Tracked combat vehicles .....	4,265,264	3,351,770	3,123,469	3,052,074
00.02 Weapons and other combat vehicles .....	338,997	236,368	188,317	214,417
00.91 Total direct program .....	4,604,261	3,588,138	3,311,786	3,266,491
01.01 Reimbursable program .....	334,336	450,151	329,900	323,000
10.00 Total obligations .....	4,938,597	4,038,289	3,641,686	3,589,491
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds .....	-295,231	-298,900	-260,500	-253,600
13.00 Trust funds .....	-71,883	-67,100	-69,400	-69,400
14.00 Non-Federal sources .....	-943			
17.00 Recovery of prior year obligations .....	-336,971			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans .....	-1,589,115	-1,184,787	-1,257,398	-1,098,149
21.40 Available to finance new budget plans .....	-598,100	-380,750		
22.40 Unobligated balance transferred, net .....	618,751	167,450		
23.40 Unobligated balance rescinded .....	34,400	213,300		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance .....	103,446			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans .....	1,184,787	1,257,398	1,098,149	1,059,420
24.40 Available to finance subsequent year budget plans .....	380,750			
25.00 Unobligated balance lapsing .....	24,557			
39.00 <b>Budget authority</b> .....	<b>4,393,045</b>	<b>3,744,900</b>	<b>3,152,537</b>	<b>3,227,762</b>
Budget authority:				
40.00 Appropriation .....	4,455,245	3,804,300	3,152,537	3,227,762
41.00 Transferred to other accounts .....	-62,200	-59,400		
43.00 <b>Appropriation (adjusted)</b> .....	<b>4,393,045</b>	<b>3,744,900</b>	<b>3,152,537</b>	<b>3,227,762</b>
Relation of obligations to outlays:				
71.00 Obligations incurred, net .....	4,570,540	3,672,289	3,311,786	3,266,491
72.40 Obligated balance, start of year .....	6,099,998	6,668,986	6,684,600	6,404,501
74.40 Obligated balance, end of year .....	-6,668,986	-6,684,600	-6,404,501	-6,370,852
77.00 Adjustments in expired accounts .....	-16,704			
78.00 Adjustments in unexpired accounts .....	-336,971			
90.00 Outlays .....	3,647,877	3,656,675	3,591,885	3,300,140

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

Direct:	1986 actual	1987 est.	1988 est.	1989 est.
07.01 Tracked combat vehicles .....	3,861,943	3,508,247	2,970,831	3,022,729
07.02 Weapons and other combat vehicles .....	175,452	236,653	181,706	205,033
07.91 Total direct .....	4,037,395	3,744,900	3,152,537	3,227,762
08.01 Reimbursable .....	355,135	366,000	329,900	323,000
08.93 Total budget plan .....	4,392,530	4,110,900	3,482,437	3,550,762

Object Classification (in thousands of dollars)

Identification code 21-2033-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
25.0 Other services: Other .....	1,012,937	789,390	728,593	732,859
26.0 Supplies and materials .....	644,596	502,339	463,650	466,364
31.0 Equipment .....	2,946,728	2,296,409	2,119,543	2,067,268
99.0 Subtotal, direct obligations .....	4,604,261	3,588,138	3,311,786	3,266,491
99.0 Reimbursable obligations .....	334,336	450,151	329,900	323,000
99.9 Total obligations .....	4,938,597	4,038,289	3,641,686	3,589,491

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.	1989 est.
Enacted/requested:				
Budget authority .....	4,393,045	3,744,900	3,152,537	3,227,762
Outlays .....	3,647,877	3,656,675	3,591,885	3,300,140
Rescission proposal:				
Budget authority .....		-15,000		
Outlays .....		-1,575	-5,385	-4,740
Total:				
Budget authority .....	4,393,045	3,729,900	3,152,537	3,227,762
Outlays .....	3,647,877	3,655,100	3,586,500	3,295,400

PROCUREMENT OF AMMUNITION, ARMY\*

\*See Part II for additional information.

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized in military construction authorization Acts or authorized by section 2854, title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; **[\$2,087,150,000] \$2,194,275,000, of which \$258,100,000 shall be available only for the Army National Guard and Army Reserve, to remain available for obligation until September 30, [1989] 1990.** Further, for the foregoing purposes, **\$2,194,755,000, of which \$218,000,000 shall be available only for the Army National Guard and Army Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 21-2034-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Ammunition .....	2,000,757	1,564,486	1,994,573	1,914,283
00.02 Ammunition production base support .....	365,448	547,821	196,702	276,557
00.91 Total direct program .....	2,366,205	2,112,307	2,191,275	2,190,840
01.01 Reimbursable program .....	98,279	152,586	147,500	133,500
10.00 Total obligations .....	2,464,484	2,264,893	2,338,775	2,324,340
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds .....	-73,924	-96,000	-95,800	-81,800
13.00 Trust funds .....	-19,374	-47,900	-51,700	-51,700
14.00 Non-Federal sources .....	-259			
17.00 Recovery of prior year obligations .....	-235,999			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans .....	-269,893	-423,408	-389,565	-392,565
21.40 Available to finance new budget plans .....	-178,100	-72,562		
22.40 Unobligated balance transferred, net .....	169,373			
23.40 Unobligated balance rescinded .....		72,562		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance .....	21,292			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans .....	423,408	389,565	392,565	396,480
24.40 Available to finance subsequent year budget plans .....	72,562			
25.00 Unobligated balance lapsing .....	1,267			
40.00 <b>Budget authority (appropriation)</b> .....	<b>2,374,837</b>	<b>2,087,150</b>	<b>2,194,275</b>	<b>2,194,755</b>

**General and special funds—Continued**  
**PROCUREMENT OF AMMUNITION, ARMY—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code 21-2034-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	2,370,927	2,120,993	2,191,275	2,190,840
72.40 Obligated balance, start of year..	3,083,586	3,244,350	3,398,923	3,568,146
74.40 Obligated balance, end of year....	-3,244,350	-3,398,923	-3,568,146	-3,690,562
77.00 Adjustments in expired accounts.....	-41,491			
78.00 Adjustments in unexpired accounts.....	-235,999			
90.00 Outlays.....	1,932,674	1,966,420	2,022,052	2,068,424

**Budget Plan (in thousands of dollars)**  
(amount for procurement actions programmed)

Direct:				
07.01 Ammunition .....	1,864,574	1,732,150	2,025,733	1,914,063
07.02 Ammunition production base support .....	470,701	355,000	168,542	280,692
07.91 Total direct .....	2,335,275	2,087,150	2,194,275	2,194,755
08.01 Reimbursable.....	102,409	143,900	147,500	133,500
08.93 Total budget plan.....	2,437,684	2,231,050	2,341,775	2,328,255

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	2,374,837	2,087,150	2,194,275	2,194,755
Outlays .....	1,932,674	1,966,420	2,022,052	2,068,424
Supplemental—additional authorizing legislation required:				
Budget authority.....		40,000		
Outlays .....		3,180	11,048	7,276
Total:				
Budget authority.....	2,374,837	2,127,150	2,194,275	2,194,755
Outlays .....	1,932,674	1,969,600	2,033,100	2,075,700

**Object Classification (in thousands of dollars)**

Identification code 21-2034-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
25.0 Other services: Other .....	236,160	211,231	219,128	226,124
26.0 Supplies and materials .....	2,125,433	1,901,076	1,972,147	1,964,716
31.0 Equipment .....	4,612			
99.0 Subtotal, direct obligations .....	2,366,205	2,112,307	2,191,275	2,190,840
99.0 Reimbursable obligations .....	98,279	152,586	147,500	133,500
99.9 Total obligations .....	2,464,484	2,264,893	2,338,775	2,324,340

**OTHER PROCUREMENT, ARMY**

For construction, procurement, production, and modification of vehicles, including tactical, support, and nontracked combat vehicles; the purchase of not to exceed [two hundred and ninety] 861 passenger motor vehicles, of which 398 shall be for replacement only; communications and electronic equipment; other support equipment, spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; [\$5,118,752,000] \$5,870,860,000, of which \$630,800,000 shall be available only for the Army National Guard and Army Reserve, to remain available for obligation until September 30, [1989] 1990.

Further, for the foregoing purposes, including the purchase of 788 passenger motor vehicles for replacement only; \$6,030,274,000, of which \$805,100,000 shall be available only for the Army National Guard and Army Reserve, to become available for obligation on October 1, 1988,

and to remain available for obligation until September 30, 1991. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 21-2035-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Tactical and support vehicles .....	1,057,169	732,905	849,611	839,435
00.02 Communications and electronics equipment .....	2,532,640	2,765,711	3,610,965	3,924,936
00.03 Other support equipment.....	1,293,432	1,314,131	1,189,798	1,146,922
00.91 Total direct program .....	4,883,241	4,812,747	5,650,374	5,911,293
01.01 Reimbursable program .....	296,194	501,800	325,300	357,700
10.00 Total obligations.....	5,179,435	5,314,547	5,975,674	6,268,993

**Financing:**

Offsetting collections from:				
11.00 Federal funds.....	-272,506	-448,000	-288,800	-321,200
13.00 Trust funds.....	-35,287	-28,100	-28,100	-28,100
14.00 Non-Federal sources .....	-105	-8,400	-8,400	-8,400
17.00 Recovery of prior year obligations.....	-186,007			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans .....	-1,821,638	-1,821,096	-2,068,782	-2,289,268
21.40 Available to finance new budget plans.....	-312,900	-217,500		
22.40 Unobligated balance transferred, net .....	294,382	20,000		
23.40 Unobligated balance rescinded .....		178,700		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance .....	104,233			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans .....	1,821,096	2,068,782	2,289,268	2,408,249
24.40 Available to finance subsequent year budget plans .....	217,500			
25.00 Unobligated balance lapsing.....	26,799	5,000		
39.00 Budget authority.....	5,015,001	5,063,933	5,870,860	6,030,274

**Budget authority:**

40.00 Appropriation.....	5,018,700	5,118,752	5,870,860	6,030,274
41.00 Transferred to other accounts.....	-5,100	-65,060		
42.00 Transferred from other accounts.....	1,401	5,241		
43.00 Appropriation (adjusted).....	5,015,001	5,058,933	5,870,860	6,030,274
50.00 Reappropriation .....		5,000		

**Relation of obligations to outlays:**

71.00 Obligations incurred, net.....	4,871,537	4,830,047	5,650,374	5,911,293
72.40 Obligated balance, start of year..	6,459,489	7,133,784	7,528,131	8,415,605
74.40 Obligated balance, end of year....	-7,133,784	-7,528,131	-8,415,605	-9,189,398
77.00 Adjustments in expired accounts.....	-11,337			
78.00 Adjustments in unexpired accounts .....	-186,007			
90.00 Outlays.....	3,999,897	4,435,700	4,762,900	5,137,500

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

Direct:				
07.01 Tactical and support vehicles .....	835,238	773,800	870,560	852,437
07.02 Communications and electronics equipment .....	2,778,350	2,996,481	3,843,313	4,038,260
07.03 Other support equipment.....	1,248,113	1,288,652	1,156,987	1,139,577
07.91 Total direct .....	4,861,701	5,058,933	5,870,860	6,030,274
08.01 Reimbursable.....	303,132	484,500	325,300	357,700
08.93 Total budget plan.....	5,164,833	5,543,433	6,196,160	6,387,974

**Object Classification** (in thousands of dollars)

Identification code	21-2035-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
25.0	Other services: Other .....	878,984	818,167	960,564	1,015,471
26.0	Supplies and materials .....	195,330	192,510	226,015	238,934
31.0	Equipment .....	3,808,927	3,802,070	4,463,795	4,656,888
99.0	Subtotal, direct obligations .....	4,883,241	4,812,747	5,650,374	5,911,293
99.0	Reimbursable obligations .....	296,194	501,800	325,300	357,700
99.9	Total obligations .....	5,179,435	5,314,547	5,975,674	6,268,993

**AIRCRAFT PROCUREMENT, NAVY**

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; **[\$9,794,262,000] \$9,924,883,000, of which \$89,100,000 shall be available only for the Navy Reserve and Marine Corps Reserve, to remain available for obligation until September 30, [1989: Provided, That four P-3C aircraft shall be for the Navy Reserve] 1990.**

Further, for the foregoing purposes, **\$10,250,270,000, of which \$95,600,000 shall be available only for the Navy Reserve and Marine Corps Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 5013, 5063, 7201, 7341; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

**[For an additional amount for "Aircraft procurement, Navy", \$183,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)**

**Program and Financing** (in thousands of dollars)

Identification code	17-1506-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
<b>Direct program:</b>					
00.01	Combat aircraft .....	5,762,097	5,217,644	6,209,223	6,843,511
00.02	Airlift aircraft .....	209,355	101,044	34,546	12,905
00.03	Trainer aircraft .....	198,614	87,958	293,260	374,878
00.04	Other aircraft .....	506,978	264,488	340,696	367,405
00.05	Modification of aircraft .....	1,180,901	1,845,773	965,424	689,194
00.06	Aircraft spares and repair parts .....	1,181,221	1,733,865	1,521,537	1,290,233
00.07	Aircraft support equipment and facilities .....	628,539	632,241	579,077	600,434
00.91	Total direct program .....	9,667,705	9,883,013	9,943,763	10,178,560
01.01	Reimbursable program .....	97	27,675	1,545	1,591
10.00	Total obligations .....	9,667,802	9,910,688	9,945,308	10,180,151
<b>Financing:</b>					
<b>Offsetting collections from:</b>					
11.00	Federal funds .....	-12,294	-1,000	-1,030	-1,061
13.00	Trust funds .....	1,231	-500	-515	-530
14.00	Non-Federal sources .....	-115			
17.00	Recovery of prior year obligations .....	-28,831			
<b>Unobligated balance available, start of year:</b>					
21.40	For completion of prior year budget plans .....	-2,847,715	-2,832,609	-2,900,683	-2,881,803
21.40	Available to finance new budget plans .....	-576,400	-620,550		
22.40	Unobligated balance transferred, net .....	548,286	41,650		
23.40	Unobligated balance rescinded .....		578,900		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance .....	167,042			
<b>Unobligated balance available, end of year:</b>					

24.40	For completion of prior year budget plans .....	2,832,609	2,900,683	2,881,803	2,953,513
24.40	Available to finance subsequent year budget plans .....	620,550			
25.00	Unobligated balance lapsing .....	123,817			
39.00	<b>Budget authority .....</b>	<b>10,495,984</b>	<b>9,977,262</b>	<b>9,924,883</b>	<b>10,250,270</b>
<b>Budget authority:</b>					
40.00	Appropriation .....	10,628,070	9,977,262	9,924,883	10,250,270
41.00	Transferred to other accounts .....	-132,086			
43.00	<b>Appropriation (adjusted) .....</b>	<b>10,495,984</b>	<b>9,977,262</b>	<b>9,924,883</b>	<b>10,250,270</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....	9,656,624	9,909,188	9,943,763	10,178,560
72.40	Obligated balance, start of year .....	15,129,214	15,741,344	16,132,832	16,670,395
74.40	Obligated balance, end of year .....	-15,741,344	-16,132,832	-16,670,395	-17,384,755
77.00	Adjustments in expired accounts .....	-94,024			
78.00	Adjustments in unexpired accounts .....	-28,831			
90.00	Outlays .....	8,921,640	9,517,700	9,406,200	9,464,200

**Budget Plan** (in thousands of dollars)

(amount for procurement actions programmed)

<b>Direct:</b>					
07.01	Combat aircraft .....	5,770,486	5,857,888	6,449,226	6,922,602
07.02	Airlift aircraft .....	221,851	98,880	5,776	7,781
07.03	Trainer aircraft .....	133,806	55,216	358,210	403,466
07.04	Other aircraft .....	442,251	317,545	369,443	370,842
07.05	Modification of aircraft .....	1,654,997	1,397,535	668,554	667,017
07.06	Aircraft spares and repair parts .....	1,156,784	1,632,215	1,511,913	1,270,957
07.07	Aircraft support equipment and facilities .....	691,059	617,983	561,761	607,605
07.91	Total direct .....	10,071,234	9,977,262	9,924,883	10,250,270
08.01	Reimbursable .....	13,969	1,500	1,545	1,591
08.93	Total budget plan .....	10,085,203	9,978,762	9,926,428	10,251,861

**Object Classification** (in thousands of dollars)

Identification code	17-1506-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
25.0	Other services: Purchases from industrial funds .....	36,500	37,405	37,540	9,850
26.0	Supplies and materials .....	1,181,434	1,210,723	1,215,091	1,243,863
31.0	Equipment .....	8,449,771	8,634,885	8,691,132	8,924,847
99.0	Subtotal, direct obligations .....	9,667,705	9,883,013	9,943,763	10,178,560
99.0	Reimbursable obligations .....	97	27,675	1,545	1,591
99.9	Total obligations .....	9,667,802	9,910,688	9,945,308	10,180,151

**WEAPONS PROCUREMENT, NAVY**

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such land and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway **[** as follows:

- Poseidon, \$3,974,000;
- TRIDENT I, \$4,739,000;
- TRIDENT II, \$1,362,439,000;
- UGM-73A Poseidon Modifications, \$95,000;
- Support equipment and facilities, \$3,790,000;
- Tomahawk, \$723,800,000;
- AIM/RIM-7 F/M Sparrow, \$269,394,000;
- AIM-9L/M Sidewinder, \$35,800,000;
- AIM-54A/C Phoenix, \$267,272,000;
- AIM-54A/C Phoenix advance procurement, \$20,000,000;
- AGM-84A Harpoon, \$123,000,000;

General and special funds—Continued

WEAPONS PROCUREMENT, NAVY—Continued

AGM-88A HARM \$256,682,000;  
SM-2 MR, \$478,611,000;  
SM-2 ER, \$217,017,000;  
RAM, \$40,000,000;  
Stinger, \$39,740,000;  
Sidearm, \$22,858,000;  
Laser Maverick, \$165,691,000;  
IIR Maverick, \$35,200,000;  
Aerial targets, \$96,000,000;  
Drones and decoys, \$36,136,000;  
Other missile support, \$22,017,000;  
Modification of missiles, \$13,692,000;  
Support equipment and facilities, \$74,803,000;  
Ordnance support equipment, \$79,192,000;  
MK-48 ADCAP torpedo program, \$254,770,000;  
MK-46 torpedo program, \$97,861,000;  
MK-50 torpedo program, \$68,137,000;  
Antisubmarine rocket (ASROC) program, \$13,597,000;  
Vertical launched ASROC, \$74,289,000;  
Modification of torpedoes, \$97,705,000;  
Torpedo support equipment program, \$52,610,000;  
MK-15 close-in weapons system program, \$105,606,000;  
MK-75 gun mount program, \$14,875,000;  
MK-19 machine gun program, \$632,000;  
25mm gun mount, \$3,919,000;  
Small arms and weapons, \$10,082,000;  
Modification of guns and gun mounts, \$57,215,000;  
Guns and gun mounts support equipment program, \$873,000;  
Spares and repair parts, \$150,734,000;

In all: \$5,290,847,000; \$6,502,332,000, of which \$4,183,000 shall be available only for the Navy Reserve and Marine Corps Reserve, to remain available for obligation until September 30, 1989; Provided, That within the total amount appropriated, the subdivisions within this appropriation shall be reduced by \$104,000,000 1990.

Further, for the foregoing purposes, \$7,852,931,000, of which \$4,062,000 shall be available only for the Navy Reserve and Marine Corps Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 5013, 5063, 7201; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 17-1507-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Ballistic missiles.....	549,901	1,230,900	2,007,466	2,222,056
00.02 Other missiles.....	3,248,357	2,507,661	3,206,439	3,835,953
00.03 Torpedoes and related equipment.....	428,367	940,176	544,927	875,538
00.04 Other weapons.....	158,848	224,279	120,605	153,471
00.05 Spares and repair parts.....	82,720	182,073	135,532	145,519
00.91 Total direct program.....	4,468,193	5,085,089	6,014,969	7,232,537
01.01 Reimbursable program.....	20,694	41,061	31,930	32,888
10.00 Total obligations.....	4,488,887	5,126,150	6,046,899	7,265,425
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00 Federal funds.....	-927	-29,000	-29,870	-30,766
13.00 Trust funds.....	-22,413	-2,000	-2,060	-2,122
14.00 Non-Federal sources.....	-31			
17.00 Recovery of prior year obligations.....	-3,020			
<b>Unobligated balance available, start of year:</b>				
21.40 For completion of prior year budget plans.....	-2,098,824	-2,171,379	-2,422,876	-2,910,239
21.40 Available to finance new budget plans.....	-54,000	-274,700		
22.40 Unobligated balance transferred, net.....	99,265	-50,700		
23.40 Unobligated balance rescinded.....		244,600		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	105,126			

<b>Unobligated balance available, end of year:</b>				
24.40 For completion of prior year budget plans.....	2,171,379	2,422,876	2,910,239	3,530,633
24.40 Available to finance subsequent year budget plans.....	274,700			
25.00 Unobligated balance lapsing.....	11,496			
39.00 <b>Budget authority.....</b>	<b>4,971,638</b>	<b>5,265,847</b>	<b>6,502,332</b>	<b>7,852,931</b>
<b>Budget authority:</b>				
40.00 Appropriation.....	4,971,638	5,290,847	6,502,332	7,852,931
41.00 Transferred to other accounts.....		-25,000		
43.00 <b>Appropriation (adjusted).....</b>	<b>4,971,638</b>	<b>5,265,847</b>	<b>6,502,332</b>	<b>7,852,931</b>
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	4,465,516	5,095,150	6,014,969	7,232,537
72.40 Obligated balance, start of year..	5,155,924	6,136,382	7,158,032	8,612,101
74.40 Obligated balance, end of year....	-6,136,382	-7,158,032	-8,612,101	-10,476,338
77.00 Adjustments in expired accounts.....	-7,245			
78.00 Adjustments in unexpired accounts.....	-3,020			
90.00 <b>Outlays.....</b>	<b>3,474,792</b>	<b>4,073,500</b>	<b>4,560,900</b>	<b>5,368,300</b>

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

<b>Direct:</b>				
07.01 Ballistic missiles.....	547,940	1,359,073	2,258,692	2,237,473
07.02 Other missiles.....	3,131,983	2,968,006	3,377,987	4,397,721
07.03 Torpedoes and related equipment.....	722,670	606,270	634,385	970,341
07.04 Other weapons.....	205,674	186,721	101,540	103,669
07.05 Spares and repair parts.....	148,171	145,777	129,728	143,727
07.91 Total direct.....	4,756,438	5,265,847	6,502,332	7,852,931
08.01 Reimbursable.....	27,491	31,000	31,930	32,888
08.93 Total budget plan.....	4,783,929	5,296,847	6,534,262	7,885,819

Object Classification (in thousands of dollars)

Identification code 17-1507-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Other services:</b>				
25.0 Contracts.....	121,118	138,287	165,376	198,600
25.0 Other.....	121,118			
26.0 Supplies and materials.....	3,777,371	4,690,714	5,542,131	6,666,161
31.0 Equipment.....	448,586	256,088	307,462	367,776
99.0 Subtotal, direct obligations.....	4,468,193	5,085,089	6,014,969	7,232,537
99.0 Reimbursable obligations.....	20,694	41,061	31,930	32,888
99.9 Total obligations.....	4,488,887	5,126,150	6,046,899	7,265,425

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

TRIDENT ballistic missile submarine program, \$1,446,400,000;  
SSN-688 attack submarine program, \$2,250,800,000;  
SSN-21 attack submarine program, \$375,000,000;  
Aircraft carrier service life extension program, \$83,500,000;  
CG-47 cruiser program, \$2,725,500,000;  
DDG-51 destroyer program, \$1,750,100,000;  
LHD-1 amphibious assault ship program, \$35,000,000;  
T-AO fleet oiler program, \$259,000,000;  
AO conversion program, \$40,000,000;  
T-AGOS ocean surveillance ship program, \$228,000,000;

AOE fast combat support ship program, \$499,000,000;  
Oceanographic research ship program, \$33,000,000;  
Strategic sealift program, \$77,800,000;  
T-ACS auxiliary crane ship program, \$61,100,000;  
For craft, outfitting, and post delivery, \$470,789,000;

In all: \$10,210,989,000]; \$11,065,355,000, to remain available for obligation until September 30, [1991] 1994: *Provided*, [That within the total amount appropriated, the subdivisions within this appropriation shall be reduced by \$124,000,000: *Provided further*,] That additional obligations may be incurred after September 30, [1991] 1994, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction; and each Shipbuilding and Conversion, Navy, appropriation that is currently available for such obligations may also hereafter be so obligated after the date of its expirations: *Provided further*, That none of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: *Provided further*, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards].

*Further, for the foregoing purposes, \$11,858,438,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1995: Provided, That additional obligations may be incurred after September 30, 1995, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction.*

*None of the funds herein provided for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign shipyards for the construction of major components of the hull or superstructure of such vessel: Provided, That none of the funds herein provided shall be used for the construction of any naval vessel in foreign shipyards. (10 U.S.C. 5013, 5063, 7296, 7298; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 17-1611-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Program by activities:</b>					
Direct program:					
00.01	Fleet ballistic missile ships.....	1,075,651	1,433,662	1,431,198	1,315,002
00.02	Other warships.....	5,245,290	6,077,270	6,630,119	7,616,478
00.03	Amphibious ships.....	899,967	274,921	1,006,938	533,850
00.04	Mine warfare and patrol ships	388,932	279,677	320,243	198,694
00.05	Auxiliaries, craft, and prior-year program costs.....	1,222,106	1,820,256	1,381,477	1,653,712
00.91	Total direct program.....	8,831,946	9,885,786	10,769,975	11,317,736
01.01	Reimbursable program.....		1,100	1,133	1,167
10.00	Total obligations.....	8,831,946	9,886,886	10,771,108	11,318,903
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....		-1,100	-1,133	-1,167
13.00	Trust funds.....	4			
14.00	Non-Federal sources.....	138			
17.00	Recovery of prior year obligations.....	-61,716			
Unobligated balance available, start of year:					
21.40	For completion of prior year budget plans.....	-11,721,866	-11,055,206	-11,380,409	-11,675,789
21.40	Available to finance new budget plans.....	-2,039,836	-2,002,433		
22.40	Unobligated balance transferred, net.....	1,178,338	731,933		
23.40	Unobligated balance rescinded....	40,100	1,270,500		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance....	674,287			
Unobligated balance available, end of year:					
24.40	For completion of prior year budget plans.....	11,055,206	11,380,409	11,675,789	12,216,491
24.40	Available to finance subsequent year budget plans....	2,002,433			
25.00	Unobligated balance lapsing.....	391,307			
40.00	Budget authority (appropriation).....	10,350,341	10,210,989	11,065,355	11,858,438

Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	8,832,088	9,885,786	10,769,975	11,317,736
72.40	Obligated balance, start of year..	20,887,452	20,643,326	20,518,912	20,944,487
74.40	Obligated balance, end of year....	-20,643,326	-20,518,912	-20,944,487	-21,808,323
77.00	Adjustments in expired accounts.....	486,370			
78.00	Adjustments in unexpired accounts.....	-61,716			
90.00	Outlays.....	9,500,868	10,010,200	10,344,400	10,453,900

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

Direct:					
07.01	Fleet ballistic missile ships.....	1,231,739	1,432,100	1,330,800	1,398,300
07.02	Other warships.....	5,298,999	7,113,700	7,502,655	7,841,838
07.03	Amphibious ships.....	1,188,657	35,000	1,097,100	741,100
07.04	Mine warfare and patrol ships	376,671		297,300	199,000
07.05	Auxiliaries, craft, and prior-year program costs.....	1,516,375	1,630,189	837,500	1,678,200
07.91	Total direct.....	9,612,441	10,210,989	11,065,355	11,858,438
08.01	Reimbursable.....		1,100	1,133	1,167
08.93	Total budget plan.....	9,612,441	10,212,089	11,066,488	11,859,605

**Object Classification (in thousands of dollars)**

Identification code 17-1611-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
Direct obligations:					
24.0	Printing and reproduction.....	264,958	296,573	323,099	339,532
25.0	Other services: Contracts.....	269,517	306,459	333,869	350,850
31.0	Equipment.....	8,297,471	9,282,754	10,113,007	10,627,354
99.0	Subtotal, direct obligations.....	8,831,946	9,885,786	10,769,975	11,317,736
99.0	Reimbursable obligations.....		1,100	1,133	1,167
99.9	Total obligations.....	8,831,946	9,886,886	10,771,108	11,318,903

**OTHER PROCUREMENT, NAVY\***

\*See Part II for additional information.

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed [five hundred and ninety-nine] 861 passenger motor vehicles of which [five hundred and seventy-four] 717 shall be for replacement only; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway, as follows:

- Ship support equipment, \$1,037,619,000;
- Communications and electronics equipment, \$2,006,277,000;
- Aviation support equipment, \$788,366,000;
- Ordnance support equipment, \$1,245,355,000;
- Civil engineering support equipment, \$209,041,000;
- Supply support equipment, \$71,823,000;
- Personnel and command support equipment, \$502,498,000;
- Spares and repair parts, \$293,692,000;

In all: \$6,033,371,000]; \$4,983,827,000, of which \$55,200,000 shall be available only for the Navy Reserve, to remain available for obligation until September 30, [1989: *Provided*, That within the total amount appropriated, the subdivisions within this appropriation shall be reduced by \$121,300,000] 1990.

*Further, for the foregoing purposes, including the purchase of 832 passenger motor vehicles, of which 774 shall be for replacement only; \$6,577,530,000, of which \$63,300,000 shall be available only for the Navy Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 5013, 5063; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)*

General and special funds—Continued

OTHER PROCUREMENT, NAVY—Continued

Program and Financing (in thousands of dollars)

Identification code 17-1810-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Ship support equipment.....	762,598	1,059,442	761,964	975,655
00.02 Communications and electronics equipment .....	1,656,970	2,123,331	1,880,480	2,054,974
00.03 Aviation support equipment .....	866,600	933,339	697,700	711,508
00.04 Ordnance support equipment .....	1,069,348	1,086,589	846,726	1,415,263
00.05 Civil engineering support equipment .....	275,295	187,665	156,083	118,411
00.06 Supply support equipment .....	77,640	84,642	75,409	122,383
00.07 Personnel and command support equipment .....	430,143	648,054	502,714	557,794
00.08 Spares and repair parts .....	141,379	338,025	305,981	326,901
00.91 Total direct program .....	5,279,973	6,461,087	5,227,057	6,282,889
01.01 Reimbursable program .....	10,021	50,260	25,000	25,000
10.00 Total obligations .....	5,289,994	6,511,347	5,252,057	6,307,889
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds .....	10,540	-17,500	-17,500	-17,500
13.00 Trust funds .....	634	-5,000	-5,000	-5,000
14.00 Non-Federal sources .....	-1,591	-2,500	-2,500	-2,500
17.00 Recovery of prior year obligations .....	-33,429			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans .....	-2,171,556	-2,564,780	-2,100,104	-1,856,874
21.40 Available to finance new budget plans .....	-310,647	-267,167		
22.40 Unobligated balance transferred, net .....	276,935	33,964		
23.40 Unobligated balance rescinded .....		233,203		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance .....	119,322			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans .....	2,564,780	2,100,104	1,856,874	2,151,515
24.40 Available to finance subsequent year budget plans .....	267,167			
25.00 Unobligated balance lapsing .....	89,869	12,400		
39.00 <b>Budget authority</b> .....	<b>6,102,018</b>	<b>6,034,071</b>	<b>4,983,827</b>	<b>6,577,530</b>
<b>Budget authority:</b>				
40.00 Appropriation .....	6,081,631	6,033,371	4,983,827	6,577,530
41.00 Transferred to other accounts .....	-6,000	-26,600		
42.00 Transferred from other accounts .....	26,387	14,900		
43.00 <b>Appropriation (adjusted)</b> .....	<b>6,102,018</b>	<b>6,021,671</b>	<b>4,983,827</b>	<b>6,577,530</b>
50.00 <b>Reappropriation</b> .....	<b>12,400</b>			
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net .....	5,299,577	6,486,347	5,227,057	6,282,889
72.40 Obligated balance, start of year .....	6,600,979	7,758,227	9,280,884	9,208,569
74.40 Obligated balance, end of year .....	-7,758,227	-9,280,884	-9,208,569	-10,046,821
77.00 Adjustments in expired accounts .....	57,221			
78.00 Adjustments in unexpired accounts .....	-33,429			
90.00 <b>Outlays</b> .....	<b>4,166,122</b>	<b>4,963,690</b>	<b>5,299,372</b>	<b>5,444,637</b>

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

Identification code 17-1810-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct:</b>				
07.01 Ship support equipment.....	816,614	1,028,579	783,716	941,566
07.02 Communications and electronics equipment .....	1,831,985	1,996,390	1,712,635	2,279,338
07.03 Aviation support equipment .....	1,044,608	788,366	692,532	739,795
07.04 Ordnance support equipment .....	1,152,565	1,144,885	769,542	1,372,832
07.05 Civil engineering support equipment .....	217,642	201,144	116,800	156,812
07.06 Supply support equipment .....	55,242	69,971	122,005	196,534

07.07 Personnel and command support equipment .....	516,768	502,478	477,771	560,562
07.08 Spares and repair parts .....	233,025	289,858	308,826	330,091
07.91 Total direct .....	5,868,449	6,021,671	4,983,827	6,577,530
08.01 Reimbursable .....	18,231	25,000	25,000	25,000
08.93 Total budget plan .....	5,886,680	6,046,671	5,008,827	6,602,530

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority .....	6,102,018	6,034,071	4,983,827	6,577,530
Outlays .....	4,166,122	4,963,690	5,299,372	5,444,637
<b>Supplemental—additional authorizing legislation required:</b>				
Budget authority .....		40,000		
Outlays .....		1,050	6,148	12,076
<b>Rescission proposal:</b>				
Budget authority .....		-116,000		
Outlays .....		-13,340	-37,120	-32,213
<b>Total:</b>				
Budget authority .....	6,102,018	5,958,071	4,983,827	6,577,530
Outlays .....	4,166,122	4,951,400	5,268,400	5,424,500

Object Classification (in thousands of dollars)

Identification code 17-1810-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Other services:</b>				
25.0 Purchases from industrial funds .....	66,527	84,323	67,952	81,678
25.0 Contracts .....	146,783	181,618	146,358	175,921
25.0 Other .....	76,929	97,295	78,406	94,243
26.0 Supplies and materials .....	1,098,234	1,349,160	1,087,228	1,306,840
31.0 Equipment .....	3,891,500	4,748,691	3,847,113	4,624,207
99.0 Subtotal, direct obligations .....	5,279,973	6,461,087	5,227,057	6,282,889
99.0 Reimbursable obligations .....	10,021	50,260	25,000	25,000
99.9 Total obligations .....	5,289,994	6,511,347	5,252,057	6,307,889

COASTAL DEFENSE AUGMENTATION

For the augmentation of United States Coast Guard inventories to meet national security requirements; \$200,000,000, to remain available until expended: *Provided*, That these funds shall be for the procurement by the Department of Defense of vessels, aircraft, and equipment and for modernization of existing Coast Guard assets, which assets are to be made available to the Coast Guard for operation and maintenance. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

Program and Financing (in thousands of dollars)

Identification code 17-0380-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations (object class 31.0) .....	43,050	168,064	216,894	94,227
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans .....		-299,185	-331,121	-114,227
22.40 Unobligated balance transferred, net .....	-140,000			
24.40 Unobligated balance available, end of year: For completion of prior year budget plans .....	299,185	331,121	114,227	20,000
39.00 <b>Budget authority</b> .....	<b>202,235</b>	<b>200,000</b>		
<b>Budget authority:</b>				
40.00 Appropriation .....	223,485	200,000		
41.00 Transferred to other accounts .....	-21,250			
43.00 <b>Appropriation (adjusted)</b> .....	<b>202,235</b>	<b>200,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net .....	43,050	168,064	216,894	94,227
72.40 Obligated balance, start of year .....		43,050	138,814	210,108

74.40	Obligated balance, end of year.....	—43,050	—138,814	—210,108	—140,635
90.00	Outlays.....		72,300	145,600	163,700

**Budget Plan** (in thousands of dollars)

(amount for procurement actions programmed)

07.01	Total budget plan.....	342,235	200,000		
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**PROCUREMENT, MARINE CORPS**

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including purchase of not to exceed [sixty-four] 153 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands, and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; **[\$1,465,215,000] \$1,402,440,000, of which \$41,800,000 shall be available only for the Marine Corps Reserve, to remain available for obligation until September 30, [1989] 1990.**

Further, for the foregoing purposes, including the purchase of 153 passenger motor vehicles for replacement only; **\$1,646,475,000, of which \$27,700,000 shall be available only for the Marine Corps Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 5013, 7201; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to the proposed.)**

**Program and Financing** (in thousands of dollars)

Identification code 17-1109-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Program by activities:</b>					
<b>Direct program:</b>					
00.01	Ammunition.....	485,919	575,487	408,550	403,733
00.02	Weapons and combat vehicles.....	125,356	117,236	93,363	249,672
00.03	Guided missiles and equipment.....	261,966	221,304	350,917	368,875
00.04	Communications and electronics equipment.....	220,063	310,809	305,819	332,150
00.05	Support vehicles.....	302,750	157,510	80,010	41,012
00.06	Engineer and other equipment.....	175,058	145,914	155,609	156,532
00.07	Spares and repair parts.....	25,543	35,296	28,957	47,057
00.91	Total direct program.....	1,596,655	1,563,556	1,423,225	1,599,031
01.01	Reimbursable program.....	861	18,417	3,502	3,607
10.00	Total obligations.....	1,597,516	1,581,973	1,426,727	1,602,638
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	—7,381	—3,400	—3,502	—3,607
13.00	Trust funds.....	—877			
14.00	Non-Federal sources.....	—3			
17.00	Recovery of prior year obligations.....	—25,807			
Unobligated balance available, start of year:					
21.40	For completion of prior year budget plans.....	—688,709	—590,311	—476,953	—456,168
21.40	Available to finance new budget plans.....	—47,717	—33,500		
22.40	Unobligated balance transferred, net.....	50,379	7,000		
23.40	Unobligated balance rescinded.....		26,500		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	35,567			
Unobligated balance available, end of year:					
24.40	For completion of prior year budget plans.....	590,311	476,953	456,168	503,612
24.40	Available to finance subsequent year budget plans.....	33,500			
25.00	Unobligated balance lapsing.....	21,068			
39.00	<b>Budget authority.....</b>	<b>1,557,848</b>	<b>1,465,215</b>	<b>1,402,440</b>	<b>1,646,475</b>

<b>Budget authority:</b>					
40.00	Appropriation.....	1,579,388	1,465,215	1,402,440	1,646,475
41.00	Transferred to other accounts.....	—21,540			
43.00	<b>Appropriation (adjusted).....</b>	<b>1,557,848</b>	<b>1,465,215</b>	<b>1,402,440</b>	<b>1,646,475</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	1,589,255	1,578,573	1,423,225	1,599,031
72.40	Obligated balance, start of year..	2,997,357	2,815,199	2,721,372	2,614,697
74.40	Obligated balance, end of year....	—2,815,199	—2,721,372	—2,614,697	—2,730,028
77.00	Adjustments in expired accounts.....	7,407			
78.00	Adjustments in unexpired accounts.....	—25,807			
90.00	Outlays.....	1,753,014	1,672,400	1,529,900	1,483,700

**Budget Plan** (in thousands of dollars)

(amount for procurement actions programmed)

<b>Direct:</b>					
07.01	Ammunition.....	479,407	575,949	410,885	403,587
07.02	Weapons and combat vehicles.....	83,643	94,599	94,442	263,165
07.03	Guided missiles and equipment.....	251,909	224,696	364,400	369,475
07.04	Communications and electronics equipment.....	288,326	267,677	275,735	381,834
07.05	Support vehicles.....	247,497	141,136	39,516	28,999
07.06	Engineer and other equipment.....	140,767	136,499	187,770	148,353
07.07	Spares and repair parts.....	39,899	24,659	29,692	51,062
07.91	Total direct.....	1,531,448	1,465,215	1,402,440	1,646,475
08.01	Reimbursable.....	7,840	3,400	3,502	3,607
08.93	Total budget plan.....	1,539,288	1,468,615	1,405,942	1,650,082

**Object Classification** (in thousands of dollars)

Identification code 17-1109-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Direct obligations:</b>					
26.0	Supplies and materials.....		575,487	408,550	403,733
31.0	Equipment.....	1,596,655	988,069	1,014,675	1,195,298
99.0	Subtotal, direct obligations.....	1,596,655	1,563,556	1,423,225	1,599,031
99.0	Reimbursable obligations.....	861	18,417	3,502	3,607
99.9	Total obligations.....	1,597,516	1,581,973	1,426,727	1,602,638

**AIRCRAFT PROCUREMENT, AIR FORCE\***

\*See Part II for additional information.

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; **[\$17,131,281,000] \$14,191,371,000, of which \$625,819,000 shall be available only for the Air National Guard and Air Force Reserve, to remain available for obligation until September 30, [1989: Provided, That none of the funds in this Act may be obligated on B-1B bomber production contracts if such contracts would cause the production portion of the Air Force's \$20,500,000,000 estimate for the B-1B bomber baseline costs expressed in fiscal year 1981 constant dollars to be exceeded; Provided further, That notwithstanding the provisions of section 9032 of this Act (A) the Secretary of the Air Force may award a multiyear contract that employs economic order quantity procurement for the purchase of Air Defense Aircraft in accordance with section 2306(h) of title 10, United States Code, without prior notice to Congress if the results of the competitive source selection demonstrate that (1) a multiyear contract will yield significant savings over the amount that would have resulted under an annual contract with the selected offeror; and (2) those savings have a positive present value; (B) the cancellation ceiling associated**

General and special funds—Continued

AIRCRAFT PROCUREMENT, AIR FORCE—Continued

with the first year of a multiyear contract under subsection (A) may be carried as an unfunded contingent liability subject to section 2306(h)(5) of title 10, United States Code: *Provided further*, That \$151,000,000 is available only for production of T-46A aircraft and related costs: *Provided further*, That \$170,100,000 provided in fiscal year 1986 under this heading is available only for the production of T-46A aircraft and related costs: *Provided further*, That none of the funds provided in this or any prior Act may be used for the T-46A airframe production contract which existed on October 1, 1986 for other than lot one production: *Provided further*, That (1) the maximum program production cost for the T-46A aircraft program is \$3,100,000,000 (in fiscal year 1986 dollars), based upon procurement of 650 aircraft. The maximum production unit cost for such program is \$4,800,000 (in fiscal year 1986 dollars). The program production cost and production unit cost for such program determined for the purposes of this proviso shall be determined without regard to amounts for initial spares. (2) If during any fiscal year, after fiscal year 1987, the maximum program production cost or production unit cost for procurement of 650 aircraft is exceeded, the Secretary of the Air Force may not procure any T-46A aircraft during a later fiscal year no earlier than fiscal year 1989 until the Secretary has conducted a competition for procurement of that aircraft.] 1990.

*Further, for the foregoing purposes, \$17,221,426,000, of which \$743,197,000 shall be available only for the Air National Guard and Air Force Reserve, to become available for obligation of October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 2271-79, 2353, 2386, 2663, 2672, 2672a, 8013, 8062, 9501-02, 9532, 9741-42; 50 U.S.C. 451, 453, 455; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)*

【Notwithstanding any other provisions of this joint resolution, no funds shall be appropriated for the procurement of T-46 aircraft in fiscal year 1987. Funds appropriated in fiscal year 1986 for the procurement of T-46 aircraft shall be available to conduct the competitive fly-off set forth in section 145 of the fiscal year 1987 Defense Authorization Act: *Provided*, That such funds shall not be available for the modification or development of any candidate aircraft for the purposes of that competition. Such competition shall be completed by January 1, 1988. The Air Force shall proceed immediately to prepare for the required competition mandated by section 145: *Provided further*, That section 2304 of said Act (S. 2638) shall not be interpreted to apply to any funds provided for operation and maintenance, design funds, or military construction funds for other than major military construction projects at any military installation or facility.】 (*Public Law 99-591, providing continuing appropriations for fiscal year 1987, section 115.*)

Program and Financing (in thousands of dollars)

Identification code 57-3010-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Combat aircraft .....	9,040,640	6,189,145	5,759,942	4,888,655
00.02 Airlift aircraft .....	2,296,025	1,514,186	660,993	1,413,851
00.03 Trainer aircraft .....	4,260	153,337	35,687	.....
00.04 Other aircraft .....	417,743	199,193	175,586	28,141
00.05 Modification of inservice aircraft.....	2,674,032	3,297,451	2,363,086	2,483,477
00.06 Aircraft spares and repair parts.....	4,479,988	2,972,536	2,960,406	3,234,800
00.07 Aircraft support equipment and facilities.....	2,568,563	3,759,457	3,635,787	4,812,514
00.91 Total direct program .....	21,481,251	18,085,305	15,591,487	16,861,438
01.01 Reimbursable program .....	212,939	442,939	215,086	219,333
10.00 Total obligations.....	21,694,190	18,528,244	15,806,573	17,080,771
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-184,999	-205,039	-195,728	-199,593
13.00 Trust funds.....	-19,311	-16,909	-17,207	-17,547
14.00 Non-Federal sources .....	300	-2,114	-2,151	-2,193
17.00 Recovery of prior year obligations.....	-975,904	.....	.....	.....

21.40	Unobligated balance available, start of year:				
	For completion of prior year budget plans .....	-9,305,097	-8,997,935	-7,735,694	-6,335,578
21.40	Available to finance new budget plans.....	-1,113,500	-1,356,242	-159,400	-159,400
22.40	Unobligated balance transferred, net .....	926,779	223,442	.....	.....
23.40	Unobligated balance rescinded....	.....	1,132,800	.....	.....
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance....	500,069	.....	.....	.....
	Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	8,997,935	7,735,694	6,335,578	6,695,566
24.40	Available to finance subsequent year budget plans....	1,356,242	159,400	159,400	159,400
25.00	Unobligated balance lapsing.....	239,657	.....	.....	.....
39.00	<b>Budget authority.....</b>	<b>22,116,361</b>	<b>17,201,341</b>	<b>14,191,371</b>	<b>17,221,426</b>
Budget authority:					
40.00	Appropriation.....	22,115,908	17,131,281	14,191,371	17,221,426
41.00	Transferred to other accounts....	-10,147	.....	.....	.....
42.00	Transferred from other accounts.	10,600	70,060	.....	.....
43.00	<b>Appropriation (adjusted).....</b>	<b>22,116,361</b>	<b>17,201,341</b>	<b>14,191,371</b>	<b>17,221,426</b>
Relation of obligations to outlays:					
71.00	Obligations incurred net.....	21,490,180	18,304,182	15,591,487	16,861,438
72.40	Obligated balance, start of year..	31,197,798	32,556,878	31,682,760	29,814,975
74.40	Obligated balance, end of year....	-32,556,878	-31,682,760	-29,814,975	-31,095,716
77.00	Adjustments in expired accounts.	-235,642	.....	.....	.....
78.00	Adjustments in unexpired accounts .....	-975,904	.....	.....	.....
90.00	<b>Outlays.....</b>	<b>18,919,553</b>	<b>19,178,300</b>	<b>17,459,272</b>	<b>15,580,697</b>

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

<b>Direct:</b>					
07.01	Combat aircraft .....	9,825,646	5,080,414	4,887,268	5,226,877
07.02	Airlift aircraft .....	2,092,084	1,932,891	750,100	1,065,100
07.03	Trainer aircraft .....	169,936	.....	.....	.....
07.04	Other aircraft .....	600,153	89,464	11,300	13,100
07.05	Modification of inservice aircraft.....	2,698,690	3,046,753	1,907,628	2,470,611
07.06	Aircraft spares and repair parts.....	3,469,522	2,972,446	2,965,967	3,293,159
07.07	Aircraft support equipment and facilities.....	2,561,573	3,919,973	3,669,108	5,152,579
07.91	Total direct .....	21,417,604	17,041,941	14,191,371	17,221,426
08.01	Reimbursable.....	223,122	224,062	215,086	219,333
08.93	Total budget plan.....	21,640,726	17,266,003	14,406,457	17,440,759

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

<b>Enacted/requested:</b>					
	Budget authority.....	22,116,361	17,201,341	14,191,371	17,221,426
	Outlays .....	18,919,553	19,178,300	17,459,272	15,580,697
<b>Supplemental—additional authorizing legislation required:</b>					
	Budget authority.....	.....	313,700	.....	.....
	Outlays .....	.....	5,300	44,828	110,203
<b>Total:</b>					
	Budget authority.....	22,116,361	17,515,041	14,191,371	17,221,426
	Outlays .....	18,919,553	19,183,600	17,504,100	15,690,900

Object Classification (in thousands of dollars)

Identification code 57-3010-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
31.0	Direct obligations: Equipment .....	21,481,251	18,085,305	15,591,487	16,861,438
99.0	Reimbursable obligations .....	212,939	442,939	215,086	219,333
99.9	Total obligations .....	21,694,190	18,528,244	15,806,573	17,080,771

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; **[\$7,446,718,000]** \$9,772,693,000, to remain available for obligation until September 30, [1989: *Provided*, That no funds may be obligated or expended for Lot 1 low-rate production of the Advanced Medium Range Air-to-Air Missile, with the exception of long-lead procurement, until this missile has demonstrated, in flight test, the capability to successfully engage a minimum of two targets with two missiles on the same intercept in an electronic countermeasure environment after the missiles have been launched: *Provided further*, That funds made available for a portion of the MX missile program by the appropriation "Missile Procurement, Air Force, 1985/1987" and prior year funds referred to in that appropriation, shall remain available for the period originally appropriated for the purchase of the first 33 MX missiles of the MX missile program] 1990.

*Further, for the foregoing purposes, \$11,036,102,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 1905, 2271-79, 2363, 2386, 2653, 2672, 2672a, 8013, 8062, 9501-02, 9531-32, 9741-42; 50 U.S.C. 451, 453, 455; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)*

Program and Financing (in thousands of dollars)

Identification code 57-3020-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Ballistic missiles.....	513,388	1,444,430	1,427,770	1,155,745
00.02 Other missiles.....	2,325,519	1,998,598	2,603,702	2,968,334
00.03 Modification of inservice missiles.....	131,857	136,365	160,727	86,811
00.04 Spares and repair parts.....	500,697	271,713	314,513	156,668
00.05 Other support.....	3,524,278	4,088,977	4,848,946	6,361,654
00.91 Total direct program.....	6,995,739	7,940,083	9,355,658	10,729,212
01.01 Reimbursable program.....	120,272	602,902	186,214	224,953
10.00 Total obligations.....	7,116,011	8,542,985	9,541,872	10,954,165
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-130,505	-502,758	-169,455	-204,707
13.00 Trust funds.....	-20,946	-40,743	-14,897	-17,996
14.00 Non-Federal sources.....	1	-5,093	-1,862	-2,250
17.00 Recovery of prior year obligations.....	-260,301			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-2,798,477	-3,271,878	-3,376,605	-3,793,640
21.40 Available to finance new budget plans.....	-82,800	-671,838		
22.40 Unobligated balance transferred, net.....	-153,513	-649,862		
23.40 Unobligated balance rescinded.....		671,300		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	140,049			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	3,271,878	3,376,605	3,793,640	4,100,530
24.40 Available to finance subsequent year budget plans.....	671,838			
25.00 Unobligated balance lapsing.....	174,898			
39.00 Budget authority.....	7,928,132	7,448,718	9,772,693	11,036,102
<b>Budget authority:</b>				
40.00 Appropriation.....	7,905,132	7,446,718	9,772,693	11,036,102
41.00 Transferred to other accounts.....		-1,000		

42.00 Transferred from other accounts.....	23,000	3,000		
43.00 <b>Appropriation (adjusted).....</b>	<b>7,928,132</b>	<b>7,448,718</b>	<b>9,772,693</b>	<b>11,036,102</b>
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	6,964,561	7,994,391	9,355,658	10,729,212
72.40 Obligated balance, start of year.....	7,783,415	8,006,915	8,576,906	10,005,264
74.40 Obligated balance, end of year.....	-8,006,915	-8,576,906	-10,005,264	-11,574,876
77.00 Adjustments in expired accounts.....	-8,036			
78.00 Adjustments in unexpired accounts.....	-260,301			
90.00 Outlays.....	6,472,723	7,424,400	7,927,300	9,159,600

Budget Plan (in thousands of dollars)  
(amount for procurement actions programmed)

Direct:				
07.01 Ballistic missiles.....	1,108,726	1,149,595	1,314,508	1,540,243
07.02 Other missiles.....	2,190,850	2,317,856	3,068,490	2,839,883
07.03 Modification of inservice missiles.....	146,301	137,290	149,798	125,709
07.04 Spares and repair parts.....	392,392	291,431	224,116	305,331
07.05 Other support.....	3,837,425	4,154,546	5,015,781	6,224,936
07.91 Total direct.....	7,675,694	8,050,718	9,772,693	11,036,102
08.01 Reimbursable.....	154,440	548,594	186,214	224,953
08.93 Total budget plan.....	7,830,134	8,599,312	9,958,907	11,261,055

Object Classification (in thousands of dollars)

Identification code 57-3020-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
31.0 Direct obligations: Equipment.....	6,995,739	7,940,083	9,355,658	10,729,212
99.0 Reimbursable obligations.....	120,272	602,902	186,214	224,953
99.9 Total obligations.....	7,116,011	8,542,985	9,541,872	10,954,165

OTHER PROCUREMENT, AIR FORCE\*

\*See Part II for additional information.

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; for the purchase of not to exceed [seven hundred and forty-seven] 1,313 passenger motor vehicles of which [six hundred and fifty-nine] 1,260 shall be for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; **[\$9,254,941,000]** \$8,820,236,000, of which \$127,357,000 shall be available only for the Air National Guard and Air Force Reserve, to remain available for obligation until September 30, [1989] 1990.

*Further, for the foregoing purposes, including the purchase of 840 passenger motor vehicles, of which 781 shall be for replacement only; \$9,820,236,000, of which \$123,097,000 shall be available only for the Air National Guard and Air Force Reserve, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (10 U.S.C. 2110, 2353, 2386, 8013, 9505, 9531-32; 50 U.S.C. 491-94; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)*

*[For an additional amount for "Other procurement, Air Force", \$71,385,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)*

Program and Financing (in thousands of dollars)

Identification code 57-3080-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Munitions and associated equipment.....	1,402,512	786,611	729,635	804,564
00.02 Vehicular equipment.....	315,306	311,009	296,133	314,876

General and special funds—Continued

OTHER PROCUREMENT, AIR FORCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 57-3080-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
00.03 Electronics and telecommunications equipment.....	1,896,340	2,688,273	2,290,479	3,054,757
00.04 Other base maintenance and support equipment.....	4,681,559	5,250,084	5,371,198	5,313,465
00.91 Total direct program.....	8,295,717	9,035,977	8,687,445	9,487,662
01.01 Reimbursable program.....	396,663	652,725	550,000	540,968
10.00 Total obligations.....	8,692,380	9,688,702	9,237,445	10,028,630
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-423,158	-574,821	-533,894	-527,712
13.00 Trust funds.....	-10,987	-9,086	-9,000	-9,000
14.00 Non-Federal sources.....	-28	-4,561	-7,106	-4,256
17.00 Recovery of prior year obligations.....	-130,868			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-2,431,216	-2,344,930	-2,571,477	-2,454,514
21.40 Available to finance new budget plans.....	-347,476	-213,997		
22.40 Unobligated balance transferred, net.....	24,350	22,486		
23.40 Unobligated balance rescinded.....	40,000	191,511		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	134,929			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	2,344,930	2,571,477	2,454,514	2,787,088
24.40 Available to finance subsequent year budget plans.....	213,997			
25.00 Unobligated balance lapsing.....	45,709	12,315		
39.00 Budget authority.....	8,152,562	9,339,096	8,570,482	9,820,236
Budget authority:				
40.00 Appropriation.....	8,152,382	9,326,326	8,570,482	9,820,236
41.00 Transferred to other accounts.....		-11,860		
42.00 Transferred from other accounts.....	180	12,315		
43.00 Appropriation (adjusted).....	8,152,562	9,326,781	8,570,482	9,820,236
50.00 Reappropriation.....		12,315		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	8,258,207	9,100,234	8,687,445	9,487,662
72.40 Obligated balance, start of year..	4,843,157	5,727,408	6,582,842	7,006,295
74.40 Obligated balance, end of year....	-5,727,408	-6,582,842	-7,006,295	-7,731,157
77.00 Adjustments in expired accounts.....	3,086			
78.00 Adjustments in unexpired accounts.....	-130,868			
90.00 Outlays.....	7,246,174	8,244,800	8,263,992	8,762,800

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

Direct:				
07.01 Munitions and associated equipment.....	1,125,557	1,048,893	648,869	842,513
07.02 Vehicular equipment.....	284,787	309,442	273,364	349,465
07.03 Electronics and telecommunications equipment.....	2,267,175	2,404,931	2,176,430	2,708,821
07.04 Other base maintenance and support equipment.....	4,329,657	5,563,515	5,471,819	5,919,437
07.91 Total direct.....	8,007,176	9,326,781	8,570,482	9,820,236
08.01 Reimbursable.....	427,769	588,468	550,000	540,968
08.93 Total budget plan.....	8,434,945	9,915,249	9,120,482	10,361,204

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	8,152,562	9,339,096	8,570,482	9,820,236
Outlays.....	7,246,174	8,244,800	8,263,992	8,762,800
Supplemental—additional authorizing legislation required:				
Budget authority.....		160,000		
Outlays.....		6,800	31,808	45,600
Total:				
Budget authority.....	8,152,562	9,499,096	8,570,482	9,820,236
Outlays.....	7,246,174	8,251,600	8,295,800	8,808,400

Object Classification (in thousands of dollars)

Identification code 57-3080-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
31.0 Direct obligations: Equipment.....	8,295,717	9,035,977	8,687,445	9,487,662
99.0 Reimbursable obligations.....	396,663	652,725	550,000	540,968
99.9 Total obligations.....	8,692,380	9,688,702	9,237,445	10,028,630

PROCUREMENT, DEFENSE AGENCIES

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed two vehicles required for physical security of personnel for replacement only, notwithstanding price limitations applicable to passenger vehicles but not to exceed \$160,000 per vehicle and the purchase of not to exceed [seven hundred and seventy-nine] 535 passenger motor vehicles of which [two hundred and fifty-nine] 524 shall be for replacement only; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; [\$1,498,256,000] \$1,292,391,000, to remain available for obligation until September 30, [1989] 1990.

Further, for the foregoing purposes, including the purchase of 516 passenger motor vehicles, of which 505 shall be for replacement only; \$1,511,051,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0300-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01 Direct program: Major equipment.....	1,244,654	1,381,320	1,270,062	1,485,271
01.01 Reimbursable program.....	56,566	197,068	255,900	187,000
10.00 Total obligations.....	1,301,220	1,578,388	1,525,962	1,672,271
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-45,507	-195,800	-255,900	-187,000
13.00 Trust funds.....	-908			
14.00 Non-Federal sources.....	-3,012			
17.00 Recovery of prior year obligations.....	-31,755			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-405,081	-384,600	-500,268	-522,597
21.40 Available to finance new budget plans.....	-36,000	-18,600		
22.40 Unobligated balance transferred, net.....	20,636	18,600		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	21,580			

Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	384,600	500,268	522,597	548,377
24.40 Available to finance subsequent year budget plans....	18,600			
25.00 Unobligated balance lapsing.....	4,532			
<b>39.00 Budget authority.....</b>	<b>1,228,906</b>	<b>1,498,256</b>	<b>1,292,391</b>	<b>1,511,051</b>
Budget authority:				
40.00 Appropriation.....	1,238,906	1,498,256	1,292,391	1,511,051
41.00 Transferred to other accounts....	-10,000			
<b>43.00 Appropriation (adjusted).....</b>	<b>1,228,906</b>	<b>1,498,256</b>	<b>1,292,391</b>	<b>1,511,051</b>
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	1,251,793	1,382,588	1,270,062	1,485,271
72.40 Obligated balance, start of year..	844,730	1,109,788	1,263,276	1,185,438
74.40 Obligated balance, end of year....	-1,109,788	-1,263,276	-1,185,438	-1,269,609
77.00 Adjustments in expired accounts.	-1,953			
78.00 Adjustments in unexpired accounts.....	-31,755			
<b>90.00 Outlays.....</b>	<b>953,027</b>	<b>1,229,100</b>	<b>1,347,900</b>	<b>1,401,100</b>

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.01 Direct: Major equipment.....	1,223,906	1,498,256	1,292,391	1,511,051
08.01 Reimbursable.....	55,670	195,800	255,900	187,000
<b>08.93 Total budget plan.....</b>	<b>1,279,576</b>	<b>1,694,056</b>	<b>1,548,291</b>	<b>1,698,051</b>

**Object Classification (in thousands of dollars)**

Identification code 97-0300-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
31.0 Direct obligations: Equipment.....	1,244,654	1,381,320	1,270,062	1,485,271
99.0 Reimbursable obligations.....	56,566	197,068	255,900	187,000
<b>99.9 Total obligations.....</b>	<b>1,301,220</b>	<b>1,578,388</b>	<b>1,525,962</b>	<b>1,672,271</b>

**[NATIONAL GUARD AND RESERVE EQUIPMENT]**

[For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces, as follows:

- Army Reserve, \$90,000,000;
- Army National Guard, \$146,000,000;
- Air National Guard, \$50,000,000;
- Navy Reserve, \$61,000,000;
- Marine Corps Reserve, \$60,000,000;
- Air Force Reserve, \$150,000,000;

In all: \$557,000,000, to remain available for obligation until September 30, 1989.] (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

**Program and Financing (in thousands of dollars)**

Identification code 97-0350-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01 Reserve equipment.....	239,631	636,486	220,798	40,500
00.02 National Guard equipment.....	602,325	249,604	137,781	15,200
<b>10.00 Total obligations (object class 31.0).....</b>	<b>841,956</b>	<b>886,090</b>	<b>358,579</b>	<b>55,700</b>
<b>Financing:</b>				
17.00 Recovery of prior year obligations.....	-9,565			
21.40 Unobligated balance available, start of year: For completion of prior year budget plans.....	-114,572	-743,369	-414,279	-55,700
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance....	5,614			
<b>24.40 Unobligated balance available, end of year: For completion of prior year budget plans.....</b>	<b>743,369</b>	<b>414,279</b>	<b>55,700</b>	

25.00 Unobligated balance lapsing.....	2,736			
<b>40.00 Budget authority (appropriation).....</b>	<b>1,469,538</b>	<b>557,000</b>		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	841,956	886,090	358,579	55,700
72.40 Obligated balance, start of year..	486,129	1,250,921	1,874,111	1,773,590
74.40 Obligated balance, end of year....	-1,250,921	-1,874,111	-1,773,590	-1,373,590
77.00 Adjustments in expired accounts.	-1,111			
78.00 Adjustments in unexpired accounts.....	-9,565			
<b>90.00 Outlays.....</b>	<b>66,487</b>	<b>262,900</b>	<b>459,100</b>	<b>455,700</b>

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.01 Reserve equipment.....	703,975	361,000		
07.02 National Guard equipment.....	765,563	196,000		
<b>08.93 Total budget plan.....</b>	<b>1,469,538</b>	<b>557,000</b>		

Distribution of budget authority by account: National Guard and Reserve equipment, Defense.....	1,469,538	557,000		
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Distribution of outlays by account:				
National Guard and Reserve equipment, Defense.	64,376	262,900	459,100	455,700
Army National Guard equipment.....	2,111			

**DEFENSE PRODUCTION ACT PURCHASES**

For purchases or commitments to purchase metals, minerals, or other materials by the Department of Defense pursuant to section 303 of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2093); **[\$13,000,000] \$30,800,000**, to remain available for obligation until September 30, [1989] 1990.

Further, for the foregoing purposes, \$32,500,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1991. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

**Program and Financing (in thousands of dollars)**

Identification code 97-0360-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations (object class 26.0).....		27,199	19,592	23,680
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans.....	-10,000	-38,991	-24,792	-36,000
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	490			
24.40 Unobligated balance available, end of year: For completion of prior year budget plans.....	38,991	24,792	36,000	44,820
<b>40.00 Budget authority (appropriation).....</b>	<b>29,481</b>	<b>13,000</b>	<b>30,800</b>	<b>32,500</b>
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....		27,199	19,592	23,680
72.40 Obligated balance, start of year.....			26,399	43,391
74.40 Obligated balance, end of year.....		-26,399	-43,391	-62,171
<b>90.00 Outlays.....</b>		<b>800</b>	<b>2,600</b>	<b>4,900</b>

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.01 Total budget plan.....	29,481	13,000	30,800	32,500
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General and special funds—Continued

[NATO COOPERATIVE DEFENSE PROGRAMS]

**Program and Financing** (in thousands of dollars)

Identification Code	1986 actual	1987 est.	1988 est.	1989 est.
97-0370-0-1-051				
<b>Program by activities:</b>				
10.00 Total obligations (object class 25.0)		8,559	5,706	
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans		-14,265	-5,706	
24.40 Unobligated balance available, end of year: For completion of prior year budget plans	14,265	5,706		
40.00 <b>Budget authority (appropriation)</b>	<b>14,265</b>			
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		8,559	5,706	
72.40 Obligated balance, start of year			8,459	12,865
74.40 Obligated balance, end of year		-8,459	-12,865	-9,965
90.00 Outlays		100	1,300	2,900

**Budget Plan** (in thousands of dollars)  
(amount for procurement actions programmed)

07.01 Total budget plan	14,265			
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**CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE\***

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986; **[\$118,700,000]** \$87,400,000, of which **[\$59,900,000]** \$83,900,000 shall remain available for obligation until September 30, **[1987]** 1988, **[\$9,600,000]** \$3,500,000 shall remain available for obligation until September 30, **[1988]** 1989, and \$49,200,000 shall remain available for obligation until September 30, 1989.

Further, for the foregoing purposes, \$211,900,000, of which \$88,200,000 shall remain available for obligation until September 30, 1989, \$700,000 shall remain available for obligation until September 30, 1990, and \$123,000,000 shall remain available until September 30, 1991. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
97-0390-0-1-051				
<b>Program by activities:</b>				
00.01 Research, development, test, and evaluation		8,300	3,576	1,924
00.02 Procurement		39,698	7,009	103,455
00.03 Operation and maintenance		59,900	83,900	88,200
10.00 Total obligations		107,898	94,485	193,579
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-10,802	-3,717
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		10,802	3,717	22,038
40.00 <b>Budget authority (appropriation)</b>	<b>118,700</b>	<b>87,400</b>	<b>211,900</b>	
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		107,898	94,485	193,579
72.40 Obligated balance, start of year			84,748	128,733
74.40 Obligated balance, end of year		-84,748	-128,733	-227,762
90.00 Outlays		23,150	50,500	94,550

**Budget Plan** (in thousands of dollars)

(amount for procurement actions programmed)

07.01 Research, development, test, and evaluation	9,600	3,500	700
07.02 Procurement	49,200		123,000
07.03 Operation and maintenance	59,900	83,900	88,200
08.93 Total budget plan	118,700	87,400	211,900

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority	118,700	87,400	211,900	
Outlays	23,150	50,500	94,550	
<b>Supplemental—additional authorizing legislation required:</b>				
Budget authority		250,000		
Outlays		16,250	72,500	83,750
<b>Total:</b>				
Budget authority	368,700	87,400	211,900	
Outlays	39,400	123,000	178,300	

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
97-0390-0-1-051				
11.8 Personnel compensation: Special personal services payments		3,562	3,735	3,735
21.0 Travel and transportation of persons		560	565	565
22.0 Transportation of things		35	36	36
23.2 Rental payments to others		65	70	70
25.0 Other services: Contracts		103,531	89,929	189,023
26.0 Supplies and materials		70	75	75
31.0 Equipment		75	75	75
99.9 Total obligations		107,898	94,485	193,579

**PROCUREMENT OF AIRCRAFT AND MISSILES, NAVY**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
17-1505-0-1-051				
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net				
72.40 Obligated balance, start of year	40,081	49,740	49,740	49,740
74.40 Obligated balance, end of year	-49,740	-49,740	-49,740	-49,740
77.00 Adjustments in expired accounts	7,435			
90.00 Outlays	-2,224			

**PROCUREMENT OF EQUIPMENT AND MISSILES, ARMY**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
21-2030-0-1-051				
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net				
72.10 Receivables in excess of obligations, start of year			-130	
72.40 Obligated balance, start of year	43			
74.10 Receivables in excess of obligations, end of year		130		
77.00 Adjustments in expired accounts	-130	130		
90.00 Outlays	41			

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

Programs in this title support modernization through military research, exploratory development, fabrication of technology-demonstration devices, and development

and testing of prototypes and full-scale preproduction hardware. This work is performed by industrial contractors, Government laboratories and facilities, universities and nonprofit organizations.

Research and development programs are funded to cover annual needs. The following table shows RDT&E funding by activity:

Budget Plan				
(In thousands of dollars)				
Summary of program by activities:	1986 actual	1987 est.	1988 est.	1989 est.
1. Technology base.....	3,232,381	3,233,273	3,420,639	3,643,323
2. Advanced technology development.....	4,066,807	4,930,142	7,163,170	8,477,821
3. Strategic programs.....	7,508,952	8,124,680	9,989,998	9,222,921
4. Tactical programs.....	10,265,746	10,998,112	13,726,645	13,826,516
5. Intelligence and communications.....	4,525,113	4,922,771	5,262,070	4,841,956
6. Defensewide mission support.....	4,077,044	4,043,005	4,156,415	4,190,147
Total direct.....	33,676,043	36,251,983	43,718,937	44,202,684

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1988 and 1989, it presents, by budget activity, the value of the program requested for the life of these multiple-year appropriations, with comparable amounts in 1986 and 1987.

During the development of weapon systems, special management emphasis is placed on achieving savings through increased testing, increased competition, and developing realistic budgets.

The 1988/1989 program provides for increased development efforts on the Small Intercontinental Ballistic Missile and hardened mobile launcher, Peacekeeper Follow-on Basing, the Short-Range Attack Missile, the Advanced Technology Bomber, the MILSTAR Communications Satellite System and the Strategic Defense Initiative as well as an advanced Anti-Tank Weapon, a light helicopter (LHX), an advanced tactical fighter, the next generation airlifter (C-17), and the new nuclear attack submarine. Funds are also requested for product improvement to systems which have already been fielded or are in production; such as A-6 Upgrade, F-14D, F-15, and the M1A1.

**Federal Funds**

**General and special funds:**

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY\***

\*See Part II for additional information.

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; [\$4,556,076,000] \$5,511,172,000, to remain available for obligation until September 30, [1988] 1989.

Further, for the foregoing purposes, \$5,972,845,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1990. (10 U.S.C. 2353, 4503; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 21-2040-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Technology base.....	807,112	803,400	826,806	847,949

00.02	Advanced technology development.....	464,084	429,015	400,757	480,855
00.03	Strategic programs.....	200,995	249,768	109,043	88,214
00.04	Tactical programs.....	1,937,057	2,131,976	2,818,758	3,234,311
00.05	Intelligence and communications.....	97,321	96,996	122,240	79,337
00.06	Defensewide mission support.....	1,063,674	996,006	1,172,944	1,204,962
00.91	Total direct program.....	4,570,243	4,707,161	5,450,548	5,935,628
01.01	Reimbursable program.....	1,337,222	1,334,000	1,400,500	1,470,500
10.00	Total obligations.....	5,907,465	6,041,161	6,851,048	7,406,128

**Financing:**

Offsetting collections from:					
11.00	Federal funds.....	-1,316,886	-1,317,600	-1,383,300	-1,452,400
13.00	Trust funds.....	-1,408	-2,000	-2,100	-2,200
14.00	Non-Federal sources.....	-9,308	-14,400	-15,100	-15,900
17.00	Recovery of prior year obligations.....	-38,505			
Unobligated balance available, start of year:					
21.40	For completion of prior year budget plans.....	-387,169	-358,987	-423,193	-483,817
21.40	Available to finance new budget plans.....	-96,130	-45,523		
22.40	Unobligated balance transferred, net.....	53,220	-59,750		
23.40	Unobligated balance rescinded.....		45,523		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	23,681			
Unobligated balance available, end of year:					
24.40	For completion of prior year budget plans.....	358,987	423,193	483,817	521,034
24.40	Available to finance subsequent year budget plans.....	45,523			
25.00	Unobligated balance lapsing.....	23,593	17,300		
39.00	<b>Budget authority.....</b>	<b>4,563,062</b>	<b>4,728,917</b>	<b>5,511,172</b>	<b>5,972,845</b>

**Budget authority:**

40.00	Appropriation.....	4,563,062	4,556,076	5,511,172	5,972,845
42.00	Transferred from other accounts.....		140,250		
43.00	<b>Appropriation (adjusted).....</b>	<b>4,563,062</b>	<b>4,696,326</b>	<b>5,511,172</b>	<b>5,972,845</b>
44.10	Supplemental for wage-board pay raises.....		44		
44.20	Supplemental for civilian pay raises.....		292		
44.40	Supplemental for retirement contributions (P.L. 99-335).....		14,955		
50.00	Reappropriation.....		17,300		

**Relation of obligations to outlays:**

71.00	Obligations incurred, net.....	4,579,863	4,707,161	5,450,548	5,935,628
72.40	Obligated balance, start of year.....	2,486,130	3,020,496	3,211,427	3,840,802
74.40	Obligated balance, end of year.....	-3,020,496	-3,211,427	-3,840,802	-4,307,424
77.00	Adjustments in expired accounts.....	-23,237			
78.00	Adjustments in unexpired accounts.....	-38,505			
89.00	<b>Outlays.....</b>	<b>3,983,754</b>	<b>4,516,230</b>	<b>4,821,173</b>	<b>5,469,006</b>

**Outlays:**

90.00	Outlays, excluding pay and retirement supplementals.....	3,983,754	4,500,939	4,821,173	5,469,006
91.10	Outlays from wage-board pay raise supplemental.....		44		
91.20	Outlays from civilian pay raise supplemental.....		292		
91.40	Outlays from retirement contribution supplemental.....		14,955		

**Budget Plan (in thousands of dollars)**

(amount for research, development, test, and evaluation actions programmed)

<b>Direct:</b>					
07.01	Technology base.....	804,525	853,437	824,173	850,300
07.02	Advanced technology development.....	483,259	401,221	400,711	488,782
07.03	Strategic programs.....	223,064	219,319	98,136	87,233
07.04	Tactical programs.....	1,957,347	2,050,978	2,882,235	3,264,368

General and special funds—Continued

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY—  
Continued

Budget Plan (in thousands of dollars)—Continued

07.05	Intelligence and communi- cations .....	94,095	102,281	124,214	74,899
07.06	Defensewide mission support..	1,014,999	1,084,381	1,181,703	1,207,263
07.91	Total direct .....	4,577,289	4,711,617	5,511,172	5,972,845
08.01	Reimbursable.....	1,337,222	1,334,000	1,400,500	1,470,500
08.93	Total budget plan.....	5,914,511	6,045,617	6,911,672	7,443,345

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	4,563,062	4,728,917	5,511,172	5,972,845
Outlays .....	3,983,754	4,516,230	4,821,173	5,469,006
Supplemental—additional authorizing legisla- tion re- quired:				
Budget authority.....		43,000		
Outlays .....		5,270	19,827	13,094
Total:				
Budget authority.....	4,563,062	4,771,917	5,511,172	5,972,845
Outlays .....	3,983,754	4,521,500	4,841,000	5,482,100

Object Classification (in thousands of dollars)

Identification code 21-2040-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent.....	556,722	511,103	513,152	528,461
11.3 Other than full-time permanent .....	27,836	25,555	25,658	26,427
11.5 Other personnel compensation .....	14,068	12,915	12,966	13,440
11.9 Total personnel compensation .....	598,626	549,573	551,776	568,328
12.1 Personnel benefits: Civilian.....	69,856	73,302	99,837	106,534
13.0 Benefits for former personnel .....	83	208	193	186
21.0 Travel and transportation of persons.....	39,808	55,000	60,000	65,000
22.0 Transportation of things .....	3,047	10,000	11,000	11,500
23.1 Rental payments to GSA.....	500	3,500	3,700	3,900
23.2 Rental payments to others.....	17,468	23,000	24,000	25,000
23.3 Communications, utilities, and miscella- neous charges .....	11,996	15,000	16,000	17,000
24.0 Printing and reproduction.....	595	2,400	2,600	2,700
Other services:				
25.0 Payments to foreign national indirect hire personnel .....	2,400			500
25.0 Purchases from industrial funds.....	97,500	117,400	146,500	164,300
25.0 Contracts.....	3,471,443	3,569,578	4,217,942	4,635,980
26.0 Supplies and materials.....	117,587	150,000	163,000	173,000
31.0 Equipment .....	130,827	130,000	145,000	152,000
32.0 Lands and structures .....	2,112	2,200	2,500	2,700
41.0 Grants, subsidies, and contributions.....	6,395	6,000	6,500	7,000
99.0 Subtotal, direct obligations.....	4,570,243	4,707,161	5,450,548	5,935,628
99.0 Reimbursable obligations .....	1,337,222	1,334,000	1,400,500	1,470,500
99.9 Total obligations .....	5,907,465	6,041,161	6,851,048	7,406,128

Personnel Summary

Total number of full-time permanent positions.....	26,186	26,080	25,631	26,513
Total compensable workyears:				
Full-time equivalent employment.....	28,375	26,669	25,842	26,869
Full-time equivalent of overtime and holiday hours.....	1,212	829	815	855

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY\*

\*See Part II for additional information.

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; [\$9,326,418,000] \$10,490,412,000, to remain available for obligation until September 30, [1988; of the total amount available for obligation \$173,525,000 is available only for full-scale development of the MK-50 Advanced Lightweight Torpedo Program, \$39,704,000 is

available only for the Low Cost Anti-Radiation Seeker Program, and \$3,000,000 is available only for the Aircrew Impact Injury Prevention Project: *Provided*, That the funds available for the V-22 Osprey Program shall not be subject to obligational limitations set forth in a National Defense Authorization Act for fiscal year 1987: *Provided further*, That funds made available for the Surface ASW Systems Improvement Program shall not be obligated or expended until a Joint Resources Management Board Milestone II decision and a Secretary of Defense Decision Memorandum have approved the initiation of full-scale engineering development: *Provided further*, That \$1,800,000 shall be made available for research and development and related equipment for the Institute for Technology Development, as a grant, for the National Center for Physical Acoustics] 1989.

Further, for the foregoing purposes, \$10,044,819,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1990. (10 U.S.C. 174, 2352-54, 7201, 7203, 7522; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 17-1319-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Program by activities:				
Direct program:				
00.01 Technology base.....	784,342	761,594	838,327	891,485
00.02 Advanced technology develop- ment.....	86,392	151,886	252,355	295,585
00.03 Strategic programs.....	2,221,337	1,752,237	1,396,077	920,555
00.04 Tactical programs.....	5,064,533	5,114,509	6,053,404	6,199,686
00.05 Intelligence and communi- cations .....	551,407	844,743	1,112,968	985,534
00.06 Defensewide mission support..	800,100	717,461	779,656	773,254
00.91 Total direct program .....	9,508,111	9,342,430	10,432,787	10,066,099
01.01 Reimbursable program .....	165,617	168,144	180,000	200,000
10.00 Total obligations.....	9,673,728	9,510,574	10,612,787	10,266,099
Financing:				
Offsetting collections from:				
11.00 Federal funds.....	-172,038	-156,300	-171,300	-191,300
13.00 Trust funds.....	6,843	-7,300	-7,300	-7,300
14.00 Non-Federal sources .....	-2,581	-1,400	-1,400	-1,400
17.00 Recovery of prior year obliga- tions.....	-14,870			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-425,286	-464,842	-475,896	-533,521
21.40 Available to finance new budget plans .....	-188,000	-54,878		
22.40 Unobligated balance transferred, net .....	117,288	-3,700		
23.40 Unobligated balance rescinded .....		54,878		
23.40 Reduction pursuant to P.L. 99- 177 in unobligated balance .....	29,971			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	464,842	475,896	533,521	512,241
24.40 Available to finance subse- quent year budget plans .....	54,878			
25.00 Unobligated balance lapsing.....	27,268			
39.00 Budget authority.....	9,572,042	9,352,928	10,490,412	10,044,819
Budget authority:				
40.00 Appropriation.....	9,572,042	9,326,418	10,490,412	10,044,819
42.00 Transferred from other accounts .....		25,000		
43.00 Appropriation (adjust- ed).....	9,572,042	9,351,418	10,490,412	10,044,819
44.20 Supplemental for civil- ian pay raises .....		33		
44.40 Supplemental for retire- ment contributions (P.L. 99-335).....		1,477		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	9,505,952	9,345,574	10,432,787	10,066,099
72.40 Obligated balance, start of year..	5,204,456	5,029,772	5,097,636	6,021,896
74.40 Obligated balance, end of year....	-5,029,772	-5,097,636	-6,021,896	-6,176,460
77.00 Adjustments in expired accounts.....	1,003			

78.00	Adjustments in unexpired accounts.....	-14,870			
89.00	Outlays.....	9,666,769	9,277,710	9,508,527	9,911,535
	Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	9,666,769	9,276,200	9,508,527	9,911,535
91.20	Outlays from civilian pay raise supplemental.....		33		
91.40	Outlays from retirement contribution supplemental.....		1,477		

**Budget Plan** (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

Direct:					
07.01	Technology base.....	785,873	789,017	840,946	894,426
07.02	Advanced technology development.....	89,867	146,460	258,472	297,745
07.03	Strategic programs.....	2,232,984	1,832,170	1,370,114	894,391
07.04	Tactical programs.....	5,066,813	5,038,022	6,129,941	6,207,442
07.05	Intelligence and communications.....	550,699	849,001	1,128,061	977,239
07.06	Defensewide mission support..	794,628	698,258	762,878	773,576
07.91	Total direct.....	9,520,864	9,352,928	10,490,412	10,044,819
08.01	Reimbursable.....	149,660	165,000	180,000	200,000
08.93	Total budget plan.....	9,670,524	9,517,928	10,670,412	10,244,819

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	9,572,042	9,352,928	10,490,412	10,044,819
Outlays.....	9,666,769	9,277,710	9,508,527	9,911,535
Supplemental—additional authorizing legislation required:				
Budget authority.....		29,000		
Outlays.....		3,990	14,573	8,265
Total:				
Budget authority.....	9,572,042	9,381,928	10,490,412	10,044,819
Outlays.....	9,666,769	9,281,700	9,523,100	9,919,800

**Object Classification** (in thousands of dollars)

Identification code 17-1319-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
Direct obligations:					
Personnel compensation:					
11.1	Full-time permanent.....	58,360	54,689	56,324	55,561
11.3	Other than full-time permanent.....	4,799	2,287	2,326	2,310
11.5	Other personnel compensation.....	1,965	1,974	2,098	2,072
11.8	Special personal services payments.....	3			
11.9	Total personnel compensation.....	65,127	58,950	60,748	59,943
12.1	Personnel benefits: Civilian.....	7,532	7,441	10,717	11,093
13.0	Benefits for former personnel.....	33			
21.0	Travel and transportation of persons.....	15,856	15,645	17,471	16,857
22.0	Transportation of things.....	2,589	2,554	2,851	2,751
23.3	Communications, utilities, and miscellaneous charges.....	10,076	9,942	11,102	10,712
24.0	Printing and reproduction.....	1,403	1,374	1,534	1,480
Other services:					
25.0	Payments to foreign national indirect hire personnel.....	100	97	121	123
25.0	Purchases from industrial funds.....	1,616,493	1,595,040	1,781,197	1,718,592
25.0	Contracts.....	6,739,255	6,616,018	7,390,840	7,129,023
25.0	Other.....	997,826	984,583	1,099,493	1,060,805
26.0	Supplies and materials.....	9,562	9,428	10,528	10,158
31.0	Equipment.....	19,502	19,182	21,421	20,668
32.0	Lands and structures.....	7,757	7,654	8,547	8,247
41.0	Grants, subsidies, and contributions.....	15,000	14,522	16,217	
99.0	Subtotal, direct obligations.....	9,508,111	9,342,430	10,432,787	10,066,099
99.0	Reimbursable obligations.....	165,617	168,144	180,000	200,000
99.9	Total obligations.....	9,673,728	9,510,574	10,612,787	10,266,099

**Personnel Summary**

Total number of full-time permanent positions.....	2,120	2,314	2,318	2,305
Total compensable workyears:				
Full-time equivalent employment.....	2,762	2,695	2,725	2,713
Full-time equivalent of overtime and holiday hours.....	54	51	52	53

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE\***

\*See Part II for additional information.

For expenses necessary for basic and applied scientific research, development, test, and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; **[\$15,062,783,000]** **\$18,623,383,000**, to remain available for obligation until September 30, [1988; of the total amount available for obligation \$17,375,000 is available only for the Low Cost Seeker Program] 1989.

Further, for the foregoing purposes, \$17,728,571,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1990. (10 U.S.C. 174, 1581, 1584, 2271-79, 2352-54, 2386, 2663, 2672, 2672a, 8012, 9503-04, 9532; 42 U.S.C. 1891-92; 50 U.S.C. App. 2093(g); Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 57-3600-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
Program by activities:					
Direct program:					
00.01	Technology base.....	758,957	709,586	825,162	824,931
00.02	Advanced technology development.....	622,344	599,409	897,545	1,085,013
00.03	Strategic programs.....	4,907,089	6,024,929	8,179,390	9,045,874
00.04	Tactical programs.....	2,549,513	3,828,147	4,177,106	3,487,275
00.05	Intelligence and communications.....	2,191,736	2,161,094	2,557,611	1,868,163
00.06	Defensewide mission support..	1,962,625	1,918,514	1,642,608	1,492,911
00.91	Total direct program.....	12,992,264	15,241,679	18,279,422	17,804,167
01.01	Reimbursable program.....	1,637,531	1,863,160	2,068,148	2,206,998
10.00	Total obligations.....	14,629,795	17,104,839	20,347,570	20,011,165
Financing:					
Offsetting collections from:					
11.00	Federal funds.....	-1,566,672	-1,833,145	-2,037,513	-2,168,854
13.00	Trust funds.....	-59,699	-20,015	-18,635	-18,144
14.00	Non-Federal sources.....	-11,160	-10,000	-12,000	-20,000
17.00	Recovery of prior year obligations.....	-34,715			
Unobligated balance available, start of year:					
21.40	For completion of prior year budget plans.....	-1,484,651	-1,578,110	-1,725,192	-2,069,153
21.40	Available to finance new budget plans.....	-264,000	-181,000		
22.40	Unobligated balance transferred, net.....	18,564	-223,063		
23.40	Unobligated balance rescinded.....		167,000		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	85,684			
Unobligated balance available, end of year:					
24.40	For completion of prior year budget plans.....	1,578,110	1,725,192	2,069,153	1,993,557
24.40	Available to finance subsequent year budget plans.....	181,000			
25.00	Unobligated balance lapsing.....	37,213	11,874		
39.00	Budget authority.....	13,109,468	15,163,572	18,623,383	17,728,571
Budget authority:					
40.00	Appropriation.....	13,046,016	15,062,783	18,623,383	17,728,571
41.00	Transferred to other accounts.....	-30,000			
42.00	Transferred from other accounts.....	93,452	75,000		
43.00	Appropriation (adjusted).....	13,109,468	15,137,783	18,623,383	17,728,571
44.10	Supplemental for wage-board pay raises.....		35		

General and special funds—Continued

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	57-3600-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
44.20	Supplemental for civilian pay raises .....		271		
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		13,609		
50.00	Reappropriation .....		11,874		
Relation of obligations to outlays:					
71.00	Obligations incurred, net .....	12,992,264	15,241,679	18,279,422	17,804,167
72.40	Obligated balance, start of year .....	7,461,531	6,979,199	8,233,788	10,412,596
74.40	Obligated balance, end of year .....	-6,979,199	-8,233,788	-10,412,596	-10,980,253
77.00	Adjustments in expired accounts .....	-22,422			
78.00	Adjustments in unexpired accounts .....	-34,715			
89.00	Outlays .....	13,417,459	13,987,090	16,100,614	17,236,510
Outlays:					
90.00	Outlays, excluding pay and retirement supplementals .....	13,417,459	13,973,175	16,100,614	17,236,510
91.10	Outlays from wage-board pay raise supplemental .....		35		
91.20	Outlays from civilian pay raise supplemental .....		271		
91.40	Outlays from retirement contribution supplemental .....		13,609		

Budget Plan (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

Direct:					
07.01	Technology base .....	747,027	772,540	831,666	876,233
07.02	Advanced technology development .....	617,206	641,597	929,179	986,771
07.03	Strategic programs .....	4,974,078	6,006,106	8,435,403	8,137,069
07.04	Tactical programs .....	2,596,667	3,688,369	4,237,511	3,968,597
07.05	Intelligence and communications .....	2,204,013	2,319,382	2,587,055	2,266,731
07.06	Defensewide mission support .....	2,021,977	1,960,767	1,602,569	1,493,170
07.91	Total direct .....	13,160,968	15,388,761	18,623,383	17,728,571
08.01	Reimbursable .....	1,620,171	1,863,160	2,068,148	2,206,998
08.93	Total budget plan .....	14,781,139	17,251,921	20,691,531	19,935,569

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority .....	13,109,468	15,163,572	18,623,383	17,728,571
Outlays .....	13,417,459	13,987,090	16,100,614	17,236,510
Supplemental—additional authorizing legislation required:				
Budget authority .....		28,000		
Outlays .....		3,710	13,686	8,190
Total:				
Budget authority .....	13,109,468	15,191,572	18,623,383	17,728,571
Outlays .....	13,417,459	13,990,800	16,114,300	17,244,700

Object Classification (in thousands of dollars)

Identification code	57-3600-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:					
Personnel compensation:					
11.1	Full-time permanent .....	583,451	602,898	245,512	248,744
11.3	Other than full-time permanent .....	11,055	6,930	2,801	2,838
11.5	Other personnel compensation .....	19,297	13,678	5,646	5,720
11.9	Total personnel compensation .....	613,803	623,506	253,959	257,302
12.1	Personnel benefits: Civilian .....	71,764	69,298	28,208	28,581
21.0	Travel and transportation of persons .....	86,862	87,430	96,184	89,633
22.0	Transportation of things .....	1,316	2,741	3,015	2,810
23.2	Rental payments to others .....	67,121	67,371	74,117	69,069
24.0	Printing and reproduction .....	1,762	1,869	2,056	1,916

Other services:					
25.0	Purchases from industrial funds .....	46,063	46,617	51,284	47,791
25.0	Contracts .....	11,962,751	14,190,821	17,603,350	17,151,207
26.0	Supplies and materials .....	85,546	92,048	101,265	94,368
31.0	Equipment .....	55,276	59,978	65,984	61,490
99.0	Subtotal, direct obligations .....	12,992,264	15,241,679	18,279,422	17,804,167
99.0	Reimbursable obligations .....	1,637,531	1,863,160	2,068,148	2,206,998
99.9	Total obligations .....	14,629,795	17,104,839	20,347,570	20,011,165

Personnel Summary

Total number of full-time permanent positions .....	18,576	19,376	11,454	11,547
Total compensable workyears:				
Full-time equivalent employment .....	19,321	19,426	10,381	10,401
Full-time equivalent of overtime and holiday hours .....	287	287	286	288

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES\*

\*See Part II for additional information.

(INCLUDING TRANSFER OF FUNDS)

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test, and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law; **[\$6,742,091,000] \$8,811,532,000**, to remain available for obligation until September 30, **[1988: Provided**, That such amounts as may be determined by the Secretary of Defense to have been made available in other appropriations available to the Department of Defense during the current fiscal year for programs related to advanced research may be transferred to and merged with this appropriation to be available for the same purposes and time period: *Provided further*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to carry out the purposes of advanced research to those appropriations for military functions under the Department of Defense which are being utilized for related programs to be merged with and to be available for the same time period as the appropriation to which transferred: *Provided further*, That \$200,000,000 is available to the Secretary of Defense only for the Conventional Defense Initiatives (CDI) program, which shall include conventional defense initiatives and conventional applications of the technologies developed under the Strategic Defense Initiative (SDI): *Provided further*, That such funds shall be under the control and management of the Secretary of Defense, who, with the concurrence of the Joint Chiefs of Staff, shall develop a plan for the utilization of emerging technologies for conventional applications including such technologies applicable from the Strategic Defense Initiative: *Provided further*, That not more than \$100,000,000 of these funds shall be obligated or expended until the Secretary of Defense identifies the specific technology development efforts to be drawn from SDI, and the conventional defense applications for which they will be utilized. None of the restricted funds shall be obligated or expended until 15 days after the Secretary of Defense provides such notification to Congress, but not earlier than July 1, 1987: *Provided further*, That no portion of the \$200,000,000 made available to the Secretary of Defense be applied to any program, project, or activity in support of the Strategic Defense Initiative: *Provided further*, That \$55,000,000 of funds made available for the National Aerospace Plane (NASP) Program may not be obligated or expended until the Secretary of Defense certifies that the Department of Defense and the National Aeronautics and Space Administration (NASA) have negotiated revised funding arrangements for NASP development which significantly increase NASA investment as a percentage of total NASP research, development, test and evaluation costs and which incorporate mandatory industry investment out of private capital] 1989.

*Further, for the foregoing purposes, \$10,120,664,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1990.*

*Such amounts as may be determined by the Secretary of Defense to have been made available in other appropriations available to the Department of Defense during the current fiscal year or the following fiscal year, as appropriate, for programs related to advanced research*

may be transferred to and merged with either of the foregoing appropriations, as appropriate, to be available for the same purposes and time period as the appropriation to which transferred: Provided, That during their period of availability, such amounts of the foregoing appropriations as may be determined by the Secretary of Defense may be transferred to carry out the purposes of advanced research to those appropriations for military functions under the Department of Defense which are being utilized for related programs to be merged with and to be available for the same time period as the appropriation to which transferred. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 97-0400-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Technology base.....	856,676	902,234	854,944	1,018,993
00.02 Advanced technology development.....	2,872,784	3,563,799	5,580,366	6,622,620
00.03 Strategic programs.....	89,904	68,462	82,100	101,105
00.04 Tactical programs.....	558,135	332,364	162,480	145,640
00.05 Intelligence and communications.....	1,601,661	1,655,857	1,707,333	1,768,178
00.06 Defensewide mission support..	109,598	204,101	265,563	365,122
00.91 Total direct program.....	6,088,758	6,726,817	8,652,786	10,021,658
01.01 Reimbursable program.....	107,100	180,210	152,750	163,700
10.00 Total obligations.....	6,195,858	6,907,027	8,805,536	10,185,358
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-94,545	-180,050	-152,500	-163,400
13.00 Trust funds.....	-3,043			
14.00 Non-Federal sources.....	-9,087	-150	-250	-300
17.00 Recovery of prior year obligations.....	-21,221			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-365,495	-486,381	-513,575	-672,321
21.40 Available to finance new budget plans.....	-82,000	-48,400		
22.40 Unobligated balance transferred, net.....	63,082	-100,150		
23.40 Unobligated balance rescinded....		48,400		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance....	21,906			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	486,381	513,575	672,321	771,327
24.40 Available to finance subsequent year budget plans....	48,400			
25.00 Unobligated balance lapsing.....	9,917			
39.00 Budget authority.....	6,250,154	6,653,871	8,811,532	10,120,664
<b>Budget authority:</b>				
40.00 Appropriation.....	6,312,154	6,742,091	8,811,532	10,120,664
41.00 Transferred to other accounts....	-62,000	-93,500		
43.00 <b>Appropriation (adjusted).....</b>	<b>6,250,154</b>	<b>6,648,591</b>	<b>8,811,532</b>	<b>10,120,664</b>
44.10 <b>Supplemental for wage-board pay raises.....</b>		<b>2</b>		
44.20 <b>Supplemental for civilian pay raises.....</b>		<b>113</b>		
44.40 <b>Supplemental for retirement contributions (P.L. 99-335).....</b>		<b>5,165</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	6,089,183	6,726,827	8,652,786	10,021,658
72.40 Obligated balance, start of year..	2,120,950	3,048,406	3,565,563	4,869,936
74.40 Obligated balance, end of year....	-3,048,406	-3,565,563	-4,869,936	-5,904,549
77.00 Adjustments in expired accounts.....	2,737			
78.00 Adjustments in unexpired accounts.....	-21,221			
89.00 Outlays.....	5,143,245	6,209,670	7,348,413	8,987,045

Outlays:					
90.00	Outlays, excluding pay and retirement supplementals.....	5,143,245	6,204,390	7,348,413	8,987,045
91.10	Outlays from wage-board pay raise supplemental.....		2		
91.20	Outlays from civilian pay raise supplemental.....		113		
91.40	Outlays from retirement contribution supplemental.....		5,165		

**Budget Plan** (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

Direct:					
07.01	Technology base.....	894,956	818,279	923,854	1,022,364
07.02	Advanced technology development.....	2,876,475	3,740,864	5,574,808	6,704,523
07.03	Strategic programs.....	78,826	67,085	86,345	104,228
07.04	Tactical programs.....	644,919	261,095	167,315	144,012
07.05	Intelligence and communications.....	1,676,306	1,611,755	1,732,383	1,765,184
07.06	Defensewide mission support..	131,722	168,393	326,827	380,353
07.91	Total direct.....	6,303,204	6,667,471	8,811,532	10,120,664
08.01	Reimbursable.....	103,204	180,200	152,750	163,700
08.93	Total budget plan.....	6,406,408	6,847,671	8,964,282	10,284,364

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	6,250,154	6,653,871	8,811,532	10,120,664
Outlays.....	5,143,245	6,209,670	7,348,413	8,987,045
Supplemental—additional authorizing legislation required:				
Budget authority.....		518,000		
Outlays.....		64,130	245,687	167,055
Total:				
Budget authority.....	6,250,154	7,171,871	8,811,532	10,120,664
Outlays.....	5,143,245	6,273,800	7,594,100	9,154,100

**Object Classification** (in thousands of dollars)

Identification code 97-0400-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Direct obligations:</b>					
<b>Personnel compensation:</b>					
11.1	Full-time permanent.....	48,287	83,569	99,106	104,559
11.3	Other than full-time permanent.....	158	1,642	1,492	1,342
11.5	Other personnel compensation.....	701	1,417	1,699	1,793
11.8	Special personal services payments....	507	560	560	560
11.9	Total personnel compensation.....	49,653	87,188	102,857	108,254
12.1	Personnel benefits: Civilian.....	5,034	10,084	12,026	12,713
21.0	Travel and transportation of persons....	17,746	20,509	22,568	23,545
22.0	Transportation of things.....	392	923	1,241	1,209
23.1	Rental payments to GSA.....	4,891	3,090	3,430	3,490
23.2	Rental payments to others.....	10,488	14,160	15,923	16,993
23.3	Communications, utilities, and miscellaneous charges.....	12,747	9,945	14,674	13,060
24.0	Printing and reproduction.....	442	2,102	2,499	2,753
<b>Other services:</b>					
25.0	Purchases from industrial funds.....	53,878	57,650	61,685	66,000
25.0	Contracts.....	5,698,749	6,139,195	8,018,710	9,344,294
25.0	Other.....	102,765	219,048	230,115	251,157
26.0	Supplies and materials.....	16,986	18,484	19,916	20,483
31.0	Equipment.....	113,322	140,505	143,587	154,289
41.0	Grants, subsidies, and contributions....	1,665	3,934	3,555	3,418
99.0	Subtotal, direct obligations.....	6,088,758	6,726,817	8,652,786	10,021,658
99.0	Reimbursable obligations.....	107,100	180,210	152,750	163,700
99.9	Total obligations.....	6,195,858	6,907,027	8,805,536	10,185,358

**Personnel Summary**

Total number of full-time permanent positions.....	940	1,112	1,167	1,177
Total compensable workyears:				
Full-time equivalent employment.....	1,249	1,458	1,504	1,503
Full-time equivalent of overtime and holiday hours.....	15	18	18	18

General and special funds—Continued

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE\*

\*See Part II for additional information.

For expenses, not otherwise provided for, of independent activities of the Deputy Under Secretary of Defense, Developmental Test and Evaluation in the direction and supervision of developmental test and evaluation, including performance of joint developmental testing and evaluation; and administrative expenses in connection therewith; **[\$105,546,000] \$178,217,000**, to remain available for obligation until September 30, **[1988] 1989**.

Further, for the foregoing purposes, **\$186,128,000**, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1990. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0450-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Defensewide mission support—Total obligations.....	117,102	107,822	163,639	184,150
<b>Financing:</b>				
17.00 Recovery of prior year obligations.....	-959			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-21,668	-17,892	-29,976	-44,554
21.40 Available to finance new budget plans.....		-200		
23.40 Unobligated balance rescinded.....		200		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	1,062			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	17,892	29,976	44,554	46,532
24.40 Available to finance subsequent year budget plans.....	200			
25.00 Unobligated balance lapsing.....	289			
39.00 <b>Budget authority</b> .....	<b>113,918</b>	<b>119,906</b>	<b>178,217</b>	<b>186,128</b>
<b>Budget authority:</b>				
40.00 Appropriation.....	113,918	105,546	178,217	186,128
42.00 Transferred from other accounts.....		14,360		
43.00 <b>Appropriation (adjusted)</b> .....	<b>113,918</b>	<b>119,906</b>	<b>178,217</b>	<b>186,128</b>
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	117,102	107,822	163,639	184,150
72.40 Obligated balance, start of year.....	36,233	80,227	86,588	118,527
74.40 Obligated balance, end of year.....	-80,227	-86,588	-118,527	-137,138
77.00 Adjustments in expired accounts.....	-559			
78.00 Adjustments in unexpired accounts.....	-959			
90.00 <b>Outlays</b> .....	<b>71,589</b>	<b>101,461</b>	<b>131,700</b>	<b>165,539</b>

Budget Plan (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

07.06 Defensewide mission support—Total budget plan.....	113,718	119,906	178,217	186,128
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Object Classification (in thousands of dollars)

Identification code 97-0450-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	90	80	80	95
25.0 Contracts.....	1,050	3,350	3,550	3,850
25.0 Other services.....	115,962	104,392	160,009	180,205
99.9 Total obligations.....	117,102	107,822	163,639	184,150

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	113,918	119,906	178,217	186,128
Outlays.....	71,589	101,461	131,700	165,539

Supplemental—additional authorizing legislation required:

Budget authority.....	30,000			
Outlays.....	2,139	10,200	12,561	
<b>Total:</b>				
Budget authority.....	113,918	149,906	178,217	186,128
Outlays.....	71,589	103,600	141,900	178,100

OPERATIONAL TEST AND EVALUATION, DEFENSE\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; **[\$11,300,000] \$104,221,000**, to remain available for obligation until September 30, **[1988] 1989**.

Further, for the foregoing purposes, **\$149,657,000**, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1990. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 97-0460-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Defensewide mission support—Total obligations.....		10,170	94,929	145,113
<b>Financing:</b>				
Unobligated balance available, start of year:				
For completion of prior year budget plans.....				
24.40 Unobligated balance available, end of year:			-1,130	-10,422
For completion of prior year budget plans.....				
40.00 <b>Budget authority (appropriation)</b> .....	<b>11,300</b>	<b>104,221</b>	<b>149,657</b>	
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....		10,170	94,929	145,113
72.40 Obligated balance, start of year.....			6,950	66,419
74.40 Obligated balance, end of year.....		-6,950	-66,419	-114,392
90.00 <b>Outlays</b> .....		<b>3,220</b>	<b>35,460</b>	<b>97,140</b>

Budget Plan (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

07.06 Defensewide mission support—Total budget plan.....	11,300	104,221	149,657
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SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	11,300	104,221	149,657	
Outlays.....	3,220	35,460	97,140	
Supplemental—additional authorizing legislation required:				
Budget authority.....	46,000			
Outlays.....	3,280	15,640	19,260	
<b>Total:</b>				
Budget authority.....	57,300	104,221	149,657	
Outlays.....	6,500	51,100	116,400	

Object Classification (in thousands of dollars)

Identification code 97-0460-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
21.0 Travel and transportation of persons.....		75	80	85
25.0 Other services: Contracts.....		10,095	94,849	145,028
99.9 Total obligations.....		10,170	94,929	145,113

**MILITARY CONSTRUCTION**

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1988 and 1989, it presents, by budget activity, the value of the program requested for the life of these multiple-year appropriations, with comparable amounts in 1986 and 1987.

The direct military construction programs for the Armed Forces, both Active and Reserve, shown in the individual schedules of this title are summarized in the following table (in thousands of dollars):

MILITARY CONSTRUCTION PROGRAM				
	1986 actual	1987 est.	1988 est.	1989 est.
Active Forces.....	4,641,070	3,882,745	4,757,672	5,052,426
Reserve Forces.....	370,540	479,958	579,337	522,323
Interservice activities.....	211,998	786,170	1,295,200	1,350,000
Total.....	5,223,608	5,148,873	6,632,209	6,924,749

The 1988 and 1989 military construction programs will support new construction needed to accommodate force structure changes such as the Navy's strategic homeporting initiative and the Army's conversion to light infantry divisions. The Military Construction programs are also intended to provide facilities required as a result of new weapon systems entering the inventory including naval vessels, Ground Launched Cruise Missiles, Peacekeeper, and the Trident II Weapon System. The program continues initiatives to improve living and working conditions, to reduce operating costs, increase productivity, and conserve energy by upgrading or replacing facilities which have become functionally obsolete or can be made more efficient through relatively modest investments in improvements.

*Federal Funds*

**General and special funds:**

**MILITARY CONSTRUCTION, ARMY\***

\*See Part II for additional information.

**[(INCLUDING RESCISSION)]**

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, and for construction and operation of facilities in support of the functions of the Commander-in-Chief, **[\$1,260,110,000]** *\$1,191,700,000*, to remain available until September 30, **[1991]** *1992: Provided*, That of this amount, not to exceed **[\$131,000,000]** *\$133,120,000* shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the amount available for study, planning, design, architect and engineer services, \$1,000,000 shall be available for the design of facilities at Fort Benning, Georgia necessary due to the establishment of the United States Army School of the Americas at Fort Benning: *Provided further*, That of the funds available for obligation for "Military Construction, Army" under Public Law 99-173, \$36,400,000 is hereby rescinded. In addition, for construction at Fort Drum, New York, there is appropriated in advance to be available for obligation in fiscal year 1988, \$221,000,000, to remain available until September 30, 1992, and to be available for obligation in fiscal year 1989, \$214,000,000, to remain available until September 30, 1993].

*Further, for the foregoing purposes, \$1,273,300,000 to become available for obligation on October 1, 1988 and to remain available for*

*obligation until September 30, 1993: Provided, That of this amount, not to exceed \$131,710,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor. (10 U.S.C. 2675, 2802-05, 2807, 2828, 2851-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 21-2050-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
00.01 Major construction.....	1,671,014	795,391	1,124,219	1,195,793
00.02 Minor construction.....	20,958	22,680	14,799	18,390
00.03 Planning.....	176,222	133,259	130,928	140,876
00.04 Supporting activities.....	1,123	2,597		1,000
00.05 Historic facilities.....			6,000	6,000
00.91 Total direct program.....	1,869,317	953,927	1,275,946	1,362,059
01.01 Reimbursable program.....	1,718,538	1,781,000	1,852,000	1,926,000
10.00 Total obligations.....	3,587,855	2,734,927	3,127,946	3,288,059
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-1,616,539	-1,602,900	-1,666,800	-1,733,400
13.00 Trust funds.....	-46,797	-142,480	-148,160	-154,080
14.00 Non-Federal sources.....	-22,468	-35,620	-37,040	-38,520
17.00 Recovery of prior year obligations.....	-32,734			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-950,789	-522,141	-834,953	-971,707
21.40 Available to finance new budget plans.....		-36,400		
22.40 Unobligated balance transferred, net.....	-944			
23.40 Unobligated balance rescinded....		36,400		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance....	46,589			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	522,141	834,953	971,707	1,096,948
24.40 Available to finance subsequent year budget plans....	36,400			
25.00 Unobligated balance lapsing.....	1,721			
39.00 Budget authority.....	1,524,436	1,266,739	1,412,700	1,487,300
<b>Budget authority:</b>				
Current:				
40.00 Appropriation.....	1,524,436	1,260,110	1,191,700	1,273,300
42.00 Transferred from other accounts.....		2,400		
43.00 Appropriation (adjusted).....	1,524,436	1,262,510	1,191,700	1,273,300
44.10 Supplemental for wage-board pay raises.....		2		
44.20 Supplemental for civilian pay raises.....		91		
44.40 Supplemental for retirement contributions (P.L. 99-335).....		4,136		
Permanent:				
60.00 Appropriation (permanent indefinite).....			221,000	214,000
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	1,902,051	953,927	1,275,946	1,362,059
72.40 Obligated balance, start of year..	1,554,575	2,065,688	1,789,015	1,842,011
74.40 Obligated balance, end of year....	-2,065,688	-1,789,015	-1,842,011	-1,925,045
77.00 Adjustments in expired accounts.....	2,234			
78.00 Adjustments in unexpired accounts.....	-32,734			
89.00 Outlays.....	1,360,438	1,230,600	1,222,950	1,279,025

General and special funds—Continued

MILITARY CONSTRUCTION, ARMY—Continued

[(INCLUDING RESCISSION)]—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	21-2050-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
90.00	Outlays, excluding pay raise supplemental	1,360,438	1,226,371	1,222,950	1,279,025
91.10	Outlays from wage-board pay raise supplemental		2		
91.20	Outlays from civilian pay raise supplemental		91		
91.40	Outlays from retirement contribution supplemental		4,136		

Budget Plan (in thousands of dollars)

(amount for construction actions programmed)

Identification code	21-2050-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
07.01	Major construction	1,342,831	1,109,110	1,257,980	1,332,390
07.02	Minor construction	17,731	20,000	15,600	16,200
07.03	Planning	127,474	137,629	133,120	131,710
07.04	Supporting activities				1,000
07.05	Historic facilities			6,000	6,000
07.91	Total direct	1,488,036	1,266,739	1,412,700	1,487,300
08.01	Reimbursable	1,712,470	1,781,000	1,852,000	1,926,000
08.93	Total budget plan	3,200,506	3,047,739	3,264,700	3,413,300

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority	1,524,436	1,266,739	1,412,700	1,487,300
Outlays	1,360,438	1,230,600	1,222,950	1,279,025
Supplemental—additional authorizing legislation required:				
Budget authority		250,000		
Outlays		12,500	64,550	93,575
Total:				
Budget authority	1,524,436	1,516,739	1,412,700	1,487,300
Outlays	1,360,438	1,243,100	1,287,500	1,372,600

Object Classification (in thousands of dollars)

Identification code	21-2050-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
DEPARTMENT OF THE ARMY					
Direct obligations:					
Personnel compensation:					
11.1	Full-time permanent	67,194	52,262	51,018	57,937
11.3	Other than full-time permanent	12,436	9,647	9,453	10,735
11.5	Other personnel compensation	3,336	2,444	2,592	2,944
11.9	Total personnel compensation	82,966	64,353	63,063	71,616
12.1	Personnel benefits: Civilian	14,047	12,932	16,796	19,733
13.0	Benefits for former personnel		26	46	44
21.0	Travel and transportation of persons	6,000	4,542	4,369	4,744
22.0	Transportation of things	517	391	376	408
23.3	Communications, utilities, and miscellaneous charges	4,900	3,709	3,568	3,874
24.0	Printing and reproduction	1,500	1,136	1,093	1,187
Other services:					
25.0	Payments to foreign national indirect hire personnel	11,352	10,587	11,613	12,228
25.0	Other	460,000	348,220	334,988	363,730
26.0	Supplies and materials	2,234	1,691	1,627	1,767
31.0	Equipment	4,600	3,482	3,350	3,637
32.0	Lands and structures	1,280,080	500,261	835,057	878,091
99.0	Subtotal, direct obligations, Army	1,868,196	951,330	1,275,946	1,361,059
99.0	Reimbursable obligations, Army	1,718,538	1,781,000	1,852,000	1,926,000
ALLOCATION TO DEPARTMENT OF TRANSPORTATION					
Personnel compensation:					
11.1	Full-time permanent	49	50		51
11.5	Other personnel compensation	6	7		7
11.9	Total personnel compensation	55	57		58

12.1	Personnel benefits: Civilian	6	7		7
21.0	Travel and transportation of persons	7	7		7
22.0	Transportation of things		3		
25.0	Other services: Other	35	40		39
26.0	Supplies and materials	6	5		5
31.0	Equipment	3	4		4
32.0	Lands and structures	1,009	2,474		880
99.0	Subtotal, obligations, allocation accounts	1,121	2,597		1,000
99.9	Total obligations	3,587,855	2,734,927	3,127,946	3,288,059

Personnel Summary

DEPARTMENT OF THE ARMY				
Total number of full-time permanent positions	8,345	7,695	8,518	10,221
Total compensable workyears:				
Full-time equivalent employment	10,668	8,743	8,696	9,940
Full-time equivalent of overtime and holiday hours	289	279	279	323

ALLOCATION TO DEPARTMENT OF TRANSPORTATION

Total number of full-time permanent positions	2	2	2	2
Total compensable workyears: Full-time equivalent employment	2	2	2	2

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, **[\$1,876,715,000] \$1,844,072,000**, to remain available until September 30, **[1991] 1992**: *Provided*, That of this amount, not to exceed **[\$143,770,000] \$148,655,000** shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds available for obligation for "Military Construction, Navy" under Public Law 99-173, \$25,800,000 is hereby rescinded].

Further, for the foregoing purposes, **\$1,826,226,000**, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993: *Provided*, That of this amount, not to exceed **\$153,333,000** shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor. (10 U.S.C. 2675, 2802-05, 2807, 2828, 2851-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	17-1205-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Program by activities:					
Direct program:					
00.01	Major construction	1,323,548	1,197,739	1,531,481	1,598,937
00.02	Minor construction	13,774	13,075	15,626	19,380
00.03	Planning	163,356	144,128	146,270	153,240
00.04	Supporting activities	2,581	6,014	4,675	7,383
00.05	Historic facilities			6,700	7,040
00.91	Total direct program	1,503,259	1,360,956	1,704,752	1,785,980
01.01	Reimbursable program	253,293	355,800	355,800	355,800
10.00	Total obligations	1,756,552	1,716,756	2,060,552	2,141,780
Financing:					
Offsetting collections from:					
11.00	Federal funds	-206,333	-260,600	-260,600	-260,600
14.00	Non-Federal sources	-45,527	-95,200	-95,200	-95,200

17.00	Recovery of prior year obligations.....	-1,542			
	Unobligated balance available, start of year:				
21.40	For completion of prior year budget plans.....	-788,394	-842,412	-860,936	-1,000,256
21.40	Available to finance new budget plans.....		-25,800		
23.40	Unobligated balance rescinded.....		25,800		
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	38,631			
	Unobligated balance available, end of year:				
24.40	For completion of prior year budget plans.....	842,412	860,936	1,000,256	1,040,502
24.40	Available to finance subsequent year budget plans.....	25,800			
25.00	Unobligated balance lapsing.....	209			
39.00	<b>Budget authority.....</b>	<b>1,621,807</b>	<b>1,379,480</b>	<b>1,844,072</b>	<b>1,826,226</b>
	Budget authority:				
40.00	Appropriation.....	1,621,807	1,376,715	1,844,072	1,826,226
42.00	Transferred from other accounts.....		990		
43.00	<b>Appropriation (adjusted).....</b>	<b>1,621,807</b>	<b>1,377,705</b>	<b>1,844,072</b>	<b>1,826,226</b>
44.20	<b>Supplemental for civilian pay raises.....</b>		<b>39</b>		
44.40	<b>Supplemental for retirement contributions (P.L. 99-335).....</b>		<b>1,736</b>		
	Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,504,692	1,360,956	1,704,752	1,785,980
72.40	Obligated balance, start of year.....	1,377,343	1,526,903	1,469,359	1,699,811
74.40	Obligated balance, end of year.....	-1,526,903	-1,469,359	-1,699,811	-1,864,091
77.00	Adjustments in expired accounts.....	-1,227			
78.00	Adjustments in unexpired accounts.....	-1,542			
89.00	<b>Outlays.....</b>	<b>1,352,363</b>	<b>1,418,500</b>	<b>1,474,300</b>	<b>1,621,700</b>
	Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	1,352,363	1,416,725	1,474,300	1,621,700
91.20	Outlays from civilian pay raise supplemental.....		39		
91.40	Outlays from retirement contribution supplemental.....		1,736		

**Budget Plan** (in thousands of dollars)  
(amount for construction actions programmed)

	Direct:				
07.01	Major construction.....	1,448,835	1,215,310	1,658,117	1,637,759
07.02	Minor construction.....	13,028	15,000	16,500	16,300
07.03	Planning.....	131,843	143,770	148,655	153,333
07.04	Supporting activities.....	2,301	5,400	14,000	11,819
07.05	Historic facilities.....			6,800	7,015
07.91	Total direct.....	1,596,007	1,379,480	1,844,072	1,826,226
08.01	Reimbursable.....	244,604	355,800	355,800	355,800
08.93	Total budget plan.....	1,840,611	1,735,280	2,199,872	2,182,026

**Object Classification** (in thousands of dollars)

Identification code	17-1205-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
DEPARTMENT OF THE NAVY					
Direct obligations:					
Personnel compensation:					
11.1	Full-time permanent.....	74,344	79,062	80,963	79,825
11.3	Other than full-time permanent.....	3,376	8,441	11,086	11,137
11.5	Other personnel compensation.....	3,126	2,555	2,666	2,727
11.8	Special personal services payments.....	8			
11.9	Total personnel compensation.....	80,854	90,058	94,715	93,689
12.1	Personnel benefits: Civilian.....	14,998	15,150	20,043	20,650
21.0	Travel and transportation of persons.....	4,293	4,300	4,400	4,500
22.0	Transportation of things.....	3,055	3,100	3,700	4,100
23.2	Rental payments to others.....	6,727	7,000	7,500	8,200
24.0	Printing and reproduction.....	3,055	3,200	3,400	3,700

	Other services:				
25.0	Payments to foreign national indirect hire personnel.....	1,315	1,919	2,523	2,641
25.0	Contracts.....	33,902	30,600	37,800	41,500
26.0	Supplies and materials.....	2,576	2,700	2,800	3,200
31.0	Equipment.....	1,357	1,400	1,500	1,600
32.0	Lands and structures.....	1,348,546	1,195,515	1,521,696	1,594,817
99.0	Subtotal, direct obligations, Navy.....	1,500,678	1,354,942	1,700,077	1,778,597
99.0	Reimbursable obligations, Navy.....	253,293	355,800	355,800	355,800
ALLOCATION TO DEPARTMENT OF TRANSPORTATION					
Personnel compensation:					
11.1	Full-time permanent.....	22	22	22	22
11.3	Other than full-time permanent.....	11	11	11	11
11.5	Other personnel compensation.....	5	5	5	5
11.9	Total personnel compensation.....	38	38	38	38
12.1	Personnel benefits: Civilian.....	4	4	4	4
21.0	Travel and transportation of persons.....	23	23	23	23
22.0	Transportation of things.....	12	12	12	12
25.0	Other services: Other.....	125	125	125	125
26.0	Supplies and materials.....	4	4	4	4
32.0	Lands and structures.....	2,375	5,808	4,469	7,177
99.0	Subtotal, obligations, allocation accounts.....	2,581	6,014	4,675	7,383
99.9	Total obligations.....	1,756,552	1,716,756	2,060,552	2,141,780

**Personnel Summary**

DEPARTMENT OF THE NAVY					
Total number of full-time permanent positions.....	2,979	3,194	3,251	3,269	
Total compensable workyears:					
Full-time equivalent employment.....	3,445	3,565	3,755	3,807	
Full-time equivalent of overtime and holiday hours.....	100	56	62	63	
ALLOCATION TO DEPARTMENT OF TRANSPORTATION					
Total number of full-time permanent positions.....	1	1	1	1	
Total compensable workyears: Full-time equivalent employment.....	1	1	1	1	

**MILITARY CONSTRUCTION, AIR FORCE\***

\* See Part II for additional information.

**[(INCLUDING RESCISSION)]**

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, **[\$1,242,530,000]** \$1,500,900,000, to remain available until September 30, **[1991]** 1992: *Provided*, That of this amount, not to exceed **[\$117,260,000]** \$124,536,000, shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor: *Provided further*, That of the funds available for obligation for "Military Construction, Air Force" under Public Law 99-173, \$24,700,000 is hereby rescinded].

Further, for the foregoing purposes, \$1,738,900,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993: *Provided*, That of this amount, not to exceed \$141,733,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor. (10 U.S.C. 2675, 2802-05, 2807, 2828, 2852-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**General and special funds—Continued**  
**MILITARY CONSTRUCTION, AIR FORCE—Continued**  
**[(INCLUDING RESCISSION)]—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code 57-3300-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Major construction.....	1,476,410	1,320,610	1,370,625	1,519,331
00.02 Minor construction.....	17,946	8,551	7,472	12,000
00.03 Planning.....	148,342	99,000	106,967	115,000
00.04 Supporting activities.....	18,156	34,404	23,397	2,700
00.05 Historic facilities.....			500	500
00.91 Total direct program.....	1,660,854	1,462,565	1,508,961	1,649,531
01.01 Reimbursable program.....	5,834	9,000	7,000	5,000
10.00 Total obligations.....	1,666,688	1,471,565	1,515,961	1,654,531
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds.....	-5,484	-9,000	-7,000	-5,000
17.00 Recovery of prior year obligations.....	-4,083			
Unobligated balance available, start of year:				
21.40 For completion of prior year budget plans.....	-1,166,383	-989,138	-769,103	-761,042
21.40 Available to finance new budget plans.....		-24,700		
23.40 Unobligated balance rescinded.....		24,700		
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	57,153			
Unobligated balance available, end of year:				
24.40 For completion of prior year budget plans.....	989,138	769,103	761,042	850,411
24.40 Available to finance subsequent year budget plans.....	24,700			
25.00 Unobligated balance lapsing.....	19,997			
40.00 Budget authority (appropriation).....	1,581,727	1,242,530	1,500,900	1,738,900
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	1,661,204	1,462,565	1,508,961	1,649,531
72.40 Obligated balance, start of year..	1,616,285	1,753,744	1,729,354	1,775,150
74.40 Obligated balance, end of year....	-1,753,744	-1,729,354	-1,775,150	-1,947,846
77.00 Adjustments in expired accounts.....	5,301			
78.00 Adjustments in unexpired accounts.....	-4,083			
90.00 Outlays.....	1,524,964	1,486,955	1,463,165	1,476,835

**Budget Plan (in thousands of dollars)**  
(amount for construction actions programmed)

Direct:	1986 actual	1987 est.	1988 est.	1989 est.
07.01 Major construction.....	1,375,932	1,076,570	1,353,464	1,580,167
07.02 Minor construction.....	14,285	16,000	16,000	16,500
07.03 Planning.....	127,596	117,260	124,536	141,733
07.04 Supporting activities.....	39,214	32,700	4,100	
07.05 Historic facilities.....			2,800	500
07.91 Total direct.....	1,557,027	1,242,530	1,500,900	1,738,900
08.01 Reimbursable.....	1,826	9,000	7,000	5,000
08.93 Total budget plan.....	1,558,853	1,251,530	1,507,900	1,743,900

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.	1989 est.
Enacted/requested:				
Budget authority.....	1,581,727	1,242,530	1,500,900	1,738,900
Outlays.....	1,524,964	1,486,955	1,463,165	1,476,835
Rescission proposal:				
Budget authority.....		-2,750		
Outlays.....		-355	-1,265	-535
Total:				
Budget authority.....	1,581,727	1,239,780	1,500,900	1,738,900
Outlays.....	1,524,964	1,486,600	1,461,900	1,476,300

**Object Classification (in thousands of dollars)**

Identification code 57-3300-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>DEPARTMENT OF THE AIR FORCE</b>				
<b>Direct obligations:</b>				
25.0 Other services: Other.....	9,500	9,000	7,000	5,000
32.0 Lands and structures.....	155,694	95,253	116,147	85,885
99.0 Subtotal, direct obligations, Air Force.....	165,194	104,253	123,147	90,885
99.0 Reimbursable obligations, Air Force.....	5,834	9,000	7,000	5,000
<b>ALLOCATION ACCOUNTS</b>				
25.0 Other services: Other.....	126,550	122,415	117,535	127,488
32.0 Lands and structures.....	1,369,110	1,235,897	1,268,279	1,431,158
99.0 Subtotal, obligations, allocation accounts.....	1,495,660	1,358,312	1,385,814	1,558,646
99.9 Total obligations.....	1,666,688	1,471,565	1,515,961	1,654,531
Obligations are distributed as follows:				
<b>Defense—Military:</b>				
Army.....	1,192,660	1,070,431	1,084,728	1,290,430
Navy.....	284,978	243,477	276,543	265,516
Air Force.....	171,028	123,253	130,147	95,885
Department of Transportation.....	18,022	34,404	24,543	2,700

**MILITARY CONSTRUCTION, DEFENSE AGENCIES**

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law **[\$534,170,000]** **\$859,200,000**, to remain available until September 30, **[1991] 1992: Provided, [That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: Provided further,] That of the amount appropriated, not to exceed [83,000,000] \$62,800,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.**

*Further, for the foregoing purposes, \$897,900,000, to become available for obligation on October 1, 1988, and to remain available for obligation until September 30, 1993: Provided, That of this amount, not to exceed \$69,700,000, shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.*

*During their period of availability, such amounts of the foregoing appropriations as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred. (10 U.S.C. 2802-05, 2807, 2852-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 97-0500-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Major construction.....	210,442	342,924	585,911	765,367
00.02 Minor construction.....	6,794	4,145	6,568	4,350
00.03 Planning.....	32,070	54,087	62,788	33,463
00.05 Historic facilities.....			1,500	1,200
00.91 Total direct program (object class 32.0).....	249,306	401,156	656,767	804,380

10.00	Total obligations.....	253,306	401,156	656,767	804,380
<b>Financing:</b>					
11.00	Offsetting collections from: Federal funds.....	-4,000			
17.00	Recovery of prior year obligations.....	-14,072			
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-277,041	-193,648	-326,662	-529,095
22.40	Unobligated balance transferred, net.....	944			
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	13,575			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	193,648	326,662	529,095	622,615
25.00	Unobligated balance lapsing.....	6,127			
40.00	<b>Budget authority (appropriation).....</b>	<b>172,488</b>	<b>534,170</b>	<b>859,200</b>	<b>897,900</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	249,306	401,156	656,767	804,380
72.40	Obligated balance, start of year.....	418,384	391,783	533,739	847,506
74.40	Obligated balance, end of year.....	-391,783	-533,739	-847,506	-1,148,086
77.00	Adjustments in expired accounts.....	1,917			
78.00	Adjustments in unexpired accounts.....	-14,072			
90.00	Outlays.....	263,751	259,200	343,000	503,800

**Budget Plan** (in thousands of dollars)  
(amount for construction actions programmed)

<b>Direct:</b>					
07.01	Major construction.....	143,772	447,170	784,900	817,000
07.02	Minor construction.....	2,568	4,000	10,000	10,000
07.03	Planning.....	26,148	83,000	62,800	69,700
07.05	Historic facilities.....			1,500	1,200
07.91	Total direct.....	172,488	534,170	859,200	897,900
08.01	Reimbursable.....	4,000			
08.93	Total budget plan.....	176,488	534,170	859,200	897,900

**NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE**

For the United States share of the cost of North Atlantic Treaty Organization Infrastructure programs for the acquisition of personal property, for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in military construction Acts and section 2806 of title 10, United States Code, [ \$232,000,000 ] \$396,000,000, to remain available until expended.

Further, for the foregoing purposes, \$412,100,000, to become available for obligation on October 1, 1988 and to remain available for obligation until expended. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	97-0804-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Total obligations (object class 32.0).....	335,426	310,446	299,182	388,000
<b>Financing:</b>					
14.00	Offsetting collections from: Non-Federal sources.....	-36,461	-40,000	-40,000	-40,000
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-410,182	-100,628	-62,182	-199,000
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	20,099			

24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	100,628	62,182	199,000	263,100
40.00	<b>Budget authority (appropriation).....</b>	<b>9,510</b>	<b>232,000</b>	<b>396,000</b>	<b>412,100</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	298,965	270,446	259,182	348,000
72.40	Obligated balance, start of year.....	371,558	490,960	601,406	700,588
74.40	Obligated balance, end of year.....	-490,960	-601,406	-700,588	-888,588
90.00	Outlays.....	179,564	160,000	160,000	160,000

**Budget Plan** (in thousands of dollars)  
(amount for construction actions programmed)

07.01	Total budget plan.....	45,971	272,000	436,000	452,100
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**MILITARY CONSTRUCTION, ARMY NATIONAL GUARD**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, [ \$140,879,000 ] \$170,400,000, to remain available until September 30, [ 1991 ] 1992.

Further, for the foregoing purposes, \$161,100,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	21-2085-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Major construction.....	74,070	111,775	144,863	137,613
00.02	Minor construction.....	13,905	5,013	5,400	6,623
00.03	Planning.....	9,349	20,500	13,237	15,486
10.00	Total obligations.....	97,324	137,288	163,500	159,722
<b>Financing:</b>					
17.00	Recovery of prior year obligations.....	-1,171			
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-11,705	-12,138	-15,729	-22,629
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	574			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	12,138	15,729	22,629	24,007
25.00	Unobligated balance lapsing.....	37			
40.00	<b>Budget authority (appropriation).....</b>	<b>97,197</b>	<b>140,879</b>	<b>170,400</b>	<b>161,100</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	97,324	137,288	163,500	159,722
72.40	Obligated balance, start of year.....	114,314	111,491	155,279	195,179
74.40	Obligated balance, end of year.....	-111,491	-155,279	-195,179	-202,101
77.00	Adjustments in expired accounts.....	-218			
78.00	Adjustments in unexpired accounts.....	-1,171			
90.00	Outlays.....	98,757	93,500	123,600	152,800

**Budget Plan** (in thousands of dollars)  
(amount for construction actions programmed)

07.01	Major construction.....	71,097	117,232	151,139	139,233
07.02	Minor construction.....	14,308	4,647	5,400	6,200
07.03	Planning.....	11,792	19,000	13,861	15,667
08.93	Total budget plan.....	97,197	140,879	170,400	161,100

**Object Classification** (in thousands of dollars)

Identification code	21-2085-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
25.0	Other services: Other.....	40,315	8,715	12,122	14,422
26.0	Supplies and materials.....		73	80	86
31.0	Equipment.....		27	30	35

General and special funds—Continued

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	21-2085-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
32.0	Lands and structures.....	57,009	128,473	151,268	145,179
99.9	Total obligations.....	97,324	137,288	163,500	159,722

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, **[\$148,925,000]** \$160,800,000, to remain available until September 30, **[1991]** 1992. [In addition, notwithstanding any other provision of law, \$5,000,000 shall be available only for transfer in fiscal year 1988 to the Federal Highway Administration of the Department of Transportation as the first increment of a four year program for construction of a defense access road under title 23, United States Code, section 210 at Greater Pittsburgh ANG base; and, notwithstanding any other provision of law, the Secretary of the Air Force may assure the Secretary of Transportation that funds will be provided for the remaining three annual increments of \$5,000,000 each.]

Further, for the foregoing purposes, \$137,000,000 to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	57-3830-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Major construction.....	149,085	151,341	142,795	121,610
00.02	Minor construction.....	4,694	2,200	2,470	2,136
00.03	Planning.....	12,248	5,920	15,054	15,735
10.00	Total obligations.....	166,027	159,461	160,319	139,481
<b>Financing:</b>					
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-102,582	-46,633	-36,097	-36,578
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	5,027			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	46,633	36,097	36,578	34,097
25.00	Unobligated balance lapsing.....	204			
40.00	Budget authority (appropriation).....	115,309	148,925	160,800	137,000
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	166,027	159,461	160,319	139,481
72.40	Obligated balance, start of year.....	117,849	152,408	189,669	206,488
74.40	Obligated balance, end of year.....	-152,408	-189,669	-206,488	-200,769
77.00	Adjustments in expired accounts.....	-50			
90.00	Outlays.....	131,418	122,200	143,500	145,200

Budget Plan (in thousands of dollars)

(amounts for construction actions programmed)

07.01	Major construction.....	101,634	131,375	144,815	123,040
07.02	Minor construction.....	4,495	2,130	2,202	2,300
07.03	Planning.....	9,180	15,420	13,783	11,660
08.93	Total budget plan.....	115,309	148,925	160,800	137,000

Object Classification (in thousands of dollars)

Identification code	57-3830-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>DEPARTMENT OF THE AIR FORCE</b>					
25.0	Other services: Contracts.....	9,664	9,320	14,054	14,335
32.0	Lands and structures.....	144,836	139,141	130,265	101,746
99.0	Subtotal, direct obligations, Air Force.....	154,500	148,461	144,319	116,081
<b>ALLOCATION ACCOUNTS</b>					
25.0	Other services: Contracts.....	2,584	1,000	1,000	1,400
32.0	Lands and structures.....	8,943	10,000	15,000	22,000
99.0	Subtotal, obligations, allocation accounts.....	11,527	11,000	16,000	23,400
99.9	Total obligations.....	166,027	159,461	160,319	139,481
<b>Obligations are distributed as follows:</b>					
	Army.....	30	5,000	1,500	400
	Navy.....	11,497	6,000	14,500	23,000
	Air Force.....	154,500	148,461	144,319	116,081

MILITARY CONSTRUCTION, ARMY RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts, **[\$86,700,000]** \$95,100,000, to remain available until September 30, **[1991]** 1992.

Further, for the foregoing purposes, \$108,000,000 to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	21-2086-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Major construction.....	51,801	69,202	80,902	91,661
00.02	Minor construction.....	3,547	1,341	1,910	1,780
00.03	Planning.....	9,557	11,599	10,033	11,868
10.00	Total obligations.....	64,905	82,142	92,845	105,309
<b>Financing:</b>					
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-21,548	-12,634	-17,246	-19,501
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	1,056			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	12,634	17,246	19,501	22,192
25.00	Unobligated balance lapsing.....	1,293			
39.00	Budget authority.....	58,340	86,754	95,100	108,000
<b>Budget authority:</b>					
40.00	Appropriation.....	58,340	86,700	95,100	108,000
44.20	Supplemental for civilian pay raises.....		1		
44.40	Supplemental for retirement contributions (P.L. 99-335).....		53		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	64,905	82,142	92,845	105,309
72.40	Obligated balance, start of year.....	50,945	56,139	73,681	85,426
74.40	Obligated balance, end of year.....	-56,139	-73,681	-85,426	-100,235
77.00	Adjustments in expired accounts.....	-103			
89.00	Outlays.....	59,608	64,600	81,100	90,500
<b>Outlays:</b>					
90.00	Outlays, excluding pay and retirement supplements.....	59,608	64,546	81,100	90,500
91.20	Outlays from civilian pay raise supplemental.....		1		
91.40	Outlays from retirement contribution supplemental.....		53		

**Budget Plan** (in thousands of dollars)  
(amount for construction actions programmed)

07.01	Major construction.....	45,897	74,300	84,200	95,500
07.02	Minor construction.....	3,253	1,100	1,600	1,700
07.03	Planning.....	9,190	11,354	9,300	10,800
08.93	Total budget plan.....	58,340	86,754	95,100	108,000

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.	
21-2086-0-1-051					
11.1	Personnel compensation: Full-time permanent.....	3,852	3,469	3,503	3,481
12.1	Personnel benefits: Civilian.....	458	498	550	571
21.0	Travel and transportation of persons.....	176	225	260	320
22.0	Transportation of things.....	6	2	3	3
23.1	Rental payments to GSA.....	132	66	70	85
24.0	Printing and reproduction.....	41	85	98	120
25.0	Other services: Other.....	13,661	12,480	15,034	16,929
26.0	Supplies and materials.....	77	108	120	140
31.0	Equipment.....	6	3	5	5
32.0	Lands and structures.....	46,496	65,206	73,202	83,655
99.9	Total obligations.....	64,905	82,142	92,845	105,309

**Personnel Summary**

Total number of full-time permanent positions.....	99	121	121	121
Total compensable workyears:				
Full-time equivalent employment.....	141	119	119	119
Full-time equivalent of overtime and holiday hours.....	5	2	2	2

**MILITARY CONSTRUCTION, NAVAL RESERVE**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 133 of title 10, United States Code, and military construction authorization Acts; **[\$44,500,000]** \$73,737,000, to remain available until September 30, **[1991]** 1992.

Further, for the foregoing purposes, \$56,923,000, to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.	
17-1235-0-1-051					
<b>Program by activities:</b>					
00.01	Major construction.....	27,494	38,984	58,165	49,174
00.02	Minor construction.....	1,071	1,995	865	1,230
00.03	Planning.....	4,200	6,182	4,762	5,431
10.00	Total obligations.....	32,765	47,161	63,792	55,835
<b>Financing:</b>					
17.00	Recovery of prior year obligations.....	-4			
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-18,883	-24,900	-22,239	-32,184
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	925			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	24,900	22,239	32,184	33,272
25.00	Unobligated balance lapsing.....	48			
40.00	Budget authority (appropriation).....	39,752	44,500	73,737	56,923
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	32,765	47,161	63,792	55,835
72.40	Obligated balance, start of year.....	48,347	38,525	42,486	57,778
74.40	Obligated balance, end of year.....	-38,525	-42,486	-57,778	-54,513
77.00	Adjustments in expired accounts.....	5			
78.00	Adjustments in unexpired accounts.....	-4			
90.00	Outlays.....	42,588	43,200	48,500	59,100

**Budget Plan** (in thousands of dollars)  
(amounts for construction actions programmed)

07.01	Major construction.....	34,240	37,700	67,467	49,800
07.02	Minor construction.....	1,479	1,500	1,500	1,660
07.03	Planning.....	4,033	5,300	4,770	5,463
08.93	Total budget plan.....	39,752	44,500	73,737	56,923

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.	
17-1235-0-1-051					
<b>Other services:</b>					
25.0	Contracts.....	1,443	1,886	2,552	2,233
25.0	Other.....	361	450	702	614
32.0	Lands and structures.....	30,961	44,825	60,538	52,988
99.9	Total obligations.....	32,765	47,161	63,792	55,835

**MILITARY CONSTRUCTION, AIR FORCE RESERVE**

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 133 of title 10, United States Code, and military construction authorization acts, **[\$58,900,000]** \$79,300,000, to remain available until September 30, **[1991]** 1992.

Further, for the foregoing purposes, \$59,300,000 to become available for obligation on October 1, 1988 and to remain available for obligation until September 30, 1993. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.	
57-3730-0-1-051					
<b>Program by activities:</b>					
00.01	Major construction.....	63,982	50,035	66,704	53,327
00.02	Minor construction.....	2,616	3,393	2,687	2,951
00.03	Planning.....	5,171	5,108	4,785	6,200
10.00	Total obligations.....	71,769	58,536	74,176	62,478
<b>Financing:</b>					
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-33,721	-20,140	-20,504	-25,628
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	1,652			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	20,140	20,504	25,628	22,450
25.00	Unobligated balance lapsing.....	103			
40.00	Budget authority (appropriation).....	59,942	58,900	79,300	59,300
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	71,769	58,536	74,176	62,478
72.40	Obligated balance, start of year.....	49,589	67,654	65,190	77,066
74.40	Obligated balance, end of year.....	-67,654	-65,190	-77,066	-70,044
77.00	Adjustments in expired accounts.....	-3			
90.00	Outlays.....	53,700	61,000	62,300	69,500

**Budget Plan** (in thousands of dollars)  
(amount for construction actions programmed)

07.01	Major construction.....	53,260	49,760	70,482	51,865
07.02	Minor construction.....	1,909	2,580	2,688	2,852
07.03	Planning.....	4,773	6,560	6,130	4,583
08.93	Total budget plan.....	59,942	58,900	79,300	59,300

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.	
57-3730-0-1-051					
<b>DEPARTMENT OF THE AIR FORCE</b>					
25.0	Other services: Contracts.....	621	204	249	377

General and special funds—Continued  
MILITARY CONSTRUCTION, AIR FORCE RESERVE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 57-3730-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
32.0 Lands and structures.....	7,553	5,884	7,688	6,089
99.0 Subtotal, direct obligations, Air Force	8,174	6,088	7,937	6,466
ALLOCATION ACCOUNTS				
25.0 Other services: Contracts.....	4,551	4,904	4,725	5,906
32.0 Lands and structures.....	59,044	47,544	61,514	50,106
99.0 Subtotal, obligations, allocation accounts.....	63,595	52,448	66,239	56,012
99.9 Total obligations.....	71,769	58,536	74,176	62,478
Obligations are distributed as follows: Defense—				
Military:				
Army.....	57,996	48,771	64,753	52,945
Navy.....	5,599	3,677	1,486	3,067
Air Force.....	8,174	6,088	7,937	6,466

FAMILY HOUSING, DEFENSE

These appropriations finance all costs associated with construction, improvements, operations, maintenance and leasing of all military family housing. The family housing indebtedness information schedules show the status of indebtedness assumed by each military department to acquire family housing for assignment as public quarters. The program contains initiatives to reduce operating costs and conserve energy by upgrading or replacing facilities which can be made more efficient through relatively modest investments in improvements.

The budget plan for each appropriation is shown as a separate table immediately following the program and financing schedules for those appropriations that are available for obligation for more than one year. In 1988 and 1989, it presents, by budget activity, the value of the program requested for the life of these multiple-year appropriations, with comparable amounts in 1986 and 1987.

Federal Funds

General and special funds:

FAMILY HOUSING, ARMY

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for construction, **[\$379,680,000]** \$457,476,000; for operation and maintenance, **[\$1,209,914,000]** \$1,278,277,000; for debt payment, **[\$8,063,000]** \$2,906,000; in all **[\$1,597,657,000]** \$1,738,659,000. Provided, That the amount provided for construction shall remain available until September 30, **[1991]** 1992.

Further, for the foregoing purposes, as follows: for Construction \$455,178,000; for Operation and maintenance; \$1,419,011,000; for debt payment \$451,000; in all \$1,874,640,000, to become available for obligation on October 1, 1988: Provided, That the amount provided for construction shall remain available until September 30, 1993. (10 U.S.C. 2824, 2827-29, 2831, 2851-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 21-0702-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Construction:				
01.01 Construction of new housing.....	125,218	207,680	237,657	238,200
01.02 Construction improvements.....	103,159	98,050	155,300	175,410
01.03 Planning.....	10,898	23,150	21,900	21,900
01.91 Total construction.....	239,275	328,880	414,857	435,510
Operation, maintenance, and interest payment:				
Operation:				
02.01 Operating expenses.....	466,417	482,959	558,085	601,856
02.02 Leasing.....	111,169	158,400	180,130	198,569
02.03 Maintenance of real property.....	526,459	569,000	540,062	618,586
02.04 Interest payments.....	876	347	120	50
02.05 Mortgage insurance premiums.....	65	70	40	30
02.91 Total operation, maintenance, and interest payment.....	1,104,986	1,210,776	1,278,437	1,419,091
03.01 Reimbursable program.....	11,233	14,200	14,800	15,200
10.00 Total obligations.....	1,355,494	1,553,856	1,708,094	1,869,801
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-2,144	-4,000	-4,400	-4,600
13.00 Trust funds.....	-2	-20	-20	-20
14.00 Non-Federal sources.....	-9,087	-10,180	-10,380	-10,580
21.40 Unobligated balance available, start of year: For completion of prior year budget plans.....	-112,218	-116,054	-166,854	-209,473
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance....	5,499			
24.40 Unobligated balance available, end of year: For completion of prior year budget plans.....	116,054	166,854	209,473	229,141
25.00 Unobligated balance lapsing.....	6,431			
39.00 Budget authority.....	1,360,026	1,590,456	1,735,913	1,874,269
Budget authority:				
40.00 Appropriation.....	1,375,089	1,597,657	1,738,659	1,874,640
40.47 Portion applied to debt reduction	-15,063	-7,646	-2,746	-371
43.00 Appropriation (adjusted).....	1,360,026	1,590,011	1,735,913	1,874,269
44.10 Supplemental for wage-board pay raises.....		4		
44.20 Supplemental for civilian pay raises.....		6		
44.40 Supplemental for retirement contributions (P.L. 99-335).....		435		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	1,344,261	1,539,656	1,693,294	1,854,601
72.40 Obligated balance, start of year..	779,158	754,197	977,353	1,199,647
74.40 Obligated balance, end of year....	-754,197	-977,353	-1,199,647	-1,372,848
77.00 Adjustments in expired accounts.	-23,988			
89.00 Outlays.....	1,345,233	1,316,500	1,471,000	1,681,400
Outlays:				
90.00 Outlays, excluding pay and retirement supplementals.....	1,345,233	1,316,055	1,471,000	1,681,400
91.10 Outlays from wage-board pay raise supplemental.....		4		
91.20 Outlays from civilian pay raise supplemental.....		6		
91.40 Outlays from retirement contribution supplemental.....		435		
<b>Budget Plan (in thousands of dollars)</b>				
Direct:				
Construction:				
06.01 Construction of new housing.....	137,882	222,680	290,690	282,210
06.02 Construction improvements.....	97,002	135,000	144,886	152,968

06.03	Planning.....	14,265	22,000	21,900	20,000
06.91	Total construction.....	249,149	379,680	457,476	455,178
	Operation, maintenance, and interest payment:				
	Operation:				
07.01	Operating expenses.....	466,417	482,959	558,085	601,856
07.02	Leasing.....	111,169	158,400	180,130	198,569
07.03	Maintenance of real property.....	526,459	569,000	540,062	618,586
07.04	Interest payments.....	876	347	120	50
07.05	Mortgage insurance premiums.....	65	70	40	30
07.91	Total operation, maintenance, and interest payment.....	1,104,986	1,210,776	1,278,437	1,419,091
08.01	Reimbursable.....	11,233	14,200	14,800	15,200
08.93	Total budget plan.....	1,365,368	1,604,656	1,750,713	1,889,469

**Object Classification (in thousands of dollars)**

Identification code 21-0702-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Direct obligations:</b>					
11.1	Personnel compensation: Full-time permanent.....	14,421	13,994	14,451	14,674
11.3	Other than full-time permanent.....	9,613	8,927	9,219	9,361
11.5	Other personnel compensation.....	1,265	1,206	1,247	1,265
11.9	Total personnel compensation.....	25,299	24,127	24,917	25,300
12.1	Personnel benefits: Civilian.....	4,129	4,303	5,645	6,338
13.0	Benefits for former personnel.....	62	69	66	72
21.0	Travel and transportation of persons.....	1,014	2,000	2,000	2,000
22.0	Transportation of things.....	8,767	8,000	9,000	10,000
23.2	Rental payments to others.....	292,538	329,423	370,281	412,274
24.0	Printing and reproduction.....	113	1,000	1,000	1,000
<b>Other services:</b>					
25.0	Payments to foreign national indirect hire personnel.....	19,509	30,425	39,722	42,779
25.0	Purchases from industrial funds.....	5,321	5,000	6,000	7,000
25.0	Contracts.....	339,190	371,683	378,709	433,961
25.0	Other.....	371,290	319,096	315,724	342,995
26.0	Supplies and materials.....	34,539	110,000	120,000	130,000
31.0	Equipment.....	2,274	5,244	5,213	5,292
32.0	Lands and structures.....	239,275	328,880	414,857	435,510
43.0	Interest and dividends.....	941	406	160	80
99.0	Subtotal, direct obligations.....	1,344,261	1,539,656	1,693,294	1,854,601
99.0	Reimbursable obligations.....	11,233	14,200	14,800	15,200
99.9	Total obligations.....	1,355,494	1,553,856	1,708,094	1,869,801

**Personnel Summary**

Total number of full-time permanent positions.....	899	972	978	998
Total compensable workyears:				
Full-time equivalent employment.....	1,315	1,221	1,239	1,262
Full-time equivalent of overtime and holiday hours.....	19	31	33	34

**STATEMENT OF FAMILY HOUSING INDEBTEDNESS, ARMY**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.	1989 est.
Remaining debt, start of year.....	27,346	12,287	3,934	1,188
Less:				
Debt retirement:				
(a) During year.....	15,059	7,646	2,746	371
(b) Adjustment of prior years.....		707		
Remaining debt, end of year.....	12,287	3,934	1,188	817

**FAMILY HOUSING, NAVY AND MARINE CORPS**

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, **[\$171,392,000] \$255,224,000**; for Operation and maintenance, **[\$528,230,000] \$541,790,000**; for debt payment, **[\$9,071,000] \$2,022,000**; in all **[\$708,693,000] \$799,036,000**. *Provided,*

That the amount provided for construction shall remain available until September 30, [1991] 1992.

Further, for the foregoing purposes, as follows: for Construction **\$255,300,000**; for Operation and maintenance; **\$566,896,000**; for debt payment **\$299,000**; in all **\$822,495,000**, to become available for obligation on October 1, 1988: *Provided, That the amount provided for construction shall remain available until September 30, 1993. (10 U.S.C. 2824, 2827-29, 2831, 2851-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 17-0703-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Program by activities:</b>					
<b>Direct program:</b>					
<b>Construction:</b>					
01.01	Construction of new housing.....	81,378	106,193	172,056	165,479
01.02	Construction improvements.....	32,751	41,516	46,181	66,079
01.03	Planning.....	10,538	7,746	9,787	6,785
01.91	Total construction.....	124,667	155,455	228,024	238,343
<b>Operation, maintenance, and interest payment:</b>					
<b>Operation:</b>					
02.01	Operating expenses.....	248,219	249,371	267,006	277,159
02.02	Leasing.....	17,518	18,859	36,567	42,416
02.03	Maintenance of real property.....	228,498	260,000	238,217	247,321
02.04	Interest payments.....	820	268	42	2
02.05	Mortgage insurance premiums.....	244	190	179	169
02.91	Total operation, maintenance, and interest payment.....	495,299	528,688	542,011	567,067
03.01	Reimbursable program.....	11,218	12,534	12,987	13,241
10.00	Total obligations.....	631,184	696,677	783,022	818,651
<b>Financing:</b>					
11.00	Offsetting collections from: Federal funds.....	-11,218	-12,534	-12,987	-13,241
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-52,550	-58,005	-73,942	-101,142
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	2,575			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	58,005	73,942	101,142	118,099
25.00	Unobligated balance lapsing.....	4,606			
30.00	Deficiency.....	-59			
39.00	<b>Budget authority.....</b>	<b>632,544</b>	<b>700,080</b>	<b>797,235</b>	<b>822,367</b>
<b>Budget authority:</b>					
40.00	Appropriation.....	648,788	708,693	799,036	822,495
40.47	Portion applied to debt reduction.....	-16,244	-8,613	-1,801	-128
43.00	<b>Appropriation (adjusted).....</b>	<b>632,544</b>	<b>700,080</b>	<b>797,235</b>	<b>822,367</b>
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	619,966	684,143	770,035	805,410
72.40	Obligated balance, start of year.....	471,203	451,170	489,113	575,748
74.40	Obligated balance, end of year.....	-451,170	-489,113	-575,748	-627,258
77.00	Adjustments in expired accounts.....	-3,919			
83.00	Prior year deficiencies, start of year.....		-59	-59	-59
84.00	Prior year deficiencies, end of year.....		59	59	59
90.00	Outlays.....	636,080	646,200	683,400	753,900

**Budget Plan (in thousands of dollars)**

<b>Direct:</b>					
<b>Construction:</b>					
06.01	Construction of new housing.....	94,013	120,812	200,033	186,296
06.02	Construction improvements.....	32,353	48,580	48,943	62,689
06.03	Planning.....	6,590	2,000	6,248	6,315
06.91	Total construction.....	132,956	171,392	255,224	255,300
<b>Operation, maintenance, and interest payment:</b>					
<b>Operation:</b>					
07.01	Operating expenses.....	248,219	249,371	267,006	277,159
07.02	Leasing.....	17,518	18,859	36,567	42,416
07.03	Maintenance of real property.....	228,498	260,000	238,217	247,321
07.04	Interest payments.....	820	268	42	2

General and special funds—Continued

FAMILY HOUSING, NAVY AND MARINE CORPS—Continued

Budget Plan (in thousands of dollars)—Continued

07.05	Mortgage insurance premiums.....	244	190	179	169
07.91	Total operation, maintenance, and interest payment.....	495,299	528,688	542,011	567,067
08.01	Reimbursable.....	11,218	12,534	12,987	13,241
08.93	Total budget plan.....	639,473	712,614	810,222	835,608

Object Classification (in thousands of dollars)

Identification code 17-0703-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Direct obligations:</b>					
21.0	Travel and transportation of persons.....	1,509	1,866	2,121	2,297
23.3	Communications, utilities, and miscellaneous charges.....	163,657	167,000	176,073	180,758
<b>Other services:</b>					
25.0	Purchases from industrial funds.....	109,948	107,694	101,628	104,970
25.0	Contracts.....	107,094	135,539	128,773	140,285
25.0	Other.....	104,808	111,672	130,151	133,425
31.0	Equipment.....	14,079	13,009	15,585	17,702
32.0	Lands and structures.....	117,807	146,905	215,483	225,802
43.0	Interest and dividends.....	1,064	458	221	171
99.0	Subtotal, direct obligations.....	619,966	684,143	770,035	805,410
99.0	Reimbursable obligations.....	11,218	12,534	12,987	13,241
99.9	Total obligations.....	631,184	696,677	783,022	818,651

STATEMENT OF FAMILY HOUSING INDEBTEDNESS, NAVY AND MARINE CORPS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.	1989 est.
Remaining debt, start of year.....	31,054	14,757	2,831	1,030
Less:				
Debt retirement:				
(a) During year.....	16,297	8,613	1,801	128
(b) Adjustment of prior years.....		3,313		
Remaining debt, end of year.....	14,757	2,831	1,030	902

FAMILY HOUSING, AIR FORCE

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, **[\$104,840,000]** \$223,140,000; for Operation and maintenance, **[\$703,215,000]** \$701,809,000; for debt payment, **[\$7,365,000]** \$1,584,000; in all **[\$815,420,000]** \$926,533,000. Provided, That the amount provided for construction shall remain available until September 30, [1991] 1992.

Further, for the foregoing purposes, as follows: for Construction \$201,860,000; for Operation and maintenance; \$755,639,000; for debt payment; \$167,000; in all \$957,666,000, to become available for obligation on October 1, 1988: Provided, That the amount provided for construction shall remain available until September 30, 1993. (10 U.S.C. 2824, 2827-29, 2831, 2852-54, 2857; Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 57-0704-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Program by activities:</b>					
<b>Direct program:</b>					
<b>Construction:</b>					
01.01	Construction of new housing.....	93,389	102,094	86,509	70,304
01.02	Construction improvements.....	54,507	41,197	55,157	105,348
01.03	Planning.....	8,348	6,313	7,000	7,800
01.91	Total construction.....	156,244	149,604	148,666	183,452
<b>Operation, maintenance, and interest payment:</b>					
<b>Operation:</b>					
02.01	Operating expenses.....	318,525	333,215	352,557	361,958

02.02	Leasing.....	44,519	70,000	76,842	107,543
02.03	Maintenance of real property.....	253,381	300,000	272,410	286,138
02.04	Interest payments.....	669	206	31	1
02.05	Mortgage insurance premiums.....	188	250	120	100
02.91	Total operation, maintenance, and interest payment.....	617,282	703,671	701,960	755,740
03.01	Reimbursable program.....	19,485	18,000	19,000	19,000
10.00	Total obligations.....	793,011	871,275	869,626	958,192

Financing:

<b>Offsetting collections from:</b>					
11.00	Federal funds.....	-5,330	-1,800	-1,900	-1,900
13.00	Trust funds.....	-13			
14.00	Non-Federal sources.....	-14,170	-16,200	-17,100	-17,100
17.00	Recovery of prior year obligations.....	-768			
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....	-201,684	-208,124	-163,360	-237,834
23.40	Reduction pursuant to P.L. 99-177 in unobligated balance.....	9,883			
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	208,124	163,360	237,834	256,242
25.00	Unobligated balance lapsing.....	4,066			
39.00	<b>Budget authority.....</b>	<b>793,119</b>	<b>808,511</b>	<b>925,100</b>	<b>957,600</b>
<b>Budget authority:</b>					
40.00	Appropriation.....	806,926	815,420	926,533	957,666
40.47	Portion applied to debt reduction.....	-13,807	-6,909	-1,433	-66
43.00	<b>Appropriation (adjusted).....</b>	<b>793,119</b>	<b>808,511</b>	<b>925,100</b>	<b>957,600</b>

Relation of obligations to outlays:

71.00	Obligations incurred, net.....	773,498	853,275	850,626	939,192
72.40	Obligated balance, start of year.....	494,055	453,538	531,013	542,639
74.40	Obligated balance, end of year.....	-453,538	-531,013	-542,639	-585,931
77.00	Adjustments in expired accounts.....	20,592			
78.00	Adjustments in unexpired accounts.....	-768			
90.00	<b>Outlays.....</b>	<b>833,838</b>	<b>775,800</b>	<b>839,000</b>	<b>895,900</b>

Budget Plan (in thousands of dollars)

<b>Direct:</b>					
<b>Construction:</b>					
06.01	Construction of new housing.....	122,514	39,196	61,620	21,580
06.02	Construction improvements.....	44,031	58,644	154,520	173,280
06.03	Planning.....	6,821	7,000	7,000	7,000
06.91	Total construction.....	173,366	104,840	223,140	201,860
<b>Operation, maintenance, and interest payment:</b>					
<b>Operation:</b>					
07.01	Operating expenses.....	318,525	333,215	352,557	361,958
07.02	Leasing.....	44,519	70,000	76,842	107,543
07.03	Maintenance of real property.....	253,381	300,000	272,410	286,138
07.04	Interest payments.....	669	206	31	1
07.05	Mortgage insurance premiums.....	188	250	120	100
07.91	Total operation, maintenance, and interest payment.....	617,282	703,671	701,960	755,740
08.01	Reimbursable program.....	19,485	18,000	19,000	19,000
08.93	Total obligations.....	810,133	826,511	944,100	976,600

Object Classification (in thousands of dollars)

Identification code 57-0704-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.	
<b>Direct obligations:</b>					
21.0	Travel and transportation of persons.....	124	149	166	167
22.0	Transportation of things.....	1,734	2,085	2,376	2,511
23.2	Rental payments to others.....	243,432	250,585	185,185	209,793
<b>Other services:</b>					
25.0	Contracts.....	143,421	172,426	197,100	208,351
25.0	Other.....	78,275	95,353	107,838	113,676
26.0	Supplies and materials.....	7,741	9,306	10,611	11,217
31.0	Equipment.....	24,089	28,961	33,101	34,990
32.0	Lands and structures.....	250,659	265,374	297,620	340,908
43.0	Interest and dividends.....	24,051	29,036	16,629	17,579
99.0	Subtotal, direct obligations.....	773,526	853,275	850,626	939,192

99.0	Reimbursable obligations .....	19,485	18,000	19,000	19,000
99.9	Total obligations .....	793,011	871,275	869,626	958,192

**STATEMENT OF FAMILY HOUSING INDEBTEDNESS, AIR FORCE**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.	1989 est.
Remaining debt, start of year .....	23,529	9,722	1,499	66
Less:				
Debt retirement:				
(a) During year .....	13,807	6,909	1,433	66
(b) Adjustment of prior years .....		1,314		
Remaining debt, end of year .....	9,722	1,499	66	

**FAMILY HOUSING, DEFENSE AGENCIES**

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, **[\$240,000] \$1,186,000**; for Operation and maintenance, **[\$16,403,000] \$18,514,000**; in all **[\$16,643,000] \$19,700,000**. *Provided*, That the amount provided for construction shall remain available until September 30, **[1991] 1992**.

Further, for the foregoing purposes, as follows: for Construction **\$512,000**; for Operation and maintenance; **\$19,488,000**; in all **\$20,000,000**, to become available for obligation on October 1, 1988: *Provided*, That the amount provided for construction shall remain available until September 30, 1993. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 97-0706-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Direct program:				
Construction:				
01.01 Construction of new housing .....	18	632	1,075	560
01.02 Construction improvements .....	59	11	19	125
01.91 Total construction .....	77	643	1,094	685
Operation, maintenance, and interest payment:				
Operation:				
02.01 Operating expenses .....	1,064	2,194	2,618	2,807
02.02 Leasing .....	11,970	13,700	15,188	16,109
02.03 Maintenance of real property .....	450	509	708	572
02.91 Total operation, maintenance, and interest payment .....	13,484	16,403	18,514	19,488
03.01 Reimbursable program .....	276	308	706	800
10.00 Total obligations .....	13,837	17,354	20,314	20,973
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds .....	-270	-300	-700	-800
14.00 Non-Federal sources .....	-6	-8	-6	
17.00 Recovery of prior year obligations .....	-7			
21.40 Unobligated balance available, start of year: For completion of prior year budget plans .....	-973	-2,142	-1,739	-1,831
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance .....	48			
24.40 Unobligated balance available, end of year: For completion of prior year budget plans .....	2,142	1,739	1,831	1,658
25.00 Unobligated balance lapsing .....	984			
40.00 <b>Budget authority (appropriation)</b> .....	<b>15,755</b>	<b>16,643</b>	<b>19,700</b>	<b>20,000</b>
Relation of obligations to outlays:				
71.00 Obligations incurred, net .....	13,561	17,046	19,608	20,173
72.40 Obligated balance, start of year .....	6,327	19,341	7,787	9,495
74.40 Obligated balance, end of year .....	-19,341	-7,787	-9,495	-9,568
77.00 Adjustments in expired accounts .....	-457			
78.00 Adjustments in unexpired accounts .....	-7			
90.00 <b>Outlays</b> .....	<b>83</b>	<b>28,600</b>	<b>17,900</b>	<b>20,100</b>

**Budget Plan (in thousands of dollars)**

Direct:				
Construction:				
06.01 Construction of new housing .....	1,426	240	1,000	400
06.02 Construction improvements .....	105		186	112
06.91 Total construction .....	1,531	240	1,186	512
Operation, maintenance, and interest payment:				
Operation:				
07.01 Operating expenses .....	1,064	2,194	2,618	2,807
07.02 Leasing .....	11,970	13,700	15,188	16,109
07.03 Maintenance of real property .....	450	509	708	572
07.91 Total operation, maintenance, and interest payment .....	13,484	16,403	18,514	19,488
08.01 Reimbursable program .....	276	308	706	800
08.93 Total budget plan .....	15,291	16,951	20,406	20,800

**Object Classification (in thousands of dollars)**

Identification code 97-0706-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
22.0 Transportation of things .....	170	345	547	571
23.2 Rental payments to others .....	8,339	10,973	12,923	13,638
23.3 Communications, utilities, and miscellaneous charges .....	1,089	1,178	1,157	1,212
25.0 Other services: Contracts .....	3,438	2,990	2,721	2,839
26.0 Supplies and materials .....	277	916	1,166	1,228
31.0 Equipment .....	171	1		
32.0 Land and structures .....	77	643	1,094	685
99.0 Subtotal, direct obligations .....	13,561	17,046	19,608	20,173
99.0 Reimbursable obligations .....	276	308	706	800
99.9 Total obligations .....	13,837	17,354	20,314	20,973

**Public enterprise funds:**

**HOMEOWNERS ASSISTANCE FUND, DEFENSE**

For use in the Homeowners Assistance Fund established pursuant to section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (Public Law 89-754, as amended), **[\$2,000,000] \$2,800,000**, to remain available until expended.

Further, for the foregoing purpose, **\$2,000,000**, to become available for obligation on October 1, 1988 and to remain available until expended. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 97-4090-0-3-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
Operating expenses:				
01.01 Payment to homeowners (private sale and foreclosure assistance) .....	101	60	164	164
01.02 Other operating costs .....	721	1,390	992	992
01.91 Total operating expenses .....	822	1,450	1,156	1,156
Capital investment:				
02.01 Acquisition of real property .....	870	450	944	944
02.02 Mortgages assumed .....	1,958	3,600	3,000	3,000
02.91 Total capital investment .....	2,828	4,050	3,944	3,944
10.00 Total obligations .....	3,650	5,500	5,100	5,100
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds .....	-521	-5,856	-2,832	-2,832
17.00 Recovery of prior year obligations .....	-4			
21.98 Unobligated balance available, start of year: Fund balance .....	-4,473	-3,065	-2,721	-3,253
24.98 Unobligated balance available, end of year: Fund balance .....	3,065	2,721	3,253	2,985
32.47 Balance of authority to borrow withdrawn .....	241	6,300	3,000	3,000
39.00 <b>Budget authority</b> .....	<b>1,958</b>	<b>5,600</b>	<b>5,800</b>	<b>5,000</b>

**Public enterprise funds—Continued**

**HOMEOWNERS ASSISTANCE FUND, DEFENSE—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 97-4090-0-3-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Budget authority:</b>				
40.00 <b>Appropriation</b> .....		<b>2,000</b>	<b>2,800</b>	<b>2,000</b>
67.10 <b>Authority to borrow</b> (permanent, indefinite) .....	<b>1,958</b>	<b>3,600</b>	<b>3,000</b>	<b>3,000</b>
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	3,129	-356	2,268	2,268
72.98 Obligated balance, start of year: Fund balance.....	594	356	100	1,568
74.98 Obligated balance, end of year: Fund balance.....	-356	-100	-1,568	-3,036
78.00 Adjustments in unexpired accounts.....	-4			
90.00 Outlays.....	3,364	-100	800	800
<b>Revenue and Expense (in thousands of dollars)</b>				
Operating loss: Operating program: Expense.....	-822	-1,450	-1,156	-1,156
<b>Capital program:</b>				
Revenue.....	521	5,856	2,832	2,832
Expense.....	-620	-7,765	-3,944	-3,944
Net capital gain or loss (-).....	-99	-1,909	-1,112	-1,112
Net gain or loss (-) for the year.....	-921	-3,359	-2,268	-2,268

**Financial Condition (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.	1989 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury.....	3,421	2,821	4,821	6,021
Real property on hand.....	6,010	2,295	2,295	2,295
Total assets.....	9,431	5,116	7,116	8,316
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accounts payable.....	356	100	1,568	3,036
Mortgages outstanding.....	2,989	289	289	289
Total liabilities.....	3,345	389	1,857	3,325
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended budget authority:</b>				
Unobligated balance.....	3,065	2,721	3,253	2,985
Invested capital.....	3,021	2,006	2,006	2,006
Total Government equity.....	6,086	4,727	5,259	4,991
<b>Analysis of changes in Government equity:</b>				
<b>Paid-in capital:</b>				
Opening balance.....	53,808	53,808	55,808	58,608
Closing balance.....	53,808	55,808	58,608	60,608
<b>Deficit:</b>				
Opening balance.....	-46,801	-47,722	-51,081	-53,349
Net gain or loss (-) for the year.....	-921	-3,359	-2,268	-2,268
Closing balance.....	-47,722	-51,081	-53,349	-55,617
Total Government equity (end of year).....	6,086	4,727	5,259	4,991

**Object Classification (in thousands of dollars)**

Identification code 97-4090-0-3-051	1986 actual	1987 est.	1988 est.	1989 est.
11.8 Personnel compensation: Special personal services payments.....		238	238	238
21.0 Travel and transportation of persons.....	9	20	25	25
23.3 Communications, utilities, and miscellaneous charges.....	60			
24.0 Printing and reproduction.....	2	1	1	1

25.0 Other services: Other.....	952	1,128	725	725
26.0 Supplies and materials.....	5	3	3	3
32.0 Lands and structures.....	1,915	4,050	3,944	3,944
42.0 Insurance claims and indemnities.....	707	60	164	164
99.9 Total obligations.....	3,650	5,500	5,100	5,100

**SPECIAL FOREIGN CURRENCY PROGRAM**

*Federal Funds*

**General and special funds:**

**[SPECIAL FOREIGN CURRENCY PROGRAM]**

For payment in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States for expenses in carrying out programs of the Department of Defense, as authorized by law; \$3,500,000, to remain available for obligation until September 30, 1988: *Provided*, That this appropriation shall be available in addition to other appropriations to such Department, for payments in the foregoing currencies. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

**Program and Financing (in thousands of dollars)**

Identification code 97-0800-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Research—Total obligations.....	3,479	2,660	1,925	
<b>Financing:</b>				
17.00 Recovery of prior year obligations.....	-7			
21.40 Unobligated balance available, start of year: For completion of prior year budget plans.....	-3,435	-1,085	-1,925	
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance.....	168			
24.40 Unobligated balance available, end of year: For completion of prior year budget plans.....	1,085	1,925		
25.00 Unobligated balance lapsing.....	708			
40.00 <b>Budget authority (appropriation)</b> .....	<b>1,997</b>	<b>3,500</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	3,479	2,660	1,925	
72.40 Obligated balance, start of year.....	9,169	10,137	8,797	8,322
74.40 Obligated balance, end of year.....	-10,137	-8,797	-8,322	-7,022
77.00 Adjustments in expired accounts.....	3			
78.00 Adjustments in unexpired accounts.....	-7			
90.00 Outlays.....	2,507	4,000	2,400	1,300

**Budget Plan (in thousands of dollars)**

(amount for foreign currency undertakings programmed)

07.03 Research—Total budget plan.....	1,997	3,500		
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This appropriation provided dollars to be used exclusively for purchase from the Treasury of excess foreign currencies. No appropriations are requested in 1988 and 1989.

**Object Classification (in thousands of dollars)**

Identification code 97-0800-0-1-051	1986 actual	1987 est.	1988 est.	1989 est.
21.0 Travel and transportation of persons.....	63	68	60	
25.0 Other services: Contracts.....	2,535	2,295	1,512	
41.0 Grants, subsidies, and contributions.....	881	297	353	
99.9 Total obligations.....	3,479	2,660	1,925	

REVOLVING AND MANAGEMENT FUNDS

Federal Funds

Public enterprise funds:

DEFENSE PRODUCTION GUARANTEES

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
97-9931-0-3-051				
<b>Program by activities:</b>				
10.00 Total obligations (object class 33.0)	3,236	9,057		
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds		-9,057		
21.98 Unobligated balance available, start of year: Fund balance	-9,759	-9,758	-701	-701
24.98 Unobligated balance available, end of year: Fund balance	9,758	701	701	701
31.00 Redemption of debt		9,057		
67.10 Budget authority (authority to borrow) (permanent, indefinite) (12 U.S.C. 2281-96)	3,236			
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	3,236			
72.10 Receivables in excess of obligations, start of year	-3			
90.00 Outlays	3,233			

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:				
1210 Outstanding, start of year	6,682	9,918		
1231 Disbursements: Direct loan disbursements	3,236			
1251 Repayments: Repayments and prepayments		-9,057		
1262 Adjustments: Write-offs for default		-861		
1290 Outstanding, end of year	9,918			

LAUNDRY SERVICE, NAVAL ACADEMY

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
17-4002-0-3-051				
<b>Program by activities:</b>				
10.00 Total obligations	2,244	2,282	2,292	2,302
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds	-294	-318	-321	-324
14.00 Non-Federal sources	-1,776	-2,054	-1,971	-1,978
21.98 Unobligated balance available, start of year: Fund balance	-250	-75	-165	-165
24.98 Unobligated balance available, end of year: Fund balance	75	165	165	165
39.00 Budget authority				
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	174	-90		
72.10 Receivables in excess of obligations, start of year	-90	-83	-173	-173
74.10 Receivables in excess of obligations, end of year	83	173	173	173
90.00 Outlays	168			

The Naval Academy laundry is operated to provide laundry service for Naval Academy activities and personnel.

Object Classification (in thousands of dollars)

Identification code	17-4002-0-3-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>					
11.1 Full-time permanent		1,027	1,492	1,502	1,540
11.3 Other than full-time permanent		520	30	30	
11.5 Other personnel compensation		49	74	74	74
11.9 Total personnel compensation		1,596	1,596	1,606	1,614
12.1 Personnel benefits: Civilian		169	184	186	187
21.0 Travel and transportation of persons		3	4	4	4
23.2 Rental payments to others		130	150	150	148
24.0 Printing and reproduction		3	30	30	30
25.0 Other services: Other		70	54	55	55
26.0 Supplies and materials		70	194	191	194
31.0 Equipment		203	70	70	70
99.9 Total obligations		2,244	2,282	2,292	2,302

Personnel Summary

Total number of full-time permanent positions	50	28	28	28
Total compensable workyears:				
Full-time equivalent employment	85	77	77	77
Full-time equivalent of overtime and holiday hours	1	1	1	1

DEPARTMENT OF DEFENSE STOCK FUNDS

Department of Defense stock funds finance the purchase of materials for resale to the military services and other authorized customers (10 U.S.C. 2208). These inventories are stocked at various Defense activities. Mobilization reserve materials are also purchased through the stock funds.

**Budget program.**—Inventories rise in 1988 and 1989 over 1987 for increased non-fuel inventory levels to support an expanding force structure, the modernization of the existing force, and other logistics initiatives. Efforts continue to achieve efficiencies in spare parts procurement through acquisition reform. The following table shows the stock fund inventories (in millions of dollars) resulting from the budget program.

	1986 actual	1987 est.	1988 est.	1989 est.
<b>Army stock fund:</b>				
Operating and other stocks	2,986.7	3,284.3	3,240.3	3,542.9
Mobilization reserve stocks	1,408.1	1,857.5	2,059.6	2,264.3
Other stocks	2,263.7	2,183.0	2,175.7	2,179.6
Total	6,658.5	7,324.8	7,475.6	7,986.8
<b>Navy stock fund:</b>				
Operating and other stocks	11,529.1	12,493.2	13,832.6	14,788.5
Mobilization reserve stocks	1,690.0	1,732.6	2,045.2	2,133.4
Other stocks	11,227.5	10,773.4	10,112.3	9,545.4
Total	24,446.6	24,999.2	25,990.1	26,467.3
<b>Marine Corps stock fund: <sup>1</sup></b>				
Operating and other stocks	147.7	136.5		
Mobilization reserve stocks	157.5	171.7		
Other stocks	65.8	55.6		
Total	371.0	363.8		
<b>Air Force stock fund:</b>				
Operating and other stocks	3,306.4	3,910.0	3,615.8	3,515.6
Mobilization reserve stocks	962.6	1,159.6	1,111.0	1,238.3
Other stocks	2,187.1	2,225.6	2,223.1	2,492.8
Total	6,456.1	7,295.2	6,949.9	7,246.7
<b>Defense stock fund:</b>				
Operating and other stocks	5,900.1	6,558.6	6,837.6	6,682.2
Mobilization reserve stocks	2,896.1	3,219.3	3,356.2	3,280.0
Other stocks	2,728.4	3,033.0	3,162.0	3,090.2
Total	11,524.6	12,810.9	13,355.8	13,052.4

Public enterprise funds—Continued

DEPARTMENT OF DEFENSE STOCK FUNDS—Continued

Total Department of Defense stock funds:				
Operating and other stocks.....	23,870.0	26,382.6	27,526.3	28,529.2
Mobilization reserve stocks.....	7,114.3	8,140.7	8,572.0	8,916.0
Other stocks.....	18,472.5	18,270.6	17,673.1	17,308.0
<b>Total.....</b>	<b>49,456.8</b>	<b>52,793.9</b>	<b>53,771.4</b>	<b>54,753.2</b>

<sup>1</sup> Combined with Navy Stock Fund in 1988 and beyond.

**Financing the budget program.**—The budget program is financed primarily from sales to customers. Gross expenditures in 1988 and 1989 are projected to be higher than in 1987 to support an expanding force. Estimated expenditures are shown below (in millions of dollars):

	Gross outlays			
	1986 actual	1987 est	1988 est.	1989 est.
Army stock fund.....	6,809.0	7,289.6	7,523.8	7,786.8
Navy stock fund.....	8,024.9	9,234.6	10,143.6	9,897.6
Marine Corps stock fund.....	401.7	275.6	.....	.....
Air Force stock fund.....	10,181.9	9,878.3	10,214.3	10,368.0
Defense stock fund.....	11,570.8	10,581.2	12,330.5	12,340.3
<b>Total Department of Defense stock funds...</b>	<b>36,988.3</b>	<b>37,259.3</b>	<b>40,212.2</b>	<b>40,392.7</b>

Procurement leadtime for material acquisition is greater than the time required to fill and collect customers' orders. As a result, Department of Defense stock funds are authorized to incur obligations in anticipation of future years' sales (10 U.S.C. 2210(b)). Pursuant to this authority, the outstanding balance of contract authority was \$11,359.5 million at the end of 1986, and is estimated to remain at \$11,359.5 million in 1988 and 1989.

**Operating results and financial conditions.**—Revenue and expenses for 1987, 1988, and 1989 are projected on a break-even basis. It is estimated that by the end of 1989, there will be \$59,261.2 million in inventory and other assets. Liabilities will be \$4,280.1 million and invested capital from appropriations, capitalized resources and retained income will be \$54,981.1 million.

Intragovernmental funds:

ARMY STOCK FUND

For the Army stock fund; **[\$110,100,000] \$263,207,000.**

Further, for the Army Stock Fund, **\$349,929,000, to become available for obligation on October 1, 1988. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 21-4991-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Ground equipment parts and supplies.....	256,286	255,000	255,300	313,600
01.02 Aeronautical supplies.....	462,151	364,300	344,500	408,400
01.03 Missile parts.....	86,379	35,200	68,100	98,400
01.04 Tank and automotive supplies.....	619,104	639,000	693,200	677,000
01.05 Japan area supplies.....	28,169	22,000	21,600	22,600
01.06 Korea area supplies.....	229,858	217,700	228,200	234,400
01.07 Electronics supplies.....	242,821	239,700	298,200	293,300
01.08 Retail, map, and reserves.....	126,358	4,100	48,700	70,600
01.09 Commissary resale.....	1,668,271	1,720,500	1,777,600	1,838,000
01.10 Defense supply service.....	18,877	20,000	21,000	22,000
01.11 Western command supplies.....	80,031	80,500	77,800	79,200
01.12 Other continental U.S. supplies...	371,689	410,000	441,300	452,300

01.13 European area supplies.....	1,051,546	815,400	824,000	820,800
01.17 Weapons, special weapons, chemical and fire control supplies.....	358,078	344,800	359,900	396,100
01.18 Forces command supplies.....	1,044,895	1,101,300	1,106,300	1,102,600
01.19 Training and doctrine command supplies.....	786,793	917,300	922,600	940,700
10.00 Total obligations.....	7,431,306	7,186,800	7,488,300	7,770,000

Financing:

Offsetting collections from:				
11.00 Federal funds.....	-4,313,382	-5,007,366	-5,252,419	-5,412,675
13.00 Trust funds.....	-130,757	-229,926	-219,186	-223,044
14.00 Non-Federal sources.....	-1,666,049	-1,839,408	-1,753,488	-1,784,352
17.00 Recovery of prior year obligations.....	-153,364	.....	.....	.....
39.00 <b>Budget authority.....</b>	<b>1,167,754</b>	<b>110,100</b>	<b>263,207</b>	<b>349,929</b>

Budget authority:				
40.00 <b>Appropriation.....</b>	<b>373,743</b>	<b>110,100</b>	<b>263,207</b>	<b>349,929</b>
69.10 <b>Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....</b>	<b>794,011</b>	.....	.....	.....

Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	1,321,118	110,100	263,207	349,929
Obligated balance, start of year:				
72.49 Contract authority.....	1,267,811	2,061,822	2,061,822	2,061,822
72.98 Fund balance.....	1,239,796	854,157	809,157	788,864
Obligated balance, end of year:				
74.49 Contract authority.....	-2,061,822	-2,061,822	-2,061,822	-2,061,822
74.98 Fund balance.....	-854,157	-809,157	-788,864	-891,993
78.00 Adjustments in unexpired accounts.....	-153,364	.....	.....	.....
90.00 <b>Outlays.....</b>	<b>759,382</b>	<b>155,100</b>	<b>283,500</b>	<b>246,800</b>

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 21-4991-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
Unfunded balance, start of year.....	1,267,811	2,061,822	2,061,822	2,061,822
Contract authority.....	794,011	.....	.....	.....
Unfunded balance, end of year.....	2,061,822	2,061,822	2,061,822	2,061,822

Object Classification (in thousands of dollars)

Identification code 21-4991-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things.....	43,856	42,989	40,901	42,024
25.0 Other services: Other.....	73,952	83,589	79,529	81,713
26.0 Supplies and materials.....	7,097,232	6,973,448	7,285,311	7,561,437
31.0 Equipment.....	216,266	86,774	82,559	84,826
99.9 Total obligations.....	7,431,306	7,186,800	7,488,300	7,770,000

NAVY STOCK FUND

For the Navy stock fund; **[\$352,570,000] \$404,400,000.**

Further, for the Navy Stock Fund, **\$434,581,000, to become available for obligation on October 1, 1988. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 17-4911-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Ships, ordnance, and electronics repair parts.....	452,267	447,300	449,300	482,300
01.02 Forms and printed matter.....	15,520	18,000	18,800	18,900
01.03 Ships store and commissary store stock.....	899,155	999,200	1,113,000	1,121,200
01.04 Profits from sale of ships' stores paid to ships' store profits, Navy.....	21,653	22,700	22,900	23,000
01.05 Ship overhaul material.....	123,172	197,500	202,200	209,600
01.06 Special clearance account.....	-173	1,000	1,000	1,000

01.07	Fleet material support office— Retail commodities.....	1,591,811	1,619,400	1,732,800	1,801,400
01.08	Aviation consumable material.....	730,390	778,000	771,200	837,700
01.09	Fuels and related items.....	1,744,534	1,601,600	1,511,100	1,531,500
01.10	Ship depot level reparables.....	1,136,936	1,180,700	1,184,800	1,291,800
01.11	Aviation depot level reparables.....	2,778,649	1,883,700	2,037,000	2,047,000
01.14	Amphibious supplies.....			23,869	17,105
01.15	Retail—all other (less fuel).....			129,177	145,636
01.16	Fuels and related items.....			22,961	23,160
01.17	Subsistence—commissary.....			250,104	261,899
10.00	Total obligations.....	9,493,914	8,749,100	9,470,211	9,813,200
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-6,313,686	-7,236,530	-7,665,582	-7,903,218
13.00	Trust funds.....	-71,417	-65,700	-63,200	-62,600
14.00	Non-Federal sources.....	-1,019,917	-1,094,300	-1,337,029	-1,412,801
39.00	<b>Budget authority.....</b>	<b>2,088,894</b>	<b>352,570</b>	<b>404,400</b>	<b>434,581</b>
Budget authority:					
40.00	Appropriation.....	607,213	352,570	404,400	434,581
69.10	Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....	1,481,681			
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	2,088,894	352,570	404,400	434,581
Obligated balance, start of year:					
72.49	Contract authority.....	4,134,189	5,615,870	5,615,870	5,657,172
72.98	Fund balance.....	1,913,946	1,806,583	1,146,253	991,830
Obligated balance transferred, net:					
73.49	Contract authority.....			41,302	
73.98	Fund balance.....			31,977	
Obligated balance, end of year:					
74.49	Contract authority.....	-5,615,870	-5,615,870	-5,657,172	-5,657,172
74.98	Fund balance.....	-1,806,583	-1,146,253	-991,830	-964,411
90.00	Outlays.....	714,576	1,012,900	590,800	462,000

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 17-4911-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
Unfunded balance, start of year.....	4,134,189	5,615,870	5,615,870	5,657,172
Contract authority.....	1,481,681			
Transferred from other accounts.....			41,302	
Unfunded balance, end of year.....	5,615,870	5,615,870	5,657,172	5,657,172

**Object Classification (in thousands of dollars)**

Identification code 17-4911-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things.....	31,525	53,400	61,100	61,300
25.0 Other services: Other.....	1,358,262	1,510,900	1,502,100	1,554,200
26.0 Supplies and materials.....	8,082,474	7,162,100	7,884,111	8,174,700
42.0 Insurance claims and indemnities.....	21,653	22,700	22,900	23,000
99.9 Total obligations.....	9,493,914	8,749,100	9,470,211	9,813,200

**[MARINE CORPS STOCK FUND]**

**[For the Marine Corps stock fund; \$822,000.] (10 U.S.C. 2208; Department of Defense Appropriations Act, 1987 as included in Public Laws 99-500 and 99-591, section 101(c).)**

**Program and Financing (in thousands of dollars)**

Identification code 17-4913-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Amphibious supplies.....	14,073	17,362		
01.02 Retail-All other (less fuel).....	113,021	102,218		
01.03 Fuels and related items.....	22,914	24,044		
01.04 Subsistence-commissary.....	221,211	233,345		
10.00 Total obligations (object class 26.0).....	371,219	376,969		
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-162,788	-202,634		
13.00 Trust funds.....		-200		

14.00	Non-Federal sources.....	-170,219	-173,313		
39.00	<b>Budget authority.....</b>	<b>38,211</b>	<b>822</b>		
Budget authority:					
40.00	Appropriation.....	35,853	822		
69.10	Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....	2,358			
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	38,212	822		
Obligated balance, start of year:					
72.49	Contract authority.....	38,944	41,302	41,302	
72.98	Fund balance.....	60,072	52,155	31,977	
Obligated balance transferred, net:					
73.49	Contract authority.....			-41,302	
73.98	Fund balance.....			-31,977	
Obligated balance, end of year:					
74.49	Contract authority.....	-41,302	-41,302		
74.98	Fund balance.....	-52,155	-31,977		
90.00	Outlays.....	43,771	21,000		

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 17-4913-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
Unfunded balance, start of year.....	38,944	41,302	41,302	
Contract authority.....	2,358			
Transferred to other accounts.....			-41,302	
Unfunded balance, end of year.....	41,302	41,302		

**AIR FORCE STOCK FUND**

**For the Air Force stock fund; [\$139,980,000] \$326,007,000.**

*Further, for the Air Force Stock Fund, \$224,738,000, to become available for obligation on October 1, 1988. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 57-4921-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.02 Commissary.....	2,283,162	2,367,670	2,468,148	2,565,800
01.03 Fuels and related items.....	3,767,621	3,490,399	3,537,704	3,609,099
01.04 Air Force Academy cadet store.....	8,328	8,997	9,306	9,601
01.05 Medical-dental.....	292,088	313,600	357,073	363,760
01.06 General support.....	2,001,042	2,197,573	2,271,591	2,448,624
01.07 Systems support.....	1,725,313	1,435,100	1,431,844	1,496,846
10.00 Total obligations.....	10,077,554	9,813,339	10,075,666	10,493,730
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal Funds.....	-6,928,391	-7,179,290	-7,169,257	-7,592,106
13.00 Trust funds.....	-208,649	-205,519	-205,792	-210,142
14.00 Non-Federal sources.....	-2,188,031	-2,288,550	-2,374,610	-2,466,744
39.00 <b>Budget authority.....</b>	<b>752,484</b>	<b>139,980</b>	<b>326,007</b>	<b>224,738</b>
Budget authority:				
40.00 Appropriation.....	395,521	139,980	326,007	224,738
69.10 Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....	356,963			
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	752,483	139,980	326,007	224,738
Obligated balance, start of year:				
72.49 Contract authority.....	910,198	1,267,161	1,267,161	1,267,161
72.98 Fund balance.....	1,715,671	845,388	835,168	884,175
Obligated balance, end of year:				
74.49 Contract authority.....	-1,267,161	-1,267,161	-1,267,161	-1,267,161
74.98 Fund balance.....	-845,388	-835,168	-884,175	-901,913
90.00 Outlays.....	1,265,804	150,200	277,000	207,000

**Intragovernmental funds—Continued**

**AIR FORCE STOCK FUND—Continued**

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 57-4921-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
Unfunded balance, start of year.....	910,198	1,267,161	1,267,161	1,267,161
Contract authority.....	356,963			
Unfunded balance, end of year.....	1,267,161	1,267,161	1,267,161	1,267,161

**Object Classification (in thousands of dollars)**

Identification code 57-4921-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things.....	38,528	39,444	41,103	42,200
25.0 Other services: Contracts.....	19,074	19,884	20,721	21,274
26.0 Supplies and materials.....	9,839,751	9,572,494	9,824,692	10,236,058
31.0 Equipment.....	180,201	181,517	189,150	194,198
99.9 Total obligations.....	10,077,554	9,813,339	10,075,666	10,493,730

**DEFENSE STOCK FUND**

For the Defense stock fund; **[\$47,200,000] \$207,600,000.**

Further, for the Defense Stock Fund, \$122,700,000, to become available for obligation on October 1, 1988. (10 U.S.C. 2208; Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 97-4961-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Clothing and textiles.....	1,258,305	1,236,900	1,288,200	1,389,300
01.02 Medical and dental material.....	720,773	931,100	863,600	878,500
01.03 Subsistence.....	1,755,172	1,583,100	1,707,500	1,758,700
01.04 General supplies.....	841,128	816,700	851,100	878,200
01.05 Industrial supplies.....	691,311	549,300	584,000	609,800
01.06 Construction supplies.....	934,441	1,043,000	1,038,400	1,081,800
01.07 Electronics.....	693,727	724,000	738,000	769,400
01.08 Base operating supplies.....	101,464	123,600	133,900	144,300
01.10 Fuels and related items.....	5,257,397	6,681,200	4,382,400	4,788,500
10.00 Total obligations.....	12,253,718	13,688,900	11,587,100	12,298,500
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-11,090,704	-13,408,300	-11,173,200	-11,960,500
13.00 Trust funds.....	-309,684	-195,700	-204,600	-214,600
14.00 Non-Federal sources.....	-294,824	-37,700	-1,700	-700
21.98 Unobligated balance available, start of year: Fund balance....	-17,658	-396	-396	-396
24.98 Unobligated balance available, end of year: Fund balance.....	396	396	396	396
39.00 Budget authority.....	541,245	47,200	207,600	122,700
<b>Budget authority:</b>				
Current:				
40.00 Appropriation.....	142,365	47,200	207,600	122,700
41.00 Transferred to other accounts.....	-58,000			
43.00 Appropriation (adjusted).....	84,365	47,200	207,600	122,700
Permanent:				
69.10 Contract authority (10 U.S.C. 2210(b)) (permanent, indefinite).....	456,880			
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	558,506	47,200	207,600	122,700
Obligated balance, start of year:				
72.49 Contract authority.....	1,916,461	2,373,341	2,373,341	2,373,341
72.98 Fund balance.....	1,342,602	1,272,495	538,295	570,895
Obligated balance, end of year:				
74.49 Contract authority.....	-2,373,341	-2,373,341	-2,373,341	-2,373,341
74.98 Fund balance.....	-1,272,495	-538,295	-570,895	-519,495
90.00 Outlays.....	171,733	781,400	175,000	174,100

**Status of Direct Loans (in thousands of dollars)**

Identification code 97-4961-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210 Outstanding, start of year.....	1,210	1,210		
1262 Write-offs for default.....		-1,210		
1290 Outstanding, end of year.....	1,210			

**Status of Unfunded Contract Authority (in thousands of dollars)**

Unfunded balance, start of year.....	1,916,461	2,373,341	2,373,341	2,373,341
Contract authority.....	456,880			
Unfunded balance, end of year.....	2,373,341	2,373,341	2,373,341	2,373,341

**Object Classification (in thousands of dollars)**

Identification code 97-4961-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things.....	555,796	583,400	577,800	583,900
25.0 Other services: Other.....	201,823	332,400	369,900	393,300
26.0 Supplies and materials.....	11,496,099	12,773,100	10,639,400	11,321,300
99.9 Total obligations.....	12,253,718	13,688,900	11,587,100	12,298,500

**INDUSTRIAL FUNDS**

Department of Defense industrial funds finance various Defense activities that perform industrial or commercial type functions on a reimbursable basis (10 U.S.C. 2208). Workload at these activities is generated by orders from various customers who provide reimbursement through progress payments for the full cost of the work performed. This enables the industrial funds to maintain the level of working capital needed for continued operations.

**Budget program.**—The policy of stabilizing the rates charged to customers will continue. Estimated total obligations are projected to decrease by over \$170 million and \$540 million in 1988 and 1989 respectively, reflecting changes in customer workload requirements and the transfer of certain functions to an appropriated fund status. Yearend totals are shown in the following table (in thousands of dollars):

**TOTAL OBLIGATIONS**

	1986 actual	1987 est.	1988 est.	1989 est.
Army industrial fund.....	3,222,374	2,895,524	2,997,663	2,452,536
Navy industrial fund.....	14,962,210	13,731,076	13,414,900	13,287,896
Marine Corps industrial fund.....	103,878	114,232	119,273	118,871
Air Force industrial fund.....	5,985,819	6,009,129	5,990,486	6,019,925
Defense industrial fund.....	1,271,479	1,208,561	1,264,973	1,363,984
Total.....	25,545,760	23,958,522	23,787,295	23,243,212

The U.S. Army activities financed through the Army industrial fund include depot supply and maintenance operations, arsenals, missile material development and acquisition, and port handling of Defense cargo.

The Navy industrial fund finances a variety of activities, including aircraft maintenance facilities, ordnance stations, research laboratories, shipyards, printing plants, public works centers, and the Military Sealift Command.

The Marine Corps industrial fund finances maintenance depots engaged in repairing or overhauling Marine Corps equipment and providing technical engineering support.

The activities financed under the Air Force industrial fund include laundries, depot maintenance activities, a real property maintenance facility, and airlift services.

The Defense industrial fund finances the Defense Clothing and Textile Center and leased communications procured by the Defense Commercial Communications Office.

**ARMY INDUSTRIAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 21-4992-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Depot maintenance activities	1,881,791	1,725,657	1,773,616	1,765,764
01.02 Missile command	563,130	487,044	493,995	
01.05 Transportation and terminal activity	229,644	190,128	205,076	218,068
01.08 Armaments command	547,809	492,695	524,976	468,704
10.00 Total obligations	3,222,374	2,895,524	2,997,663	2,452,536
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds	-2,954,345	-2,619,879	-2,621,504	-1,655,677
13.00 Trust funds	-31,419	-98,600	-77,100	-75,200
14.00 Non-Federal sources	-9,184	-5,500	-5,609	-5,829
21.98 Unobligated balance available, start of year: Fund balance	-1,634,759	-1,406,033	-1,234,488	-941,038
22.98 Unobligated balance transferred, net: Fund balance	1,300			
24.98 Unobligated balance available, end of year: Fund balance	1,406,033	1,234,488	941,038	225,208
39.00 <b>Budget authority</b>				
Relation of obligations to outlays:				
71.00 Obligations incurred, net	227,426	171,545	293,450	715,830
72.10 Receivables in excess of obligations, start of year	-1,158,194	-983,472	-811,927	-518,477
74.10 Receivables in excess of obligations, end of year	983,472	811,927	518,477	
74.98 Obligated balance, end of year: Fund balance				-197,353
90.00 Outlays	52,704			

**Object Classification (in thousands of dollars)**

Identification code 21-4992-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1 Full-time permanent	1,375,778	1,295,570	1,266,590	1,001,595
11.3 Other than full-time permanent	76,494	72,032	70,420	55,688
11.5 Other personnel compensation	80,170	75,497	73,809	58,365
11.8 Special personal services payments	459	433	423	335
11.9 Total personnel compensation	1,532,901	1,443,532	1,411,242	1,115,983
12.1 Personnel benefits: Civilian	187,229	216,362	281,769	230,833
13.0 Benefits for former personnel	164	88	124	119
21.0 Travel and transportation of persons	50,509	49,500	47,500	46,751
22.0 Transportation of things	63,203	64,000	64,000	62,344
23.2 Rental payments to others	73,848	70,000	69,173	67,746
24.0 Printing and reproduction	2,224	2,133	2,252	2,255
<b>Other services:</b>				
25.0 Payments to foreign national indirect hire personnel	2,061	3,270	12,379	7,747
25.0 Other	450,575	221,000	297,434	208,292
26.0 Supplies and materials	623,289	615,639	603,390	542,936
31.0 Equipment	236,371	210,000	208,400	167,530
99.9 Total obligations	3,222,374	2,895,524	2,997,663	2,452,536

**Personnel Summary**

Total number of full-time permanent positions	56,044	55,202	54,102	44,070
Total compensable workyears:				
Full-time equivalent employment	59,760	57,064	54,457	44,114
Full-time equivalent of overtime and holiday hours	3,172	3,206	3,047	2,657

**NAVY INDUSTRIAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 17-4912-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Printing	220,886	218,100	230,400	226,300
01.02 Ordnance	1,488,315	1,326,000	1,222,900	1,256,900
01.03 Shipyards	3,856,528	3,648,600	3,492,100	3,639,800
01.04 Military Sealift Command	1,287,242	1,908,600	1,756,700	1,814,300
01.05 Research	4,418,950	3,455,776	3,502,600	3,204,896
01.06 Base services	1,090,554	1,146,600	1,140,000	1,138,900
01.07 Aircraft maintenance facilities	1,829,052	1,836,900	1,870,600	1,798,100
01.08 Data services	202,572	190,500	199,600	208,700
01.10 Direct loan program (FFB)	568,111			
10.00 Total obligations	14,962,210	13,731,076	13,414,900	13,287,896
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds	-13,750,341	-11,910,611	-13,385,502	-11,799,178
13.00 Trust funds	22,097	-58,178	-104,649	-109,581
14.00 Non-Federal sources	-186,637	-212,056	-213,613	-227,806
21.98 Unobligated balance available, start of year: Fund balance	-3,581,447	-2,969,527	-1,252,496	-1,372,160
24.98 Unobligated balance available, end of year: Fund balance	2,969,527	1,252,496	1,372,160	42,629
31.00 Redemption of debt	132,702	166,800	169,200	178,200
67.10 <b>Budget authority (authority to borrow) (permanent, indefinite) (12 U.S.C. 2281-96)</b>	<b>568,111</b>			
Relation of obligations to outlays:				
71.00 Obligations incurred, net	1,047,329	1,550,231	-288,864	1,151,331
72.10 Receivables in excess of obligations, start of year	-2,256,576	-1,021,462	-64,831	-184,495
74.10 Receivables in excess of obligations, end of year	1,021,462	64,831	184,495	
74.98 Obligated balance, end of year: Fund balance				-1,145,036
90.00 Outlays	-187,785	593,600	-169,200	-178,200

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111 Limitation on direct loans to the public				
1131 Obligations exempt from limitation: Direct loans to the public	568,111			
1150 Total direct loan obligations	568,111			

**Cumulative balance of direct loans outstanding:**

1210 Outstanding, start of year	1,313,066	1,748,475	1,581,675	1,412,475
1231 Disbursements: Direct loan disbursements	568,111			
1251 Repayments: Repayments and prepayments	-132,702	-166,800	-169,200	-178,200
1291 Outstanding, end of year	1,748,475	1,581,475	1,412,475	1,234,275

**Object Classification (in thousands of dollars)**

Identification code 17-4912-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>				
11.1 Full-time permanent	4,628,848	4,648,037	4,666,315	4,537,906
11.3 Other than full-time permanent	173,163	186,746	191,033	189,736
11.5 Other personnel compensation	436,209	447,032	422,891	413,122
11.8 Special personal services payments	10,990	3,917	4,083	4,172
11.9 Total personnel compensation	5,249,210	5,285,732	5,284,322	5,144,936
12.1 Personnel benefits: Civilian	630,587	717,559	962,197	969,303
13.0 Benefits for former personnel	334	4,709	5,520	4,220
21.0 Travel and transportation of persons	216,477	232,036	230,728	219,645
22.0 Transportation of things	24,233	25,717	25,866	25,078
23.1 Rental payments to GSA	3,740	4,481	4,848	4,741
23.2 Rental payments to others	135,264	103,573	96,184	91,435
23.3 Communications, utilities, and miscellaneous charges	584,325	666,795	667,163	637,757
24.0 Printing and reproduction	134,249	130,013	132,483	125,343
25.0 Other services: Other	4,692,812	4,786,593	3,289,207	3,372,418
26.0 Supplies and materials	2,346,202	1,284,919	2,164,592	2,121,279

Intragovernmental funds—Continued

NAVY INDUSTRIAL FUND—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	17-4912-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
31.0	Equipment.....	376,666	488,949	551,790	571,741
33.0	Investments and loans.....	568,111			
99.9	Total obligations.....	14,962,210	13,731,076	13,414,900	13,287,896

Personnel Summary

Total number of full-time permanent positions.....	166,272	165,100	161,310	154,670
Total compensable workyears:				
Full-time equivalent employment.....	182,068	179,149	174,640	166,768
Full-time equivalent of overtime and holiday hours.....	11,966	10,850	10,587	10,390

MARINE CORPS INDUSTRIAL FUND

Program and Financing (in thousands of dollars)

Identification code	17-4914-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Depot maintenance activities—Total obligations.....	103,878	114,232	119,273	118,871
<b>Financing:</b>					
11.00	Offsetting collections from: Federal funds.....	-90,261	-109,006	-113,901	-116,152
21.98	Unobligated balance available, start of year: Fund balance.....	-63,675	-50,058	-44,832	-39,460
24.98	Unobligated balance available, end of year: Fund balance.....	50,058	44,832	39,460	36,741
39.00	Budget authority.....				
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	13,617	5,226	5,372	2,719
72.10	Receivables in excess of obligations, start of year.....	-46,596	-39,417	-34,191	-28,819
74.10	Receivables in excess of obligations, end of year.....	39,417	34,191	28,819	26,100
90.00	Outlays.....	6,439			

Object Classification (in thousands of dollars)

Identification code	17-4914-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>					
11.1	Full-time permanent.....	38,150	40,740	41,843	42,672
11.3	Other than full-time permanent.....	1,514	1,151	1,181	1,204
11.5	Other personnel compensation.....	6,090	3,553	3,634	3,697
11.9	Total personnel compensation.....	45,754	45,444	46,658	47,573
12.1	Personnel benefits: Civilian.....	5,918	7,042	9,372	9,868
21.0	Travel and transportation of persons.....	771	1,207	1,308	1,318
23.2	Rental payments to others.....	3,284	24	24	25
23.3	Communications, utilities, and miscellaneous charges.....		3,287	3,295	3,328
24.0	Printing and reproduction.....	72	104	104	103
25.0	Other services: Other.....	12,305	12,610	12,371	9,943
26.0	Supplies and materials.....	33,627	40,089	41,453	41,700
31.0	Equipment.....	2,147	4,425	4,688	5,013
99.9	Total obligations.....	103,878	114,232	119,273	118,871

Personnel Summary

Total number of full-time permanent positions.....	1,624	1,744	1,744	1,744
Total compensable workyears:				
Full-time equivalent employment.....	1,713	1,776	1,776	1,776
Full-time equivalent of overtime and holiday hours.....	190	109	110	111

AIR FORCE INDUSTRIAL FUND

Program and Financing (in thousands of dollars)

Identification code	57-4922-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
01.02	Laundry and drycleaning.....	5,100	5,555	6,357	6,528
01.03	Military airlift command.....	1,989,124	1,835,990	1,554,660	1,626,276
01.04	San Antonio real property maintenance agency.....	202,004	223,071	227,906	236,664
01.05	Depot maintenance.....	3,789,591	3,944,513	4,201,563	4,150,457
10.00	Total obligations.....	5,985,819	6,009,129	5,990,486	6,019,925
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-5,724,679	-6,011,945	-5,824,171	-5,701,993
13.00	Trust funds.....	-61,923	-41,267	-39,593	-46,739
14.00	Non-Federal sources.....	-18,168	-44,554	-46,242	-53,148
21.98	Unobligated balance available, start of year: Fund balance.....	-399,056	-218,007	-306,644	-226,164
24.98	Unobligated balance available, end of year: Fund balance.....	218,007	306,644	226,164	8,119
39.00	Budget authority.....				
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net.....	181,049	-88,637	80,480	218,045
72.98	Obligated balance start of year: Fund balance.....	288,492	577,448	488,811	569,291
74.98	Obligated balance, end of year: Fund balance.....	-577,448	-488,811	-569,291	-787,336
90.00	Outlays.....	-107,907			

Object Classification (in thousands of dollars)

Identification code	57-4922-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Personnel compensation:</b>					
11.1	Full-time permanent.....	1,017,589	1,021,552	1,014,660	1,019,562
11.3	Other than full-time permanent.....	11,972	12,018	11,937	11,995
11.5	Other personnel compensation.....	17,957	18,027	17,906	17,992
11.9	Total personnel compensation.....	1,047,518	1,051,597	1,044,503	1,049,549
12.1	Personnel benefits: Civilian.....	119,716	120,183	119,372	119,949
21.0	Travel and transportation of persons.....	53,872	54,082	53,717	53,977
22.0	Transportation of things.....	1,796	1,803	1,791	1,799
23.3	Communications, utilities, and miscellaneous charges.....	119,716	120,183	119,372	119,949
24.0	Printing and reproduction.....	1,796	1,803	1,791	1,799
<b>Other services:</b>					
25.0	Payments to foreign national indirect hire personnel.....	5,986	6,009	5,969	5,997
25.0	Contracts.....	2,154,895	2,163,286	2,148,691	2,159,073
26.0	Supplies and materials.....	2,420,666	2,430,092	2,435,594	2,447,859
31.0	Equipment.....	59,858	60,091	59,686	59,974
99.9	Total obligations.....	5,985,819	6,009,129	5,990,486	6,019,925

Personnel Summary

Total number of full-time permanent positions.....	45,197	41,506	41,485	41,398
Total compensable workyears:				
Full-time equivalent employment.....	46,519	47,473	46,031	44,998
Full-time equivalent of overtime and holiday hours.....	2,239	2,217	1,971	2,048

DEFENSE INDUSTRIAL FUND

Program and Financing (in thousands of dollars)

Identification code	97-4962-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
01.01	Clothing and textile center.....	40,998	42,421	39,632	38,152
01.02	Communication services.....	1,230,481	1,166,140	1,225,341	1,325,832
10.00	Total obligations.....	1,271,479	1,208,561	1,264,973	1,363,984
<b>Financing:</b>					
Offsetting collections from:					
11.00	Federal funds.....	-1,163,820	-1,195,100	-1,254,271	-1,354,632

14.00	Non-Federal sources .....	- 872	- 1,010	- 1,080	- 1,210
21.98	Unobligated balance available, start of year: Fund balance....	- 143,689	- 36,902	- 24,451	- 14,829
24.98	Unobligated balance available, end of year: Fund balance.....	36,902	24,451	14,829	6,687
39.00	<b>Budget authority</b> .....				
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....	106,787	12,451	9,622	8,142
72.98	Obligated balance, start of year: Fund balance.....	118,846	84,921	97,372	106,994
74.98	Obligated balance, end of year: Fund balance.....	- 84,921	- 97,372	- 106,994	- 115,136
90.00	Outlays.....	140,713			

**Object Classification (in thousands of dollars)**

Identification code	97-4962-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
Personnel compensation:					
11.1	Full-time permanent .....	5,949	7,156	7,405	7,630
11.5	Other personnel compensation.....	102	73	75	77
11.9	Total personnel compensation.....	6,051	7,229	7,480	7,707
12.1	Personnel benefits: Civilian .....	653	811	846	871
21.0	Travel and transportation of persons .....	429	440	515	530
22.0	Transportation of things .....	14	3	10	400
23.2	Rental payments to others.....	38,024	459	2,641	2,602
23.3	Communications, utilities, and miscellane- ous charges .....	1,219,155	1,116,890	1,188,391	1,279,630
24.0	Printing and reproduction .....	12	46	51	55
Other services:					
25.0	Payments to foreign national indirect hire personnel.....	219	264	274	285
25.0	Other.....	3,085	1,327	531	
26.0	Supplies and materials.....	242	330	343	354
31.0	Equipment.....	3,595	80,762	63,891	71,550
99.9	Total obligations.....	1,271,479	1,208,561	1,264,973	1,363,984

**Personnel Summary**

Total number of full-time permanent positions .....	1,850	1,804	1,648	1,535
Total compensable workyears:				
Full-time equivalent employment.....	1,820	1,956	1,775	1,653
Full-time equivalent of overtime and holiday hours.....	78	69	57	57

**MANAGEMENT FUNDS**

These funds were created to simplify the financing and accounting for operations supported by 2 or more appropriations. The corpus of each fund consists of \$1 million except for the ADP Equipment Management Fund which was established in 1986 with a corpus of \$100 million.

**ADP EQUIPMENT MANAGEMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	97-3910-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Financing:</b>					
21.98	Unobligated balance available, start of year: Fund balance.....		- 75,145	- 75,145	- 75,145
24.98	Unobligated balance available, end of year: Fund balance.....	75,145	75,145	75,145	75,145
39.00	<b>Budget authority</b> .....	<b>75,145</b>			
<b>Budget authority:</b>					
40.00	Appropriation .....	100,000			
41.00	Transferred to other accounts.....	- 24,855			
43.00	<b>Appropriation (adjusted)</b> .....	<b>75,145</b>			

Relation of obligations to outlays:					
71.00	Obligations incurred, net.....				
90.00	Outlays .....				

**ARMY MANAGEMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	21-3970-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Transportation services—Total obligations (object class 25.0) .....	498,943	3,000	3,000	1,500
<b>Financing:</b>					
11.00	Offsetting collections from: Federal funds...	- 498,943	- 3,000	- 3,000	- 1,500
21.98	Unobligated balance available, start of year: Fund balance.....	- 1,000	- 1,000	- 1,000	- 1,000
24.98	Unobligated balance available, end of year: Fund balance.....	1,000	1,000	1,000	1,000
39.00	<b>Budget authority</b> .....				
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....				
72.98	Obligated balance, start of year: Fund bal- ance.....	42,106	20,637	20,637	20,637
74.98	Obligated balance, end of year: Fund bal- ance.....	- 20,637	- 20,637	- 20,637	- 20,637
90.00	Outlays .....	21,470			

**NAVY MANAGEMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	17-3980-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Transportation of things—Total obligations (object class 22.0) .....	554,270	577,700	607,300	627,900
<b>Financing:</b>					
11.00	Offsetting collections from: Federal funds...	- 554,270	- 577,700	- 607,300	- 627,900
21.98	Unobligated balance available, start of year: Fund balance.....	- 1,000	- 1,000	- 1,000	- 1,000
24.98	Unobligated balance available, end of year: Fund balance.....	1,000	1,000	1,000	1,000
39.00	<b>Budget authority</b> .....				
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....				
72.98	Obligated balance, start of year: Fund bal- ance.....	15,950	6,638	6,638	6,638
74.98	Obligated balance, end of year: Fund bal- ance.....	- 6,638	- 6,638	- 6,638	- 6,638
90.00	Outlays .....	9,312			

**AIR FORCE MANAGEMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	57-3960-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Financing:</b>					
21.98	Unobligated balance available, start of year: Fund balance.....	- 1,003	- 1,003	- 1,003	- 1,003
24.98	Unobligated balance available, end of year: Fund balance.....	1,003	1,003	1,003	1,003
39.00	<b>Budget authority</b> .....				
Relation of obligations to outlays:					
71.00	Obligations incurred, net.....				
90.00	Outlays .....				

Intragovernmental funds—Continued

ARMY CONVENTIONAL AMMUNITION WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 21-4528-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
01.01 Load, assemble and pack.....	1,277,363	1,519,000	1,304,300	1,243,600
01.02 Components.....	1,653,059	1,963,000	1,688,000	1,609,200
01.03 Quality assurance, proof and acceptance testing.....	30,056	35,700	30,700	29,300
01.04 Rework cost.....	45,083	51,300	46,000	43,900
10.00 Total obligations.....	3,005,561	3,569,000	3,069,000	2,926,000
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-3,030,172	-2,915,000	-2,854,000	-2,821,000
13.00 Trust funds.....	-47,748	-90,000	-100,000	-110,000
14.00 Non-Federal sources.....	-2,007			
21.98 Unobligated balance available, start of year: Fund balance....	-679,969	-754,335	-190,335	-75,335
24.98 Unobligated balance available, end of year: Fund balance.....	754,335	190,335	75,335	80,335
39.00 Budget authority.....				
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	-74,366	564,000	115,000	-5,000
72.10 Receivables in excess of obligations, start of year.....	-353,685	-411,350		
72.98 Obligated balance, start of year: Fund balance.....			152,650	267,650
74.10 Receivables in excess of obligations, end of year.....	411,350			
74.98 Obligated balance, end of year: Fund balance.....		-152,650	-267,650	-262,650
90.00 Outlays.....	-16,702			

The Army conventional ammunition working capital fund was established to simplify the accounting system for procurement of conventional ammunition. It is used to procure ammunition for all the Services and other customers. It will provide for payment of load, assemble and pack (LAP) operations, component purchases for metal parts and explosive materials, quality assurance and rework effort.

Object Classification (in thousands of dollars)

Identification code 21-4528-0-4-051	1986 actual	1987 est.	1988 est.	1989 est.
25.0 Other services: Other.....	160,542	109,000	94,000	89,000
26.0 Supplies and materials.....	2,845,019	3,460,000	2,975,000	2,837,000
99.9 Total obligations.....	3,005,561	3,569,000	3,069,000	2,926,000

TRUST FUNDS

DEPARTMENT OF THE ARMY TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 21-9971-0-7-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Department of the Army general gift fund—Total obligations (object class 41.0).....	162	151	117	127
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40 Treasury balance.....	-396	-349	-302	-294
U.S. Securities:				
21.40 Purchase price.....	-457	-439	-455	-466
21.40 Unrealized discounts.....		-12	-12	-12
Unobligated balance available, end of year:				
24.40 Treasury balance.....	349	302	294	306

U.S. Securities:				
24.40 Purchase price.....	439	455	466	437
24.40 Unrealized discounts.....	12	12	12	12
60.00 Budget authority (appropriation) (permanent, indefinite).....	108	120	120	110
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	162	151	117	127
72.40 Obligated balance, start of year.....	44	14	65	82
74.40 Obligated balance, end of year.....	-14	-65	-82	-109
90.00 Outlays.....	192	100	100	100

This fund includes gifts and bequests limited to specific purposes by the donor such as the Evangeline G. Bovard, Cormack medal fund, Quartermaster Foundation, Inc., and the Henry C. McLean bequest. In addition, it accounts for gifts and bequests, not limited to specific use by the donor, which may be used for purposes as determined by the Secretary of the Army.

DEPARTMENT OF THE NAVY TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 17-9972-0-7-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
02.12 Naval Academy general gift fund.....	387	415	410	410
02.13 Naval Academy Museum fund.....	199	195	190	190
02.14 Department of the Navy general gift fund..	394	294	298	302
02.15 Ships' stores profits, Navy.....	22,846	23,700	22,900	23,000
02.16 Office of Naval Records and History fund..		50	50	50
10.00 Total obligations.....	23,826	24,654	23,848	23,952
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40 Treasury balance.....	-5,461	-4,043	-2,969	-2,911
U.S. Securities:				
21.40 Purchase price.....	-4,827	-5,320	-5,420	-5,520
21.40 Unrealized discounts.....		-1	-1	-1
Unobligated balance available, end of year:				
24.40 Treasury balance.....	4,043	2,969	2,911	2,869
U.S. Securities:				
24.40 Purchase price.....	5,320	5,420	5,520	5,620
24.40 Unrealized discounts.....	1	1	1	1
60.00 Budget authority (appropriation) (permanent, indefinite).....	22,903	23,680	23,890	24,010
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	23,826	24,654	23,848	23,952
72.40 Obligated balance, start of year.....	229	86	140	188
74.40 Obligated balance, end of year.....	-86	-140	-188	-240
90.00 Outlays.....	23,969	24,600	23,800	23,900
Distribution of budget authority by account:				
Naval Academy general gift fund.....	439	375	372	384
Naval Academy Museum fund.....	198	192	190	190
Department of the Navy general gift fund.....	571	368	370	378
Ships' stores profits, Navy.....	21,653	22,700	22,900	23,000
Office of Naval Records and History fund.....	42	45	58	58
Distribution of outlays by account:				
Naval Academy general gift fund.....	414	400	400	400
Naval Academy Museum fund.....	192	200	190	190
Department of the Navy general gift fund.....	451	260	280	280
Ships' stores profits, Navy.....	22,846	23,700	22,900	23,000
Office of Naval Records and History fund.....	66	40	30	30

**Gift funds.**—These activities consist primarily of contributions from individuals subject to conditions specified by the donor for the benefit of the Naval Academy, the Naval Academy Museum, and other institutions of the Navy.

**Ships' stores profits, Navy.**—Profits earned in the operation of ships' stores are expended at the discretion of

the Secretary of the Navy for the amusement, comfort, contentment, and welfare of officers and enlisted personnel on ships or outside the United States.

*Office of Naval Records and History fund.*—This fund represents gifts of money for the benefit of the Office of Naval Records and History, Navy Department, and royalties received from sale of histories of U.S. Naval Operations.

Object Classification (in thousands of dollars)					
Identification code	17-9972-0-7-051	1986 actual	1987 est.	1988 est.	1989 est.
24.0	Printing and reproduction	55	64	67	67
25.0	Other services: Other	328	266	255	255
26.0	Supplies and materials	251	306	305	309
31.0	Equipment	1,640	1,764	1,827	1,889
41.0	Grants, subsidies, and contributions	21,552	22,254	21,394	21,432
99.9	Total obligations	23,826	24,654	23,848	23,952

DEPARTMENT OF THE AIR FORCE GENERAL GIFT FUND

Program and Financing (in thousands of dollars)					
Identification code	57-8928-0-7-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Air Force Academy—total obligations (object class 31.0)	5,408	50	75	100
<b>Financing:</b>					
Unobligated balance available, start of year:					
21.40	Treasury balance	-65		-50	-65
U.S. Securities:					
21.40	Purchase price	-4,228	-603	-603	-603
21.40	Unrealized discounts		-109	-109	-109
Unobligated balance available, end of year:					
24.40	Treasury balance		50	65	45
U.S. Securities:					
24.40	Purchase price	603	603	603	603
24.40	Unrealized discounts	109	109	109	109
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>1,827</b>	<b>100</b>	<b>90</b>	<b>80</b>
Relation of obligations to outlays:					
71.00	Obligations incurred, net	5,408	50	75	100
Obligated balance, start of year:					
72.40	Treasury balance	11	1,172		
72.40	U.S. securities (par)		2,204	1,326	401
Obligated balance, end of year:					
74.40	Treasury balance	-1,172			
74.40	U.S. securities (par)	-2,204	-1,326	-401	-301
90.00	Outlays	2,043	2,100	1,000	200

This fund is for gifts or bequests to the Air Force, some of which are limited to use for specific purposes by the donors.

SURCHARGE COLLECTIONS, SALES OF COMMISSARY STORES, ARMY

Program and Financing (in thousands of dollars)					
Identification code	21-8420-0-8-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Operation of commissary stores—Total obligations	105,749	104,353	90,495	87,572
<b>Financing:</b>					
14.00	Offsetting collections from: Non-Federal sources	-86,970	-83,893	-86,755	-89,572
21.98	Unobligated balance available, start of year: Fund balance	-57,039	-38,260	-17,800	-14,060

24.98	Unobligated balance available, end of year: Fund balance	38,260	17,800	14,060	16,060
39.00	<b>Budget authority</b>				
Relation of obligations to outlays:					
71.00	Obligations incurred, net	18,779	20,460	3,740	-2,000
72.98	Obligated balance, start of year: Fund balance	101,355	122,522	127,982	129,622
74.98	Obligated balance, end of year: Fund balance	-122,522	-127,982	-129,622	-125,522
90.00	Outlays	-2,389	15,000	2,100	2,100

This fund was established to reimburse certain appropriations for payments made on behalf of commissary stores of the Department of the Army for operating equipment and supplies, such as utilities, laundry services, and inventory losses, in accordance with the annual Department of Defense Appropriation Act. Surcharge funds are also utilized for both minor and major construction of commissaries.

Object Classification (in thousands of dollars)

Identification code	21-8420-0-8-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0	Transportation of things	22	25	30	35
23.3	Communications, utilities, and miscellaneous charges	9,219	10,545	10,900	11,100
25.0	Other services: Other	72,816	69,860	56,165	53,137
26.0	Supplies and materials	15,110	15,523	15,400	15,600
31.0	Equipment	8,582	8,400	8,000	7,700
99.9	Total obligations	105,749	104,353	90,495	87,572

DEPARTMENT OF THE NAVY TRUST REVOLVING FUNDS

Program and Financing (in thousands of dollars)					
Identification code	17-9981-0-8-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
02.22	Midshipmen's store, U.S. Naval Academy	22,265	17,697	17,933	18,463
02.23	Surcharge collections, sales of commissary stores, Navy	39,178	48,300	51,100	53,600
02.24	Surcharge collections, sales of commissary stores, Marine Corps	8,307	10,300	10,500	10,700
10.00	Total obligations	69,750	76,297	79,533	82,763
<b>Financing:</b>					
14.00	Offsetting collections from: Non-Federal sources	-68,056	-71,151	-74,422	-77,066
21.98	Unobligated balance available, start of year: Fund balance	-21,873	-20,179	-15,033	-9,922
24.98	Unobligated balance available, end of year: Fund balance	20,179	15,033	9,922	4,225
39.00	<b>Budget authority</b>				
Relation of obligations to outlays:					
71.00	Obligations incurred, net	1,694	5,146	5,111	5,697
72.98	Obligated balance, start of year: Fund balance	29,201	33,825	36,871	39,882
74.98	Obligated balance, end of year: Fund balance	-33,825	-36,871	-39,882	-43,479
90.00	Outlays	-2,930	2,100	2,100	2,100
Distribution of outlays by account:					
	Midshipmen's store, U.S. Naval Academy	656			
	Surcharge collections, sales of commissary stores, Navy	-511	2,100	2,100	2,100
	Surcharge collections, sales of commissary stores, Marine Corps	-3,075			

The midshipmen's store is operated to: (1) Procure clothing and other necessary supplies for the midshipmen, (2) provide barber, cobbler, and tailor shop facilities.

**Intragovernmental funds—Continued**

**DEPARTMENT OF THE NAVY TRUST REVOLVING FUNDS—Continued**

ties for the midshipmen, and (3) operate the dairy farm at the Naval Academy. Funds collected from the above-mentioned operations are deposited in the Treasury and are available for operating expenses of such activities and any other expenditures as the Superintendent of the Naval Academy considers necessary for the interest of the health, comfort, and education of the midshipmen.

**Surcharge collections, sales of commissary stores, Navy and Marine Corps.**—These funds finance procurement of operating supplies, utility expenses, inventory losses, equipment, and facility construction and renovation.

Object Classification (in thousands of dollars)				
Identification code 17-9981-0-8-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things .....	912	899	900	903
23.2 Rental payments to others.....	116	120	122	126
23.3 Communications, utilities, and miscellaneous charges .....	10,591	11,200	11,700	12,600
25.0 Other services: Other.....	10,411	15,759	16,256	17,174
26.0 Supplies and materials.....	24,670	18,258	18,978	20,148
31.0 Equipment.....	8,931	9,260	9,766	9,880
32.0 Lands and structures.....	10,877	20,125	21,128	21,234
33.0 Investments and loans.....	3,062	501	508	523
41.0 Grants, subsidies, and contributions.....	180	175	175	175
99.9 Total obligations.....	69,750	76,297	79,533	82,763

**DEPARTMENT OF THE AIR FORCE TRUST REVOLVING FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 57-9982-0-8-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
02.25 Surcharge collections, sales of commissary stores, Air Force .....	91,641	87,900	90,900	110,200
02.26 Air Force cadet fund.....	41,714	42,965	43,824	44,700
10.00 Total obligations .....	133,355	130,865	134,724	154,900
<b>Financing:</b>				
14.00 Offsetting collections from: Non-Federal sources .....	-154,880	-151,184	-151,550	-155,300
21.98 Unobligated balance available, start of year: Fund balance.....	-2,212	-4,463	-6,782	-6,508
24.98 Unobligated balance available, end of year: Fund balance.....	4,463	6,782	6,508	6,908
32.49 Balance of contract authority withdrawn....	19,274	18,000	17,100	.....
39.00 Budget authority .....	.....	.....	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	-21,525	-20,319	-16,826	-400
Obligated balance, start of year:				
72.49 Contract authority .....	79,486	60,212	42,212	25,112
72.98 Fund balance.....	87,250	52,040	26,821	4,195
Obligated balance, end of year:				
74.10 Receivables in excess of obligations, end of year .....	.....	.....	.....	5,805
74.49 Contract authority .....	-60,212	-42,212	-25,112	-25,112
74.98 Fund balance.....	-52,040	-26,821	-4,195	.....
90.00 Outlays .....	32,960	22,900	22,900	9,600
<b>Distribution of outlays by account:</b>				
Surcharge collections, sales of commissary stores, Air Force .....	33,756	23,300	23,300	10,000
Air Force cadet fund.....	-796	-400	-400	-400

**Surcharge collections, sales of commissary stores.**—This fund was established to reimburse appropriations for payments made on behalf of commissary stores of the Department of the Air Force for operating equip-

ment and supplies such as utilities, laundry services, and inventory losses, in accordance with the annual Department of Defense Appropriation Act. Surcharge funds are also utilized for both minor and major construction of commissaries.

**Air Force cadet fund.**—The cadet fund is maintained at the U.S. Air Force Academy, Colorado Springs, Colo. Cadet pay is deposited directly into the account and disbursements are made from it for cadet credit charges for uniforms and other clothing, cash payments to cadets, transportation, and sundry other items of personal maintenance.

**STATUS OF UNFUNDED CONTRACT AUTHORITY**

[In thousands of dollars]				
	1986 actual	1987 est.	1988 est.	1989 est.
Unfunded balance, start of year.....	79,486	60,212	42,212	25,112
Balance of contract authority withdrawn .....	-19,274	-18,000	-17,100	.....
Unfunded balance, end of year.....	60,212	42,212	25,112	25,112

**Object Classification (in thousands of dollars)**

Identification code 57-9982-0-8-051	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things .....	147	145	148	150
23.3 Communications, utilities, and miscellaneous charges .....	16,065	16,000	16,220	16,220
25.0 Other services: Other.....	11,730	10,455	10,665	18,720
26.0 Supplies and materials.....	19,730	21,300	21,867	15,110
31.0 Equipment.....	8,797	9,000	10,000	11,000
32.0 Lands and structures.....	35,172	31,000	32,000	49,000
44.0 Refunds .....	41,714	42,965	43,824	44,700
99.9 Total obligations.....	133,355	130,865	134,724	154,900

**ADMINISTRATIVE PROVISION**

Notwithstanding any other provision of law, all purchases, leases, or other uses of military type equipment acquired from appropriations provided in this chapter shall be procured under existing procedures established by the Department of Defense. (*Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.*)

**GENERAL PROVISIONS**

**SEC. 9001.** The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

**SEC. 9002 8001.** No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

**SEC. 9003 8002.** During the current fiscal year and the following fiscal year, the Secretary of Defense and the Secretaries of the Army, Navy, and Air Force, respectively, if they should deem it advantageous to the national defense, and if in their opinions the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with section 3109 of title 5, United States Code, under regulations prescribed by the Secretary of Defense, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty stations and return as may be authorized by law: *Provided*, That such contracts may be renewed annually.

**SEC. 9004 8003.** During the current fiscal year and the following fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense.

**SEC. 9005 8004.** The Secretary of Defense and each purchasing and contracting agency of the Department of Defense shall assist

American small and minority-owned business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this Act by increasing, to an optimum level, the resources and number of personnel jointly assigned to promoting both small and minority business involvement in purchases financed with funds appropriated herein, and by making available or causing to be made available to such businesses, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this Act, and by assisting small and minority business concerns to participate equitably as subcontractors on contracts financed with funds appropriated herein, and by otherwise advocating and providing small and minority business opportunities to participate in the furnishing of commodities and services financed with funds appropriated by this Act.

SEC. [9006] 8005. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year or, in the case of advance appropriations, the following fiscal year, unless expressly so provided herein.

SEC. [9007] 8006. No part of the appropriations in this Act shall be available for any expense of operating aircraft under the jurisdiction of the armed forces for the purpose of proficiency flying, as defined in Department of Defense Directive 1340.4, except in accordance with regulations prescribed by the Secretary of Defense. Such regulations (1) may not require such flying except that required to maintain proficiency in anticipation of a member's assignment to combat operations and (2) such flying may not be permitted in cases of members who have been assigned to a course of instruction of ninety days or more.

SEC. [9008] 8007. No part of any appropriation contained in this Act shall be available for expense of transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects in any one shipment having a net weight in excess of eighteen thousand pounds.

SEC. [9009] 8008. No more than 20 per centum of the appropriations in this Act which are limited for obligation during [the current] a single fiscal year shall be obligated during the last two months of [the] such fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of civilian components or summer camp training of the Reserve Officers' Training Corps, or the National Board for the Promotion of Rifle Practice, Army, or to the appropriations provided in this Act for Claims, Defense.

SEC. [9010] 8009. During the current fiscal year and the following fiscal year the agencies of the Department of Defense may accept the use of real property from foreign countries for the United States in accordance with mutual defense agreements or occupational arrangements and may accept services furnished by foreign countries as reciprocal international courtesies or as services customarily made available without charge; and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor.

In addition to the foregoing, agencies of the Department of Defense may accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and such agencies may use the same for the support of the United States forces in such areas, without specific appropriations therefor: *Provided*, [That the foregoing authority shall not be available for the conversion of heating plants from coal to oil at defense facilities in Europe: *Provided further*,] That within thirty days after the end of each quarter the Secretary of Defense shall render to Congress and to the Office of Management and Budget a full report of such property, supplies, and commodities received during such quarter.

SEC. [9011] 8010. No part of any appropriation contained in this Act, except for small purchases in amounts not exceeding \$10,000 shall be available for the procurement of any article of food, clothing, cotton, woven silk or woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles), or specialty metals including stainless steel flatware, or hand or measuring tools, not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton, woven silk and woven silk blends, spun silk yarn for cartridge cloth, synthetic fabric or coated synthetic fabric, wool, or specialty metals including stainless steel flatware, grown, reprocessed, reused, or produced in the United States or its

possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters, and emergency procurements or procurements of perishable foods by establishments located outside the United States for the personnel attached thereto: *Provided*, That nothing herein shall preclude the procurement of specialty metals or chemical warfare protective clothing produced outside the United States or its possessions when such procurement is necessary to comply with agreements with foreign governments requiring the United States to purchase supplies from foreign sources for the purposes of offsetting sales made by the United States Government or United States firms under approved programs serving defense requirements or where such procurement is necessary in furtherance of the standardization and interoperability of equipment requirements within NATO so long as such agreements with foreign governments comply, where applicable, with the requirements of section 36 of the Arms Export Control Act and with section 2457 of title 10, United States Code: *Provided further*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions: *Provided further*, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations: *Provided further*, That none of the funds appropriated in this Act shall be used except that, so far as practicable, all contracts shall be awarded on a formally advertised competitive bid basis to the lowest responsible bidder.

SEC. [9012] 8011. During the current fiscal year and the following fiscal year, appropriations available to the Department of Defense for pay of civilian employees shall be available for uniforms, or allowances therefor, as authorized by section 5901 of title 5, United States Code.

SEC. [9013] 8012. Funds provided in this Act for legislative liaison activities of the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense shall not exceed [\$13,900,000] \$14,900,000 for the current fiscal year and, \$15,800,000 for the following fiscal year: *Provided*, That this amount shall be available for apportionment to the Department of the Army, the Department of the Navy, the Department of the Air Force, and the Office of the Secretary of Defense as determined by the Secretary of Defense: *Provided further*, That costs for military retired pay accrual shall be included within this limitation.

SEC. [9014] 8013. Of the funds made available by this Act for the services of the Military Airlift Command, \$100,000,000 during the current fiscal year and \$100,000,000 during the following fiscal year shall be available only for procurement of commercial transportation service from carriers participating in the civil reserve air fleet program; and the Secretary of Defense shall utilize the services of such carriers which qualify as small businesses to the fullest extent found practicable: *Provided*, That the Secretary of Defense shall specify in such procurement, performance characteristics for aircraft to be used based upon modern aircraft operated by the civil reserve air fleet.

SEC. [9015] 8014. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed [\$1,100,000,000] \$1,500,000,000 during the current fiscal year and \$2,000,000,000 during the following fiscal year of working capital funds of the Department of Defense or funds [made] available [in this Act] to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

SEC. [9016] 8015. During the current fiscal year and the following fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that trans-

fers between a stock fund account and an industrial fund account may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

**Sec. [9017]** None of the funds available to the Department of Defense shall be utilized for the conversion of heating plants from coal to oil at defense facilities in Europe.】

**Sec. [9018]** 8016. No part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress.

**Sec. [9019]** 8017. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services under the provisions for section 1079(a) of title 10, United States Code, shall be available for reimbursement of any physician or other authorized individual provider of medical care in excess of the eightieth percentile of the customary charges made for similar services in the same locality where the medical care was furnished, as determined for physicians in accordance with section 1079(h) of title 10, United States Code.

**Sec. [9020]** 8018. No appropriation contained in this Act may be used to pay for the cost of public affairs activities of the Department of Defense in excess of **[\$43,900,000] \$48,500,000 during the current fiscal year and \$51,600,000 during the following fiscal year. Provided,** That costs for military retired pay accrual shall be included within this limitation.

**Sec. [9021]** 8019. None of the funds provided in this Act shall be available for the planning or execution of programs which utilize amounts credited to Department of Defense appropriations or funds pursuant to the provisions of section 37(a) of the Arms Export Control Act representing payment for the actual value of defense articles specified in section 21(a)(1)(A) of that Act: *Provided,* That such amounts shall be credited to the Special Defense Acquisition Fund, as authorized by law, or, to the extent not so credited shall be deposited in the Treasury as miscellaneous receipts as provided in section 3302(b) of the title 31, United States Code.

**Sec. [9022]** 8020. No appropriation contained in this Act shall be available to fund any costs of a Senior Reserve Officers' Training Corps unit—except to complete training of personnel enrolled in Military Science 4—which in its junior year class (Military Science 3) has for the four preceding academic years, and as of September 30, 1983, enrolled less than (a) seventeen students where the institution prescribes a four-year or a combination four- and two-year program; or (b) twelve students where the institution prescribes a two-year program: *Provided,* That, notwithstanding the foregoing limitation, funds shall be available to maintain one Senior Reserve Officers' Training Corps unit in each State and at each State-operated maritime academy: *Provided further,* That units under the consortium system shall be considered as a single unit for purposes of evaluation of productivity under this provision: *Provided further,* That enrollment standards contained in Department of Defense Directive 1215.8 for Senior Reserve Officers' Training Corps units, as revised during fiscal year 1981, may be used to determine compliance with this provision, in lieu of the standards cited above.

**Sec. [9023]** 8021. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year or, in the case of advance appropriations, the following fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, **[1988] 1989: Provided,** That advance appropriations for the Reserve for Contingencies shall remain available until September 30, 1990.

**Sec. [9024]** 8022. None of the funds appropriated by this Act may be used to support more than 9,901 full-time and 2,603 part-time military personnel assigned to or used in the support of Morale, Welfare, and Recreation activities as described in Department of Defense Instruction 7000.12 and its enclosures, dated September 4, 1980.

**Sec. [9025]** 8023. All obligations incurred in anticipation of the appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

**SEC. [9026]** 8024. None of the funds appropriated by this Act or heretofore appropriated by any other Act shall be obligated or expended for the payment of anticipatory possession compensation claims to the Federal Republic of Germany other than claims listed in the 1973 agreement (commonly referred to as the Global Agreement) between the United States and the Federal Republic of Germany.

**SEC. [9027]** 8025. During the current fiscal year and the following fiscal year, the Department of Defense may enter into contracts to recover indebtedness to the United States pursuant to section 3718 of title 31, United States Code.

**SEC. [9028]** 8026. None of the funds appropriated by this Act shall be available for a contract for studies, analyses, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines:

(a) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work, or

(b) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source, or

(c) where the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support:

*Provided,* That this limitation shall not apply to contracts in an amount of less than \$25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

**SEC. [9029]** 8027. None of the funds appropriated by this Act shall be available to provide medical care in the United States on an inpatient basis to foreign military and diplomatic personnel or their dependents unless the Department of Defense is reimbursed for the costs of providing such care: *Provided,* That reimbursements for medical care covered by this section shall be credited to the appropriations against which charges have been made for providing such care, except that inpatient medical care may be provided in the United States without cost to military personnel and their dependents from a foreign country if comparable care is made available to a comparable number of United States military personnel in that foreign country.

**SEC. [9030]** 8028. None of the funds appropriated by this Act shall be obligated for the second career training program authorized by Public Law 96-347.

**SEC. [9031]** 8029. None of the funds appropriated or otherwise made available in this Act shall be obligated or expended for salaries or expenses during the current fiscal year or the following fiscal year for the purposes of demilitarization of surplus nonautomatic firearms less than .50 caliber.

**SEC. 9032.** None of the funds provided in this Act shall be available to initiate (1) a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of \$20,000,000, or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of \$20,000,000 in any one year, unless the Committees on Appropriations and Armed Services of the Senate and House of Representatives have been notified at least thirty days in advance of the proposed contract award: *Provided,* That no part of any appropriation contained in this Act shall be available to initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability: *Provided further,* That no part of any appropriation contained in this Act shall be available to initiate multiyear procurement contracts for any systems or component thereof if the value of the multiyear contract would exceed \$500,000,000 unless specifically provided in this Act: *Provided further,* That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement. Funds appropriated in title III of this Act may be used for multiyear procurement contracts as follows:

UH-60/EH-60 airframe;  
Patriot missile system;  
Stinger missile system; and  
Defense support program.】

SEC. [9033] 8030. None of the funds appropriated by this Act which are available for payment of travel allowances for per diem in lieu of subsistence to enlisted personnel shall be used to pay such an allowance to any enlisted member in an amount that is more than the amount of per diem in lieu of subsistence that the enlisted member is otherwise entitled to receive minus the basic allowance for subsistence, or pro rata portion of such allowance, that the enlisted member is entitled to receive during any day, or portion of a day, that the enlisted member is also entitled to be paid a per diem in lieu of subsistence.

SEC. [9034] 8031. None of the funds appropriated by this Act shall be available to approve a request for waiver of the costs otherwise required to be recovered under the provisions of section 21(e)(1)(C) of the Arms Export Control Act unless the Committees on Appropriations have been notified in advance of the proposed waiver.

[SEC. 9035. In the administration of the provisions of chapter 13 of title 38, United States Code, Michael J. Smith, pilot of the space shuttle, Challenger, shall be deemed to have held the grade of captain, United States Navy, at the time of his death on January 28, 1986, while so serving as pilot of such space shuttle.]

SEC. [9036. (a)] 8032. None of the funds in this Act may be used to transfer any article of military equipment or data related to the manufacture of such equipment to a foreign country prior to the approval in writing of such transfer by the Secretary of the military service involved.

[“(b) TECHNICAL DATA PACKAGES FOR PRODUCTION OF LARGE-CALIBER CANNON.—(1) Chapter 433 of title 10, United States Code, is amended by adding at the end the following new section:”]

“§ 4542. Technical data packages for large-caliber cannon: prohibition on transfers to foreign countries; exception”]

“(a) GENERAL RULE.—Funds appropriated to the Department of Defense may not be used—

“(1) to transfer to a foreign country a technical data package for a defense item being manufactured or developed in an arsenal; or

“(2) to assist a foreign country in producing such a defense item.”]

“(b) EXCEPTION.—The Secretary of the Army may use funds appropriated to the Department of Defense to transfer a technical data package, or to provide assistance, described in subsection (a) if—

“(1) the transfer or provision of assistance is to a friendly foreign country (as determined by the Secretary of Defense in consultation with the Secretary of State);

“(2) the Secretary of the Army determines that such action—  
“(A) would have a clear benefit to the preservation of the production base for the production of cannon at the arsenal concerned; and

“(B) would not transfer technology (including production techniques) considered unique to the arsenal concerned; and

“(3) the Secretary of Defense enters into an agreement with the country concerned described in subsection (c).”]

“(c) COPRODUCTION AGREEMENTS.—An agreement under this subsection shall be in the form of a Government-to-Government Memorandum of Understanding and shall include provisions that—

“(1) prescribe the content of the technical data package or assistance to be transferred to the foreign country participating in the agreement;

“(2) require that production by the participating foreign country of the defense item to which the technical data package or assistance relates be shared with the arsenal concerned;

“(3) subject to such exceptions as may be approved under subsection (d), prohibit transfer by the participating foreign country to a third party or country of—

“(A) any defense article, technical data package, technology, or assistance provided by the United States under the agreement; and

“(B) any defense article produced by the participating foreign country under the agreement; and

“(4) require the Secretary of Defense to monitor compliance with the agreement and the participating foreign country to report periodically to the Secretary of Defense concerning the agreement.”]

“(d) TRANSFERS TO THIRD PARTIES.—A transfer described in subsection (b)(3) may be made if—

“(1) the defense article, technical data package, or technology to be transferred is a product of a cooperative research and development program in which the United States and the participating foreign country were partners; or

“(2) the President—

“(A) complies with all requirements of section 3(d) of the Arms and Export Control Act (22 U.S.C. 2753(d)) with respect to such transfer; and

“(B) certifies to Congress before the transfer, that the transfer would provide a clear benefit to the production base of the United States for large-caliber cannon.”]

“(e) NOTICE AND REPORTS TO CONGRESS.—(1) The Secretary of the Army shall submit to Congress a notice of each agreement entered into under this section.

“(2) The Secretary shall submit to Congress a semiannual report on the operation of this section and of agreements entered into under this section.”]

“(f) ARSENAL DEFINED.—In this section, the term ‘arsenal’ means a Government-owned, Government-operated defense plant that manufactures large-caliber cannon.”]

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“4542. Technical data packages for large-caliber cannon: prohibition on transfers to foreign countries; exception.”]

“(c) EFFECTIVE DATE.—Section 4542 of title 10, United States Code, as added by subsection (b), shall apply with respect to funds appropriated for fiscal years after fiscal year 1986.”]

SEC. [9037] 8033. None of the funds appropriated in this Act may be made available through transfer, reprogramming, or other means for any intelligence or special activity different from that previously justified to the Congress unless the Director of Central Intelligence or the Secretary of Defense has notified the House and Senate Appropriations Committees of the intent to make such funds available for such activity.

[SEC. 9038. None of the funds available to the Department of Defense during the current fiscal year shall be used by the Secretary of a military department to purchase coal or coke from foreign nations for use at United States defense facilities in Europe when coal from the United States is available.]

SEC. [9039] 8034. None of the funds available to the Department of Defense shall be available for the procurement of manual typewriters which were manufactured by facilities located within states which are Signatories to the Warsaw Pact.

[SEC. 9040. None of the funds appropriated by this Act may be used to appoint or compensate more than 39 individuals in the Department of Defense in positions in the Executive Schedule (as provided in sections 5312–5316 of title 5, United States Code).]

SEC. [9041] 8035. None of the funds appropriated by this Act shall be available to convert a position in support of the Army Reserve, Air Force Reserve, Army National Guard, and Air National Guard occupied by, or programmed to be occupied by, a (civilian) military technician to a position to be held by a person in an active Guard or Reserve status if that conversion would reduce the total number of positions occupied by, or programmed to be occupied by, (civilian) military technicians of the component concerned, below 67,557: *Provided*, That none of the funds appropriated by this Act shall be available to support more than 45,098 positions in support of the Army Reserve, Army National Guard or Air National Guard occupied by, or programmed to be occupied by, persons in an active Guard or Reserve status: *Provided further*, That none of the funds appropriated by this Act may be used to include (civilian) military technicians in computing civilian personnel ceilings, including statutory or administratively imposed ceilings, on activities in support of the Army Reserve, Air Force Reserve, Army National Guard or Air National Guard.

[SEC. 9042. (a) The provisions of section 138(c)(2) of title 10, United States Code, shall not apply with respect to fiscal year 1987 or with respect to the appropriation of funds for that year.]

“(b) During fiscal year 1987, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.”]

“(c) The fiscal year 1988 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 1988 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 1988.”]

【Sec. 9043. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department to exceed, outside the fifty States of the United States and the District of Columbia, the aggregate civilian workyear totals in fiscal year 1986 for both direct hire and indirect hire employees including foreign national employees: *Provided*, That workyears shall be applied as defined in the Federal Personnel Manual Supplement 298-2, Book IV.】

SEC. 【9044. Appropriations】 8036. *During the current fiscal year and the following fiscal year, appropriations or funds available to the Department of Defense [during the current fiscal year] may be transferred to appropriations provided in this Act for research, development, test, and evaluation to the extent necessary to meet increased pay costs authorized by or pursuant to law, to be merged with and to be available for the same purposes, and the same time period, as the appropriation to which transferred.*

【SEC. 9045. None of the funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated or expended during fiscal year 1987 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance unless in accordance with the terms and conditions specified by section 106 of the Intelligence Authorization Act for fiscal year 1987.】

【SEC. 9046. The following funds are hereby rescinded from the following accounts in the specified amounts:

Aircraft procurement, Army, 1985/1987.....	\$15,600,000
Aircraft procurement, Army, 1986/1988.....	\$78,800,000
Missile procurement, Army, 1985/1987.....	\$32,800,000
Missile procurement, Army, 1986/1988.....	\$66,800,000
Procurement of weapons and tracked combat vehicles, Army, 1985/1987.....	\$25,100,000
Procurement of weapons and tracked combat vehicles, Army, 1986/1988.....	\$188,200,000
Procurement of ammunition, Army, 1985/1987.....	\$33,000,000
Procurement of ammunition, Army, 1986/1988.....	\$39,562,000
Other procurement, Army, 1985/1987.....	\$45,400,000
Other procurement, Army, 1986/1988.....	\$133,300,000
Aircraft procurement, Navy, 1985/1987.....	\$170,700,000
Aircraft procurement, Navy, 1986/1988.....	\$408,200,000
Weapons procurement, Navy 1985/1987.....	\$59,500,000
Weapons procurement, Navy, 1986/1988.....	\$185,100,000
Shipbuilding and conversion, Navy, 1983/1987.....	\$338,500,000
Shipbuilding and conversion, Navy, 1984/1988.....	\$53,000,000
Shipbuilding and conversion, Navy, 1985/1989.....	\$141,100,000
Shipbuilding and conversion, Navy, 1986/1990.....	\$737,900,000
Other procurement, Navy, 1985/1987.....	\$18,434,000
Other procurement, Navy, 1986/1988.....	\$214,769,000
Procurement, Marine Corps, 1985/1987.....	\$7,100,000
Procurement, Marine Corps, 1986/1988.....	\$19,400,000
Aircraft procurement, Air Force, 1985/1987.....	\$513,300,000
Aircraft procurement, Air Force, 1986/1988.....	\$619,500,000
Missile procurement, Air Force, 1985/1987.....	\$41,600,000
Missile procurement, Air Force, 1986/1988.....	\$629,700,000
Other procurement, Air Force, 1985/1987.....	\$68,611,000
Other procurement, Air Force, 1986/1988.....	\$122,900,000
Research, development, test and evaluation, Army, 1986/1987.....	\$45,523,000
Research, development, test and evaluation, Navy, 1986/1987.....	\$54,878,000
Research, development, test and evaluation, Air Force, 1986/1987.....	\$167,000,000
Research, development, test and evaluation, Defense Agencies, 1986/1987.....	\$48,400,000
Director of developmental test and evaluation, Defense, 1986/1987.....	\$200,000】

SEC. 【9047】 8037. In addition to any other transfer authority contained in this Act, amounts from working capital funds may be transferred to the Operation and Maintenance appropriations contained in this Act to be merged with and to be available for the same purposes and for the same time period as the appropriation to which transferred: *Provided*, That for the current fiscal year, such transfers shall not exceed 【\$755,300,000】 \$197,100,000 for Operation and Maintenance, Army; 【\$2,341,400,000】 \$39,000,000 for Operation and Maintenance, Navy; 【\$29,200,000 for Operation and Maintenance, Marine Corps; \$1,864,100,000】 and \$637,000,000 for Operation and Maintenance, Air Force; \$40,600,000 for Operation and Maintenance, Defense Agencies; \$14,526,000 for Operation and Maintenance, Army Reserve; \$66,500,000 for Operation and Maintenance, Navy Reserve; \$800,000 for Operation and Maintenance, Marine Corps Reserve; \$63,000,000 for Operation and Maintenance, Air Force Reserve; \$31,874,000 for Operation and Maintenance, Army National Guard; and \$176,700,000 for Operation and Maintenance, Air National Guard: *Provided further*, That for the following fiscal year, such transfers shall not exceed \$9,000,000 for Operation and Maintenance, Army; \$9,000,000 for Operation and Maintenance, Navy; \$9,000,000 for Operation and Maintenance, Air Force.

SEC. 【9048】 8038. None of the funds made available by this Act shall be used in any way for the leasing to non-Federal agencies in the United States aircraft or vehicles owned or operated by the Department of Defense when suitable aircraft or vehicles are commercially available in the private sector: *Provided*, That nothing in this section shall affect authorized and established procedures for the sale of surplus aircraft or vehicles: *Provided further*, That nothing in this section shall prohibit the leasing of helicopters authorized by section 1463 of the Department of Defense Authorization Act of 1986.

SEC. 【9049】 8039. None of the funds made available by this Act shall be used in any way, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

【SEC. 9050. No funds available to the Department of Defense during the current fiscal year may be used to enter into any contract with a term of eighteen months or more or to extend or renew any contract for a term of eighteen months or more, for any vessel, aircraft or vehicles, through a lease, charter, or similar agreement without previously having been submitted to the Committees on Appropriations of the House of Representatives and the Senate in the budgetary process. Further, any contractual agreement which imposes an estimated termination liability (excluding the estimated value of the leased item at the time of termination) on the Government exceeding 50 per centum of the original purchase value of the vessel, aircraft, or vehicle must have specific authority in an appropriation Act for the obligation of 10 per centum of such termination liability.】

SEC. 【9051】 8040. None of the funds made available by this Act shall be available to operate in excess of 247 commissaries in the contiguous United States.

SEC. 【9052】 8041. None of the funds provided in this Act shall be used to procure aircraft ejection seats manufactured in any foreign nation that does not permit United States manufacturers to compete for ejection seat procurement requirements in that foreign nation. This limitation shall apply only to ejection seats procured for installation on aircraft produced or assembled in the United States.

【SEC. 9053. No more than \$174,598,000 of the funds appropriated by this Act shall be available for the payment of unemployment compensation benefits.】

SEC. 【9054】 8042. None of the funds appropriated by this Act shall be obligated for the pay of any individual who is initially employed after the date of enactment of this Act as a technician in the administration and training of the Army Reserve and the maintenance and repair of supplies issued to the Army Reserve unless such individual is also a military member of the Army Reserve troop program unit that he or she is employed to support. Those technicians employed by the Army Reserve in areas other than Army Reserve troop program units need only be members of the Selected Reserve.

SEC. 【9055】 8043. None of the funds appropriated by this Act shall be used to purchase dogs or cats or otherwise fund the use of dogs or cats for the purpose of training Department of Defense students or other personnel in surgical or other medical treatment of wounds produced by any type of weapon: *Provided*, That the standards of such training with respect to the treatment of animals shall adhere to the Federal Animal Welfare Law and to those prevailing in the civilian medical community.

SEC. 【9056】 8044. None of the funds made available by this Act shall be used to initiate full-scale engineering development of any major defense acquisition program until the Secretary of Defense has provided to the Committees on Appropriations of the House and Senate—

(a) a certification that the system or subsystem being developed will be procured in quantities that are not sufficient to warrant development of two or more production sources, or

(b) a plan for the development of two or more sources for the production of the system or subsystem being developed.

【SEC. 9057. None of the funds available to the Department of Defense may be used for the floating storage of petroleum or petroleum products except in vessels of or belonging to the United States.】

【SEC. 9058. Of the funds made available to the Department of the Air Force in this Act, not less than \$5,000,000 shall be available for the Civil Air Patrol.】

SEC. 【9059】 8045. Funds available to the Department of Defense may be used by the Department of Defense for the use of helicopters and motorized equipment at Defense installations for removal of feral burros and horses.

Sec. [9060] 8046. Not to exceed \$100,000,000 during the current fiscal year and \$100,000,000 during the following fiscal year may be transferred from the appropriation "Operation and Maintenance, Defense Agencies" to operation and maintenance appropriations under the military departments in connection with demonstration projects authorized by section 1092 of title 10, United States Code: *Provided*, That the Secretary of Defense shall promptly notify the Congress of any such transfer of funds under this provision: *Provided further*, That the authority to make transfers pursuant to this section is in addition to the authority to make transfers under other provisions of this Act.

[Sec. 9061. None of the funds appropriated by this Act shall be available to compensate foreign selling costs as described in Federal Acquisition Regulation 31.205-38(b) as in effect on April 1, 1984.]

Sec. [9062. Of] 8047. Within the funds appropriated for the operation and maintenance of the Armed forces, [obligations may be incurred] funds are hereby appropriated pursuant to section 403(a) of title 10, United States Code for humanitarian and civic assistance costs [incidental to authorized operations, and these obligations shall be reported to Congress on September 30, 1987] under chapter 20 of title 10, United States Code: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99-239.

Sec. [9063] 8048. Notwithstanding any other provision of law, the Secretaries of the Army and Air Force may authorize the retention in an active status until age sixty of any officer who would otherwise be removed from an active status and who is employed as a National Guard or Reserve technician in a position in which active status in a reserve component of the Army or Air Force is required as a condition of that employment.

[Sec. 9064. None of the funds appropriated by this Act may be obligated or expended for the purposes delineated in section 1002(e)(2) of the Department of Defense Authorization Act, 1985, without the prior notification to the Committees on Appropriations of the House of Representatives and the Senate.]

[Sec. 9065. It is the sense of the Congress that the Secretary of Defense should formulate and carry out a program under which contracts awarded by the Department of Defense in fiscal year 1987 would, to the maximum extent practicable and consistent with existing law, be awarded to contractors who agree to carry out such contracts in labor surplus areas (as defined and identified by the Department of Labor).]

Sec. [9066] 8049. It is the sense of the Congress that competition, which is necessary to enhance innovation, effectiveness, and efficiency, and which has served our Nation so well in other spheres of political and economic endeavor, should be expanded and increased in the provision of our national defense.

Sec. [9067] 8050. None of the funds appropriated by this Act shall be available to pay a dislocation allowance pursuant to section 407 of title 37, United States Code, in excess of one month's basic allowance for quarters.

[Sec. 9068. None of the funds available to the Department of Defense shall be obligated or expended to contract out any activity currently performed by the Defense Personnel Support Center in Philadelphia, Pennsylvania: *Provided*, That this provision shall not apply after notification to the Committees on Appropriations of the House of Representatives and the Senate of the results of the cost analysis of contracting out any such activity.]

[Sec. 9069. Notwithstanding any other provision of law, each contract awarded by the Department of Defense in fiscal year 1987 for construction or services to be performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: *Provided*, That the Secretary of Defense may waive the requirements of this section in the interest of national security.]

[Sec. 9070. None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section

1415(c) of title 38, United States Code, for any member of the armed services who, on or after the date of enactment of this Act, receives an enlistment bonus under section 308a or 308f of title 37, United States Code; nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Administrator of Veterans' Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Administrator pay such benefits to any such member.]

[Sec. 9071. Notwithstanding any other provision of this Act, no funds appropriated by this Act shall be expended for the research, development, test, evaluation or procurement for integration of a nuclear warhead into the Joint Tactical Missile System (JTACMS).]

[Sec. 9072. So far as may be practicable, Indian labor shall be employed, and purchases of the products of Indian industry may be made in open market in the discretion of the Secretary of Defense: *Provided*, That the products must meet pre-set contract specifications.]

[Sec. 9073. Section 615 of S. 2638, as passed by the Senate on August 9, 1986, shall be deemed to be enacted into law as fully as if set forth herein: *Provided*, That the test authority provided for in section 618 of Public Law 99-145 and section 8083 of Public Law 99-190 shall remain in effect until such time as the system provided for in this section is implemented for both Department of Defense military and civilian employees.]

Sec. [9074] 8051. Notwithstanding any other provision of law, during [fiscal year 1987] the current fiscal year and the following fiscal year, the Department of Defense is to conduct a pilot test project of providing home health care to dependents entitled to health care under section 1076 of title 10, United States Code: *Provided*, That such care is medically necessary or appropriate, more cost effective than to continue paying for otherwise authorized CHAMPUS benefits in medical facilities, and the beneficiary is not covered for such care under any other public or private health insurance plan.

[Sec. 9075. Not more than \$2,506,389,000 of the funds appropriated by this Act may be expended for permanent change of station travel (including all expenses of such travel for organizational movements): *Provided*, That assignments for temporary duty may not be increased in order to circumvent this limitation: *Provided further*, That this limitation may be exceeded only upon a determination and notification to the Congress by the Secretary of Defense that such action is necessary to meet national security requirements.]

Sec. [9076] 8052. Funds appropriated in this Act shall be available for the payment of not more than 75 percent of the charges of a postsecondary educational institution for the tuition or expenses of an officer in the Ready Reserve of the Army National Guard or Army Reserve for education or training during his off-duty periods, except that no part of the charges may be paid unless the officer agrees to remain a member of the Ready Reserve for at least four years after completion of such training or education.

Sec. [9077] 8053. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 percent of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.

[Sec. 9078. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate.]

Sec. [9079] 8054. Upon a determination by the Secretary of Defense that such action will result in a more economical acquisition of automatic data processing equipment, funds provided in this Act under one appropriation account for the lease or purchase of such equipment may be transferred through the Automatic Data Processing Equipment Management Fund to another appropriation account in this Act for the lease or purchase of automatic data processing equipment to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred: *Provided*, That within thirty days after the end of each quarter the Secretary of Defense shall report transfers made under this section to the Committees on Appropriations of the Senate and the House of Representatives: *Provided further*, That the authority to transfer funds under this section shall be in addition to any other transfer authority contained in this Act.

SEC. [9080. Appropriations] 8055. *During the current fiscal year and the following fiscal year, appropriations, available to the Department of Defense [during the current fiscal year] shall be available, under such regulations as the Secretary of Defense may deem appropriate, to exchange or furnish mapping, charting, and geodetic data, supplies or services to a foreign country pursuant to an agreement for the production or exchange of mapping, charting, and geodetic data.*

[SEC. 9081. None of the funds appropriated in this Act may be obligated or expended for procurement of C-12 aircraft unless such aircraft are procured through competitive procedures (as defined in section 2302(2) of title 10, United States Code), which shall be restricted to turboprop aircraft.]

[SEC. 9082. None of the funds in this Act may be obligated for procurement of 120mm mortars or 120mm mortar ammunition manufactured outside of the United States: *Provided*, That this limitation shall not apply to procurement of such mortars or ammunition required for testing, evaluation, type classification or equipping the Army's Ninth Infantry Division (Motorized).]

SEC. [9083] 8056. Appropriations made available to the Department of Defense by this Act may be used at sites formerly used by the Department of Defense for removal of unsafe buildings or debris of the Department of Defense: *Provided*, That such removal must be completed before the property is released from Federal Government control, other than property conveyed to State or local government entities or native corporations.

[SEC. 9084. Within the funds made available under title II of this Act, the military departments may use such funds as necessary, but not to exceed \$4,700,000, to carry out the provisions of section 430 of title 37, United States Code.]

[SEC. 9085. None of the funds available to the Department of the Navy may be used to enter into any contract for the overhaul, repair, or maintenance of any naval vessel on the West Coast of the United States which includes charges for interport differential as an evaluation factor for award.]

SEC. [9086] 8057. Notwithstanding section 213(b) of the Joint Chiefs of Staff Reorganization Act of 1985 or any other provision of law, none of the funds in this or any other Act may be used to alter the command structure for military forces in Alaska.

[SEC. 9087. None of the funds appropriated in this Act may be obligated or expanded to carry out a program to paint any naval vessel with paint known as organotin or with any other paint containing the chemical compound tributyltin until such time as the Environmental Protection Agency certifies to the Department of Defense that whatever toxicity as generated by organotin paints as included in Navy specifications does not pose an unacceptable hazard to the marine environment: *Provided*, That the Navy may use these funds to paint aluminum-hulled craft as necessary, and, in addition, the Navy may paint no more than fifteen steel-hulled ships to conduct research as described in the "Navy Organotin Program Plan for Two Case Study Harbors".]

[SEC. 9088. No funds appropriated under this Act for the Strategic Defense Initiative Program shall be earmarked by any agency of the United States Government or any contractor exclusively for contracts with non-United States contractors, subcontractors, or vendors, or exclusively for consortia containing non-United States contractors, subcontractors, or vendors, prior to source selection in order to meet a specific quota or allocation of funds to any allied nation. Furthermore, it is the sense of the Congress that, whenever possible, the Secretary of Defense and others should attempt to award Strategic Defense Initiative contracts to United States contractors, subcontractors, and vendors unless such awards would degrade the likely results obtained from such contracts: *Provided*, That allied nations should be encouraged to participate in the Strategic Defense Initiative research effort on a competitive basis and be awarded contracts on the basis of technical merit.]

SEC. [9089] 8058. The Secretary of Defense may only procure ammunition containing a depleted uranium penetrator component if the procurement of such component is done competitively and procured from at least two sources in the existing production base for such component.

[SEC. 9090. None of the funds appropriated by this Act shall be used for the support of any nonappropriated fund activity of the Department of Defense that procures malt beverages and wine with nonappropriated funds for resale (including such alcoholic beverages sold by the drink) on a military installation located in the United States, unless such malt beverages and wine are procured in that

State, or in the case of the District of Columbia, within the District of Columbia, in which the military installation is located: *Provided*, That in a case in which a military installation is located in more than one State, purchases may be made in any State in which the installation is located: *Provided further*, That such local procurement requirements for malt beverages and wine shall apply to all alcoholic beverages for military installations in States which are not contiguous with another State: *Provided further*, That alcoholic beverages other than wine and malt beverages in contiguous States and the District of Columbia shall be procured from the most competitive source, price and other factors considered.]

SEC. [9091] 8059. Notwithstanding any other provision of law, funds available in this Act shall be available to the Defense Logistics Agency to grant civilian employees participating in productivity-based incentive award programs paid administrative time off in lieu of cash payment as compensation for increased productivity.

SEC. [9092] 8060. No later than [September 30, 1987, unobligated balances and appropriations made available to the Department of Defense for fiscal year 1983 that expired for obligation on September 30, 1985,] *the end of the second fiscal year following the fiscal year for which appropriations for Procurement have been made available to the Department of Defense, unobligated balances of such appropriations provided for fiscal year 1984 and thereafter* may be transferred into the appropriation "Foreign Currency Fluctuations, Defense" to be merged with and available for the same time period and the same purposes as the appropriation to which transferred: *Provided*, That any transfer made pursuant to any use of the authority provided by this provision shall be limited so that the amount in the appropriation "Foreign Currency Fluctuations, Defense" does not exceed \$970,000,000 at the time such a transfer is made.

[SEC. 9093. None of the funds appropriated in this Act to the Department of the Army may be obligated for depot maintenance of equipment unless such funds provide for civilian personnel strengths at the Army depots performing communications—electronics depot maintenance at an amount above the strengths assigned to those depots on September 30, 1985: *Provided*, That the foregoing limitations shall not apply to civilian personnel who perform caretaker-type functions at these installations: *Provided further*, That nothing in this provision shall cause undue reductions of other Army depots, as determined by the Secretary of the Army.]

[SEC. 9094. In addition to the amounts appropriated or otherwise made available in this Act, \$1,911,000,000 shall be available for military and civilian pay raises as authorized by law: *Provided*, That such amounts shall be transferred and merged with "Military Personnel" and "Operation and Maintenance" appropriations accounts as applicable and that such transfer authority shall be in addition to that provided elsewhere in this Act: *Provided further*, That such sums as may be necessary for authorized pay raise costs in excess of this appropriation shall be accommodated within the levels appropriated in this Act.]

[SEC. 9095. None of the funds appropriated by this Act shall be available to pay a variable housing allowance under section 403a of title 37, United States Code, with respect to an area at rates that are greater than the rates in effect for that area on August 1, 1986.]

[SEC. 9096. (a) None of the funds appropriated or made available by this Act shall be used to enter into a contract for the performance by contractor personnel of functions that on the date of enactment of this Act are performed by employees of the Department of Defense at the Crane Army Ammunition Activity, Crane, Indiana, or the McAlester Army Ammunition Plant, McAlester, Oklahoma.

(b) The prohibition in subsection (a) does not apply to a contract (or the renewal of a contract) for the performance of a function that on the date of the enactment of this Act is already under contract for performance by contractor personnel.]

[SEC. 9097. None of the funds appropriated by this Act shall be available to pay temporary lodging expenses pursuant to section 404a(a) of title 37, United States Code: *Provided*, That during fiscal year 1987, this provision shall not apply to those military personnel with dependents in grades E-4 and below.]

[SEC. 9098. None of the funds appropriated or made available by this Act may be obligated for acquisition of major automated information systems which have not successfully completed oversight reviews required by Defense Department regulations: *Provided*, That none of the funds appropriated or made available by this Act may be obligated on Composite Health Care System acquisition contracts if such contracts would cause the total life cycle cost estimate of

\$1,100,000,000 expressed in fiscal year 1986 constant dollars to be exceeded.]

【SEC. 9099. The Secretary of Defense shall take such action as may be necessary to implement at the earliest practicable date and with funds provided for such purpose by section 8110 of the Department of Defense Appropriations Act, 1986 (as contained in section 101(b) of Public Law 99-190; 99 Stat. 1222), the program proposed by the Department of Defense in a letter dated August 30, 1985, from the Assistant Secretary of Defense for Acquisition and Logistics to rehabilitate and convert current steam generating plants at defense facilities in the United States to coal burning facilities in order to achieve a coal consumption target of 1,600,000 short tons of coal per year (including at least 300,000 short tons of anthracite coal) above current consumption levels at Department of Defense facilities in the United States by fiscal year 1994: *Provided*, That such action shall be subject to the use of only the most cost effective fuel system in the construction of new plants or the conversion of existing plants: *Provided further*, That during fiscal year 1987, the amount of anthracite coal purchased by the Department shall be at least 300,000 short tons: *Provided further*, That the funds identified in section 8110 of Public Law 99-190 shall continue to be made available until expended to be used on a non-reimbursable basis for the administrative costs of this program.】

【SEC. 9100. Notwithstanding any other provision of law, the Department of Defense or the General Services Administration, whichever agency has jurisdiction, custody, and control shall convey at no cost real property described in "Department of the Army Final Report of Excess, NAN-85-3A, Hancock Field, New York," to Onondaga County, New York, for aviation and related industrial activities. This conveyance should be accomplished as soon as possible, but no later than ninety days after enactment of this Act.】

【SEC. 9101. No naval vessel or any vessel owned and operated by the Department of Defense homeported in the United States may be overhauled, repaired, or maintained in a foreign owned and operated shipyard located outside of the United States, except for voyage repairs.】

【SEC. 9102. After September 30, 1987, no appropriated funds may be used to support revenue generating Morale, Welfare and Recreation activities located in large metropolitan areas, as defined by Department of Defense regulations, of the fifty United States.】

【SEC. 9103. (1) Chapter 19 of title 37, United States Code, is amended by adding at end the following new section:】

【"§ 1013. Payment date for pay and allowances】

【"(a) Amounts of basic pay, basic allowance for quarters, basic allowance for subsistence, and other payments of military compensation (other than travel and transportation allowances and separation allowances) shall be paid on the first day of the month beginning after the month during which the right to such compensation accrues.】

【"(b) Subsection (a) does not preclude one payment in midmonth for any element of compensation and does not affect any authority to make advance payments of pay and allowances."】

【(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1013. Payment date for pay and allowances."】

【(3) Section 1466(a)(2) of title 10, United States Code, is amended by striking out "paid" and inserting in lieu thereof "accrued".】

【(4) Section 1013 of the title 37, United States Code, as added by subsection (a), and the amendment made by subsection (b) shall take effect on September 1, 1987.】

【SEC. 9104. For the current fiscal year, the minimum requirement for the amount of payments received in a fiscal year by working capital funds for industrial-type activities to be used for the acquisition of capital equipment for such activities shall be equal to the minimum required percentage for fiscal year 1986.】

【SEC. 9105. None of the funds appropriated under this or any other Act for the Department of Defense shall be available to make progress payments at a percentage higher than 5 percentage points below the rate in use on the effective date of this Act (except for contracts under solicitation before the effective date of this Act and except for shipbuilding, military construction and architect-engineering contracts if the Secretary of Defense certifies to Congress that an exclusion is justified for these activities) for (a) contracts which provide for progress payments based either on the percentage of work accomplished or on the contractors' costs under fixed-price type contracts and (b) modifications to existing contracts for additional supplies or services not contemplated by the existing contracts, unless a

higher percentage is approved by the head of the contracting activity or designee based on demonstrated financial need: *Provided*, That for solicitations issued after the effective date of this Act, which require price negotiation, contracts may only be awarded if such negotiation is based on new profit calculation procedures which provide for increased emphasis on facilities capital employed and contractor risk and which procedures do not provide an explicit fixed rate for working capital and which do not include profit based on specific individual elements of contract costs: *Provided further*, That no contractor may be reimbursed directly under a contract awarded 90 days after the effective date of this Act, where the purchase of additional quantities of like items is contemplated in subsequent years, for more than 50 percent of the full acquisition cost of production special tooling and production special test equipment as a direct cost unless (a) such special equipment is to be used solely for final production acceptance test or (b) additional reimbursement that is in the best interest of the Government is approved in advance by the Service Secretary for programs reported on Selected Acquisition Reports or approved by an Assistant Service Secretary for all other programs: *Provided further*, That the contract may provide that if such a contract is terminated for any reason that does not reflect a failure of the contractor to perform, the contractor shall be entitled to be paid by the United States for the cost of any special tooling and special test equipment which has not been fully amortized and the United States may elect to take title to such special tooling and special test equipment.】

【SEC. 9106. (a) The Secretary of the Navy (hereinafter in this section referred to as the "Secretary") is authorized to convey to the Philadelphia Municipal Authority, a State authority, (hereinafter in this section referred to as the "PMA"), all right, title, and interest of the United States in and to approximately 29 acres of land located in the United States Naval Base, Philadelphia, Pennsylvania together with any improvements thereon.】

【(b) The exact acreage and legal description of the lands to be conveyed under this section shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the PMA.】

【(c) In consideration for any conveyance authorized under subsection (a), the PMA shall pay to the United States an amount equal to the fair market value of the property to be conveyed (as determined by the Secretary).】

【(d) The Secretary may require such additional terms and conditions with respect to the conveyance under this section as he considers appropriate to protect the interests of the United States.】

【(e) In addition to the authority provided in subsection (a) and pursuant to section 2394 of title 10, United States Code, the Secretary, upon his determination that there is an economic advantage to the Navy, is authorized to enter into a long-term contract with the PMA for the purchase of steam generated from a facility to be constructed upon the land authorized to be conveyed herein.】

【SEC. 9107. Authority for reimbursement provided pursuant to section 3 of Public Law 96-357 (10 U.S.C. 7572 note) is hereby extended through September 30, 1987, at an amount not to exceed \$1,657,000.】

【SEC. 9108. Notwithstanding any other provision of law, appropriations available in this Act may be used for the procurement, product improvement and modification of the Copperhead and five-inch guided projectiles, without regard to whether or not a second production source program or contract has been established for those programs, provided that the Secretary of Defense determines that such expenditures are in the interest of the Government of the United States.】

【SEC. 9109. (a) *IN GENERAL*.—The Administrator of General Services shall release to the Virginia Port Authority, an instrumentality of the Commonwealth of Virginia, all residuary rights of use held by the United States in three warehouses located in the city of Norfolk, Virginia, within the area operated as a public port facility and known as the Norfolk International Terminals.】

【(b) *TIME LIMITATION; COMPENSATION*.—The Administrator of General Services shall execute such documents and take such other actions as may be necessary to release, within one hundred and eighty days after the date of the enactment of this Act, the rights referred to in subsection (a). The release shall be made without any compensation in addition to compensation paid to the United States for such warehouses and other facilities by the city of Norfolk, Virginia, in 1968.】

【SEC. 9110. (a) *IN GENERAL*.—During fiscal year 1987 and during each of the six succeeding fiscal years, the Administrator of General Services shall obtain bids from domestic producers of high carbon

ferrochromium and of high carbon ferromanganese and award contracts for the conversion of chromium and manganese ores held in the National Defense Stockpile into high carbon ferrochromium and high carbon ferromanganese, respectively.]

[(b) STOCKPILE GOALS.—(1) Contracts awarded under subsection (a) shall provide for the addition of not less than 53,500 short tons of high carbon ferrochromium and 67,500 short tons of high carbon ferromanganese to the National Defense Stockpile in each of the fiscal years referred to in the preceding sentence.]

[(2) If, in any fiscal year referred to in subsection (a), the minimum quantity of high carbon ferrochromium or high carbon ferromanganese to be added to the National Defense Stockpile, as prescribed in paragraph (1), is not met, the quantity of such material to be added to such stockpile in the succeeding fiscal year shall be increased by the quantity of the deficiency.]

[(c) SEVEN-YEAR MINIMUM QUANTITIES.—The total quantities of high carbon ferrochromium and high carbon ferromanganese to be added to the National Defense Stockpile over the seven fiscal years referred to in subsection (a) shall be as follows:

(1) High carbon ferrochromium, 374,000 short tons.

(2) High carbon ferromanganese, 472,000 short tons.]

[(d) In this section, the term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stockpiling Act (50 U.S.C. 98c).]

[SEC. 9111. None of the funds appropriated or made available by this Act shall be used to implement or enforce the rule proposed on May 7, 1986 (51 Fed. Reg. 16988-16991), or section 8.304-91 of the Air Force FAR Supplement issued on June 24, 1985.]

[SEC. 9112. (a) It is the sense of Congress that—

(1) the capabilities inherent in the technologies associated with the Advanced Technology Bomber Program and the Advanced Cruise Missile Program are a critical national security asset for maintaining an adequate and credible deterrent posture;

(2) such technologies and programs should be developed as rapidly as feasible in order to produce and deploy advanced systems which will complicate the military planning of the Soviet Union and as a consequence enhance the deterrent posture of the United States;

(3) such technologies and programs should be funded at the levels authorized in this Act; and

(4) all the funds appropriated for such programs should be fully used for such programs.]

[(b) None of the funds appropriated in this Act to carry out the Advanced Technology Bomber Program or the Advanced Cruise Missile Program may be used for any other purpose.]

[(c) None of the funds appropriated in this or any other Act may be used for research, development, demonstration, procurement or any other purpose related to B-1B bombers beyond the 100 such bombers previously authorized.]

[SEC. 9113. (a) Not later than October 14, 1986, the Chairman of the Joint Chiefs of Staff of the Armed Forces of the United States shall submit to Congress a report, in both classified and unclassified versions, containing a detailed assessment, including the individual views of each of the Chiefs, of the military impacts on the national security of the United States, of the possible military responses of the Soviet Union to an American decision to no longer comply with major provisions of existing strategic offensive arms limitation agreements, including the central numerical sublimits on strategic nuclear delivery vehicles contained in the SALT II accord. This assessment shall concentrate on possible Soviet military responses during the period between fiscal year 1987 and fiscal year 1996, inclusive, and shall address, among other considerations, the following:

(1) the impact on the ability of United States strategic forces to accomplish their nuclear deterrent mission, including the impacts on the survivability of United States strategic forces and on the ability of United States strategic forces to achieve required damage expectancies against the Soviet targets, of any expansion of Soviet military capabilities undertaken in response to a United States decision to abandon compliance with existing strategic offensive arms agreements;

(2) the additional cost to the United States, above currently projected military expenditures for those periods for which such budget projections are available, of research, development, production, deployment, and annual operations and support for any additional strategic forces required to counter an expansion in Soviet military capabilities undertaken in response to a United

States decision to abandon compliance with existing strategic offensive arms agreements;

(3) under average annual real growth projections in defense spending of 0 percent, 1 percent, 2 percent, and 3 percent, the percent of the annual defense budget in each year between fiscal year 1987 and fiscal year 1996 which would be consumed by increased United States strategic forces needed to counter the Soviet force expansions;

(4) the military impacts on United States national security of the diversion of the funds identified in subsection (a)(2) away from nonstrategic defense programs and to strategic programs to counter expanded Soviet strategic capabilities, including the military impacts of such a diversion on the ability of United States conventional forces to meet the Nation's specific non-nuclear defense commitments as a member of the North Atlantic Treaty Organization, and under the 1960 Treaty of Mutual Cooperation and Security with Japan;

(5) in addition, this report shall address the military implications for the United States of determined Soviet violations of offensive arms control agreements.]

[(b) Notwithstanding any other provision of law, none of the funds authorized or appropriated by this or any other Act may be obligated or expended, directly or indirectly, by the Organization of the Joint Chiefs of Staff for prospective studies and analyses to be accomplished by individual civilian contractors or civilian contractor entities, after October 14, 1986, if the report mandated in subsection (a) has not been received by the Congress; and]

[(c) The prohibition contained in subsection (b) on the obligation or expenditure of funds after October 14, 1986, shall cease to have effect upon the receipt by Congress of the report mandated in subsection (a).]

[SEC. 9114. Subsection (b) of section 223 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 613) is amended—

(1) by designating the matter after the subsection caption as paragraph (1); and

(2) by adding at the end the following:

"(2) The report required by paragraph (1) shall include the following information:

"(A) The cost goals or cost objectives—

"(i) for the production and deployment of a Strategic Defense Initiative System; and

"(ii) for the individual components of such system, determined on the basis of capabilities expected to be developed in the future.

"(B) The estimated costs of—

"(i) the production and deployment of the Strategic Defense Initiative System; and

"(ii) the production and deployment of the individual components of such system,

determined on the basis of prices in effect and capabilities in existence at the time of the preparation of the report.".]

[SEC. 9115. (a) ASSISTANT SECRETARY OF DEFENSE.—Section 136(b) of title 10, United States Code (as amended by section 106 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986), is amended by adding at the end the following new paragraph:

"(4) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict. He shall have as his principal duty the overall supervision (including oversight of policy and resources) of special operations activities (as defined in section 167(j) of this title) and low intensity conflict activities of the Department of Defense.".]

[(b) UNIFIED COMBATANT COMMAND.—(1) Chapter 6 of such title (as added by section 211 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986) is amended by adding at the end the following new section:]

["§ 167. Unified combatant command for special operations forces]

[(a) ESTABLISHMENT.—With the advice and assistance of the Chairman of the Joint Chiefs of Staff, the President, through the Secretary of Defense, shall establish under section 161 of this title a unified combatant command for special operations forces (hereinafter in this section referred to as the 'special operations command'). The principal function of the command is to prepare special operations forces to carry out assigned missions.]

["(b) ASSIGNMENT OF FORCES.—Unless otherwise directed by the Secretary of Defense, all active and reserve special operations forces of the armed forces stationed in the United States shall be assigned to the special operations command.】

["(c) GRADE OF COMMANDER.—The commander of the special operations command shall hold the grade of general or, in the case of an officer of the Navy, admiral while serving in that position, without vacating his permanent grade. The commander of such command shall be appointed to that grade by the President, by and with the advice and consent of the Senate, for service in that position.】

["(d) COMMAND OF ACTIVITY OR MISSION.—(1) Unless otherwise directed by the President or the Secretary of Defense, a special operations activity or mission shall be conducted under the command of the commander of the unified combatant command in whose geographic area the activity or mission is to be conducted.

"(2) The commander of the special operations command shall exercise command of a selected special operations mission if directed to do so by the President or the Secretary of Defense.】

["(e) AUTHORITY OF COMBATANT COMMANDER.—(1) In addition to the authority prescribed in section 164(c) of this title, the commander of the special operations command shall be responsible for, and shall have the authority to conduct, all affairs of such command relating to special operations activities, including the following functions:

"(A) Developing strategy, doctrine, and tactics.

"(B) Training assigned forces.

"(C) Conducting specialized courses of instruction for commissioned and noncommissioned officers.

"(D) Validating requirements.

"(E) Establishing priorities for requirements.

"(F) Ensuring combat readiness.

"(G) Developing and acquiring special operations-peculiar equipment and acquiring special operations-peculiar material, supplies, and services.

"(H) Ensuring the interoperability of equipment and forces.

"(I) Formulating and submitting requirements for intelligence support.

"(J) Monitoring the promotions, assignments, retention, training, and professional military education of special operations forces officers.

"(2) The commander of such command shall be responsible for monitoring the preparedness of special operations forces assigned to other unified combatant commands to carry out assigned missions.】

["(f) BUDGET.—In addition to the activities of a combatant command for which funding may be requested under section 166(b) of this title, the budget proposal of the special operations command shall include requests for funding for—

"(1) development and acquisition of special operations-peculiar equipment; and

"(2) acquisition of other material, supplies, or services that are peculiar to special operations activities.】

["(g) INTELLIGENCE AND SPECIAL ACTIVITIES.—This section does not constitute authority to conduct any activity which, if carried out as an intelligence activity by the Department of Defense, would require—

"(1) a finding under section 662 of the Foreign Assistance Act of 1961 (22 U.S.C. 2422); or

"(2) a notice to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives under section 501(a)(1) of the National Security Act of 1947 (50 U.S.C. 413).】

["(h) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the activities of the special operations command. Such regulations shall include authorization for the commander of such command to provide for operational security of special operations forces and activities.】

["(i) IDENTIFICATION OF SPECIAL OPERATIONS FORCES.—(1) Subject to paragraph (2), for the purposes of this section special operations forces are those forces of the armed forces that—

"(A) are identified as core forces or as augmenting forces in the Joint Chiefs of Staff Joint Strategic Capabilities Plan, Annex E, dated, December 17, 1985;

"(B) are described in the Terms of Reference and Conceptual Operations Plan for the Joint Special Operations Command, as in effect on April 1, 1986; or

"(C) are designated as special operations forces by the Secretary of Defense.

"(2) The Secretary of Defense, after consulting with the Chairman of the Joint Chiefs of Staff and the commander of the special oper-

ations command, may direct that any force included within the description in paragraph (1)(A) or (1)(B) shall not be considered as a special operations force for the purposes of this section.】

["(j) SPECIAL OPERATIONS ACTIVITIES.—For purposes of this section, special operations activities include each of the following insofar as it relates to special operations:

"(1) Direct action.

"(2) Strategic reconnaissance.

"(3) Unconventional warfare.

"(4) Foreign internal defense.

"(5) Civil affairs.

"(6) Psychological operations.

"(7) Counterterrorism.

"(8) Humanitarian assistance.

"(9) Theater search and rescue.

"(10) Such other activities as may be specified by the President or the Secretary of Defense."】

["(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"167. Unified combatant command for special operations forces."】

["(c) MAJOR FORCE PROGRAM CATEGORY.—The Secretary of Defense shall create for the special operations forces a major force program category for the Five-Year Defense Plan of the Department of Defense. The Assistant Secretary of Defense for Special Operations and Low Intensity Conflict, with the advice and assistance of the commander of the special operations command, shall provide overall supervision of the preparation and justification of program recommendations and budget proposals to be included in such major force program category.】

["(d) PROGRAM AND BUDGET EXECUTION.—To the extent that there is authority to revise programs and budgets approved by Congress for special operations forces, such authority may be exercised only by the Secretary of Defense, after consulting with the commander of the special operations command.】

["(e) GRADE FOR COMMANDERS OF CERTAIN AREA SPECIAL OPERATIONS COMMANDS.—The commander of the special operations command of the United States European Command, the United States Pacific Command, and any other unified combatant command that the Secretary of Defense may designate for the purposes of this section shall be of general or flag officer grade.】

["(f) BOARD FOR LOW INTENSITY CONFLICT.—Section 101 of the National Security Act of 1947 (50 U.S.C. 402) is amended by adding at the end the following new subsection:

"(f) The President shall establish within the National Security Council a board to be known as the 'Board for Low Intensity Conflict'. The principal function of the board shall be to coordinate the policies of the United States for low intensity conflict."】

["(g) DEPUTY ASSISTANT TO THE PRESIDENT FOR NATIONAL SECURITY AFFAIRS FOR LOW INTENSITY CONFLICT.—It is the sense of Congress that the President should designate within the Executive Office of the President a Deputy Assistant to the President for National Security Affairs to be the Deputy Assistant for Low Intensity Conflict.】

["(h) REPORTS.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the plans of the Secretary for implementation of this section, including a description of the progress made on such implementation.

(2) Not later than one year after the date of the enactment of this Act, the President shall transmit to Congress a report on the capabilities of the United States to conduct special operations and low intensity conflicts. The report shall include a description of the following:

(A) Deficiencies in such capabilities.

(B) Actions being taken throughout the executive branch to correct such deficiencies.

(C) The principal low intensity conflict threats to the interests of the United States.

(D) The actions taken and to be taken to implement this section.】

["(i) EFFECTIVE DATE.—Section 167 of title 10, United States Code (as added by subsection (b)), shall be implemented not later than 180 days after the date of the enactment of this Act.】

["(j) FUNDING FOR FISCAL YEAR 1987.—The Secretary of Defense may spend unobligated funds appropriated to the Department of Defense for fiscal years before fiscal year 1987 in such sums as necessary in order to carry out this section and section 167 of title 10, United States Code (as added by subsection (b)), during fiscal year 1987.】

**[Sec. 9116. (a)** The Secretary of Defense shall award to a United States firm a contract pursuant to a solicitation issued on or after the date of enactment of this Act under the Department of Defense overseas fuel procurement programs that would otherwise be awarded to a foreign firm if such United States firm—

- (1) has a crude oil refining capacity of not more than 75,000 barrels a day;
- (2) participates in the Department of Defense overseas fuel procurement program;
- (3) agrees to the contract on the terms proposed by the foreign firm to which the contract would otherwise be awarded; and
- (4) does not use processing agreements in order to fulfill the contract.]

**[(b)** This provision shall not apply if the total cost of supplies offered by the United States firm, including transportation as specified in the solicitation, would exceed the total evaluated cost to the government if the contract were awarded to the foreign firm.]

**[(c)** This provision shall not supersede any status of forces agreement and shall not apply to acquisitions subject to the Agreement on Government Procurement of 1979 and the Trade Agreements Act of 1979 (19 U.S.C. 2501–2582) and including acquisitions from countries designated under the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701, et seq.).]

**[(d)** For purposes of this section, the term “United States firm” means a corporation, partnership, association, joint stock company, business trust, unincorporated organization, or sole proprietorship which has its principal place of business in the United States, or which is organized under the laws of a State of the United States or a territory, possession, or commonwealth of the United States.]

**[Sec. 9117. (a)** None of the funds appropriated in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to United States personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—

- (1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application to such country of the prohibition contained in the first sentence; and
- (2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.

**(b)** The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.]

**[Sec. 9118. (a)** None of the funds made available by this Act to the Department of Defense may be used to procure the Federal Supply Classes of machine tools set forth in subsection (b) of this section, for use in any government-owned facility or property under control of the Department of Defense, which machine tools were not manufactured in the United States or Canada.]

**[(b)** The procurement restrictions contained in subsection (a) shall apply to Federal Supply Classes of metalworking machinery in categories numbered 3408, 3410–3419, 3426, 3433, 3441–3443, 3446, 3448, 3449, 3460, and 3461.]

**[(c)** When adequate domestic supplies of the classifications of machine tools identified in subsection (b) are not available to meet Department of Defense requirements on a timely basis, the procurement restrictions contained in subsection (a) may be waived on a case by case basis by the Secretary of the Service Branch responsible for the procurement.]

**[(d)** Subsection (a) shall not apply to contracts which are binding as of the date of enactment of this Act.]

**[Sec. 9119. (a)** Notwithstanding sections 2394(b) and 2690 of title 10, United States Code, the Secretary of the Army may use funds appropriated for the construction and operation of the Louisiana Army Ammunition Plant for the provision and operation of energy production facilities at such plant.

**(b)** Funds available to the Secretary of the Army under subsection (a) may be obligated without seeking third party contracts for the financing and construction of heating and power plants.]

**[Sec. 9120.** Of the funds appropriated by this Act, \$8,100,000 shall be made available to the Department of Defense in order to implement the recommendations of its Security Review Commission concerning personnel and industrial security programs; *Provided*, That the Department shall submit a reprogramming notification identifying funds for this purpose.]

**[Sec. 9121.** No funds shall be expended for implementation of the Department of Defense Federal Acquisition Regulation Supplement; Cargo Preference, published as proposed regulations on July 28, 1986, at page 27016 of volume 51, numbered 144 of the Federal Register.]

**[Sec. 9122.** Section 672 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(f) The consent of a Governor described in subsections (b) and (d) may not be withheld (in whole or in part) with regard to active duty outside the United States, its territories, and its possessions, because of any objection to the location, purpose, type, or schedule of such active duty.”.]

**[Sec. 9123. (a)(1)** Notwithstanding any other provision of law, except as provided in paragraph (1) or (2), the Secretary of the Navy shall reimburse Valerie S. Ford of Richmond, Virginia, for the expenses she incurred for her travel and the travel of her two dependent children and the transportation of her household goods in moving herself and her children from Makakilo, Hawaii, to Richmond, Virginia, in May 1984.

**(2)** The Secretary of the Navy may not make the reimbursement authorized in paragraph (1) unless, within one year after the date of enactment of this Act, the Secretary receives from Valerie S. Ford such application for reimbursement and documentation of expenses as the Secretary considers appropriate.

**(3)** The amount paid to Valerie S. Ford pursuant to paragraph (1) may not exceed the amount that would have been payable for the travel and transportation referred to in such paragraph if the travel and transportation had been timely and a proper and timely application had been submitted in the case of the said Valerie S. Ford as provided by law or applicable regulations.]

**[(b)** No part of any amount reimbursed pursuant to subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such reimbursement, and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed \$1,000.]

**[Sec. 9124.** From existing funds the Secretary of Defense shall take additional steps for further development of planning, research, and facilities for physical acoustics and related matters and shall develop facilities for advanced microelectronics design research and development including but not restricted to military components replacement and the Mapped Array Differential Equation Machine.]

**[Sec. 9125.** Notwithstanding any other provision of law, appropriations available to the Department of Defense during the current fiscal year shall be available to make payments to a hospital that obtains 12 percent or more of its operating funds from contributions and that limits the care it provides to the treatment of heart and lung conditions: *Provided*, That payment may not be denied for a claim for otherwise reimbursable services submitted under a plan contracted for under sections 1079(a) and 1086(a) of title 10, United States Code, solely on the basis that such hospital does not impose a legal obligation, including a patient cost share or deductible, on its patients to pay for such services.]

**[Sec. 9126.** Notwithstanding the provisions of subsection 502(a)(1) of the National Security Act of 1947, funds appropriated by this Act may be obligated and expended for particular intelligence activities contained in this Act: *Provided*, That the funds appropriated or made available by this Act may be obligated and expended for the particular activities contained in this Act should the enactment of a National Defense Authorization Act for fiscal year 1987 fail to occur and this Act shall then be considered to provide the authorization and appropriation authority necessary to obligate and expend the funds provided herein.]

**[Sec. 9127.** Notwithstanding any other provision of law, where an error of the magnitude of four or greater in a financial ratio is made in the evaluation of an application for extension made by any firm in accordance with C.F.R. Section 124.1—(1)(f)(4)(i) (effective January 1, 1986), the maximum extension shall be granted.]

**[Sec. 9128.] 8061.** None of the funds provided by this Act may be used to pay the salaries of any person or persons who authorize the

transfer of unobligated and deobligated appropriations into the Reserve for Contingencies of the Central Intelligence Agency.

**[SEC. 9129.** Of the funds appropriated in this Act for the procurement of P-3C aircraft, the Secretary of the Navy may carry out Navy obligations under the classified Maritime Surveillance Agreement of 1986: *Provided*, That two of the P-3C aircraft to be procured may be used to implement United States obligations under such classified agreement.]

**[SEC. 9130.] 8062.** Funds appropriated by this Act for construction projects of the Central Intelligence Agency, which are transferred to another Agency for execution, shall remain available until expended.

**[SEC. 9131.** Section 642 of S. 2638, as passed by the Senate on August 9, 1986, shall be deemed to be enacted into law as fully as if set forth herein: *Provided*, That the total amount herein appropriated for "Military Personnel" appropriations accounts shall be reduced by \$350,000,000.]

**[SEC. 9132.** During the current fiscal year, the Department of Defense shall conduct a new competition for 9mm handguns, with procurement starting in fiscal year 1988 in parallel with the current contract.]

**[SEC. 9133.** Funds appropriated to the Department of Defense during fiscal year 1987, or otherwise available for obligation during fiscal year 1987, shall be available for obligation notwithstanding any provisions contained in any Act authorizing appropriations for the Department of Defense for fiscal year 1987, heretofore or hereafter enacted, that would otherwise limit obligations of the aggregate amount that may be obligated at the appropriation account level, appropriations subdivision level, or appropriation budget activity level, unless as subsequently enacted provision expressly and specifically references that provision and directly amends or repeals this provision.]

**[SEC. 9134. (a)** Notwithstanding any other provision of this Joint Resolution, none of the funds appropriated in this or any other Act shall be used to sell, lease, transfer, or otherwise dispose of any portion of the approximately twenty-six acres of Fort DeRussy, Hawaii, lying southwest of Kalia Road, which includes the Hale Koa Hotel, the Armed Forces Recreation Center, and beachfront area.]

**[(b)** Notwithstanding any other provision of this Joint Resolution, to include section 509 of the Department of the Treasury, Postal Service, and General Government Appropriations Acts as contained in this Joint Resolution, or any other provision of the law, including section 809 of the Military Construction Act, 1968, section 807(d) of the Military Construction Authorization Act, 1984, or any other provision of an annual Appropriation Act restricting use of funds for the sale, lease, rental, or excessing of Fort DeRussy, Hawaii, any right or interest of the United States in the remaining forty-five acres of Fort DeRussy, Hawaii, lying northeast of Kalia Road, which comprises the three United States Army Reserve Centers and miscellaneous facilities, may not be sold, leased, or transferred in accordance with Federal laws and Department of Defense regulations governing the disposal of Defense installations prior to August 1, 1987: *Provided*, That no such sale, lease, transfer, or other disposition proposed by the Secretary of the Army after August 1, 1987 shall occur until 60 legislative days after notification of the proposed action to the Committees on Armed Services and Appropriations of the House of Representatives and Senate.]

**[(c)** The exact acreage and legal descriptions of the property addressed by this section shall be determined by surveys which are satisfactory to the Secretary of the Army.]

**[SEC. 9135.** None of the funds appropriated or otherwise made available by this or any other Act may be obligated or expended during fiscal year 1987 for, or in connection with, a Strategic Defense Initiative Institute unless—

- (1) obligation or expenditure of funds for such purpose is specifically authorized by law in an Act other than this Act; and
- (2) funds are specifically appropriated for such purposes in an Act other than this Act.

For purposes of this section, a Strategic Defense Initiative Institute is a Federally Funded Research and Development Center intended to lend technical support to the Strategic Defense Initiative Organization, as described in the Federal Register on March 18, 1986, April 24, 1986, and May 21, 1986.]

**[SEC. 9136. (a)** The Secretary of Defense shall conduct through the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) a demonstration project on the treatment of alcoholism designed to compare the use of chemical aversion therapy with the use of other treatments. The Secretary shall submit to the Committees on Appropriations and Armed Services of the Senate and House

of Representatives a report describing the proposed conduct of the demonstration project not later than November 1, 1986. The Secretary shall implement the demonstration project not later than February 1, 1987. At the conclusion of the demonstration project, the Secretary shall submit to such committees a report on the results of the project: *Provided*, That the demonstration project shall be conducted at only one location: *Provided further*, That coverage for chemical aversion therapy under this demonstration project is extended to those beneficiaries referred for such treatment by a physician, psychiatrist or psychologist recognized as an authorized provider under CHAMPUS.]

**[(b)** Until the report required by subsection (a) on the results of the demonstration project is submitted, the Secretary of Defense shall ensure that coverage of beneficiaries under section 1079(a) or 1086(a) of title 10, United States Code, shall continue under the provisions of subsection (a).] (*Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).*)

## ARMS CONTROL

**[SEC. 1101. (a) LIMITATION ON TESTING OF ANTI-SATELLITE WEAPONS.—**The Secretary of Defense may not carry out a test of the Space Defense System (anti-satellite weapon) against an object in space until the President certifies to Congress that the Soviet Union has conducted, after the date of the enactment of this Act, a test against an object in space of a dedicated anti-satellite weapon.]

**[(b) EXPIRATION OF MORATORIUM.—**The prohibition in subsection (a) expires on October 1, 1987.]

**[SEC. 1102. (a) REPORT BY THE SECRETARY OF DEFENSE ON ICBM MODERNIZATION.—**At the same time the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives the report on the intercontinental ballistic missile (ICBM) modernization program required by section 123(c) of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 614), the Secretary shall submit to such Committees a statement containing the basis of the Secretary's recommendation to the President, and any decisions of the President, regarding the following matters:

- (1) The configuration of a small intercontinental ballistic missile in terms of weight, number of warheads, and production schedule.
- (2) The selected options for more survivable follow-on basing modes and basing locations for MX (Peacekeeper) missiles.
- (3) The advisability of going forward with one or more selected basing modes to a full-scale engineering development decision.]

**[(b) LIMITATION ON DEPLOYMENT OF PEACEKEEPER (MX) MISSILE; DEVELOPMENT OF SMALL ICBM.—**The limitations contained in sections 206 and 1231 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 614), on the deployment of the MX missile and the development of a small intercontinental ballistic missile shall cease to apply when full-scale engineering development of a small mobile intercontinental ballistic missile begins.]

**[(c) LIMITATIONS ON FUNDING.—**Of the amounts appropriated herein for fiscal year 1987 for the ICBM Modernization Program—

- (1) \$120,000,000 shall be available for research and development on follow-on basing options;
- (2) \$290,000,000 shall be available for research and development of the Peacekeeper (MX) missile; and
- (3) \$1,200,000,000 shall be available for research and development of a small mobile intercontinental ballistic missile and basing for such missile.]

**[SEC. 1103.** Of the amount appropriated by this Act for research, development, test, and evaluation for the Defense Agencies, not more than \$3,213,000,000 is available for the Strategic Defense Initiative (SDI) program.]

**[SEC. 1104.** Of the amounts appropriated in the Energy and Water Development Appropriations Act for fiscal year 1987 for national security programs for the Department of Energy, \$317,000,000 is available for programs, projects, and activities of the Department of Energy relating to the Strategic Defense Initiative.]

**[SEC. 1105. (a) SENSE OF CONGRESS RELATING TO CONTINUED ADHERENCE TO SALT II NUMERICAL SUBLIMITS.—**It is the sense of the Congress that it is in the national security interests of the United States to continue voluntary compliance with the central numerical sublimits of the SALT II Treaty as long as the Soviet Union complies with such sublimits.]

**[DEFINITION.—**For purposes of this section, the central numerical sublimits of the SALT II Treaty include prohibitions on the deployment of the following:

- (1) Launchers for more than 820 intercontinental ballistic missiles carrying multiple independently-targetable reentry vehicles.
- (2) Launchers for an aggregate of more than 1,200 intercontinental ballistic missiles carrying multiple independently-targetable reentry vehicles and submarine-launched ballistic missiles carrying multiple independently-targetable reentry vehicles.
- (3) An aggregate of more than 1,320 launchers described in paragraph (2) and heavy bombers equipped for air-launched cruise missiles capable of a range in excess of 600 kilometers.]

**[SEC. 1106. (a) SENSE OF CONGRESS ON NUCLEAR TESTING.—**The Congress makes the following findings:

- (1) The United States is committed in the Limited Test Ban Treaty of 1963 and in the Non-Proliferation Treaty of 1968 to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time.
- (2) A comprehensive test ban treaty would promote the security of the United States by constraining the United States-Soviet nuclear arms competition and by strengthening efforts to prevent the proliferation of nuclear weapons.
- (3) The Threshold Test Ban Treaty was signed in 1974 and the Peaceful Nuclear Explosions Treaty was signed in 1976, and both have yet to be considered by the full Senate for its advice and consent to ratification.
- (4) The entry into force of the Peaceful Nuclear Explosions Treaty and the Threshold Test Ban Treaty will ensure full implementation of significant new verification procedures and so make completion of a comprehensive test ban treaty more probable.
- (5) A comprehensive test ban treaty must be adequately verifiable, and significant progress has been made in methods for detection of underground nuclear explosions by seismological and other means.
- (6) At present, negotiations are not being pursued by the United States and the Soviet Union toward completion of a comprehensive test ban treaty.
- (7) The past five administrations have supported the achievement of a comprehensive test ban treaty.]

**[(b) SENSE OF CONGRESS.—**It is the sense of Congress that, at the earliest possible date, the President should—

- (1) request the advice and consent of the Senate to ratification (with a report containing any plans the President may have to negotiate supplemental verification procedures, or if the President believes it necessary, any understanding or reservation on the subject of verification which should be attached to the treaty) of the Threshold Test Ban and Peaceful Nuclear Explosions Treaties, signed in 1974 and 1976, respectively; and
- (2) propose to the Soviet Union the immediate resumption of negotiations toward conclusion of a verifiable comprehensive test ban treaty.

In accordance with international law, the United States shall have no obligation to comply with any bilateral arms control agreement with the Soviet Union that the Soviet Union is violating.]

**[SEC. 1107. (a) LIMITATION ON FISCAL YEAR 1987 FUNDS FOR THE BIGEYE BINARY CHEMICAL BOMB.—**Before October 1, 1987, funds appropriated for fiscal year 1987 for procurement of the BIGEYE binary chemical bomb may not be obligated—

- (1) for procurement (including procurement of components) of such bomb; or
- (2) for assembly of such bomb.]

**[(b) LIMITATION ON FINAL ASSEMBLY.—**Before October 1, 1988, funds appropriated or otherwise made available to the Department of Defense may not be obligated or expended for the final assembly of complete BIGEYE binary chemical bombs.]

**[(c) LIMITATION ON FISCAL YEAR 1986 FUNDS FOR PRODUCTION FACILITIES.—**(1) Of the funds appropriated for fiscal year 1986 for production facilities for the BIGEYE binary chemical bomb, not more than \$90,000,000 may be obligated or expended. None of such amount may be obligated or expended until the President certifies to Congress that—

- (1) production of the BIGEYE binary chemical bomb is in the national security interests of the United States; and
- (2) the design, planning, and environmental requirements for such facilities have been satisfied.]

**[(d) GAO MONITORING AND REPORT.—**(1) The Secretary of Defense shall provide for the involvement of the Comptroller General in monitoring the operational testing of the BIGEYE bomb.

(2) After any such testing is completed, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on such testing. The report shall include an assessment of such testing and any comments the Comptroller General considers appropriate.]

**[(e) REPORT ON LONG-RANGE STANDOFF CHEMICAL MUNITIONS.—**(1) The Secretary of Defense shall submit to Congress a report on the military requirements for long-range standoff chemical weapons. The report shall address the military advantages and disadvantages of such weapons and the potential of such weapons to complement the currently planned binary chemical weapon systems.

(2) Such report shall be submitted not later than March 15, 1987.]

**[SEC. 1108. Of the amount appropriated by this Act for research, development, test, and evaluation for the Air Force, not more than \$200,000,000 is available for the Space Defense System. None of such amount may be used for the production verification of the Miniature Homing Vehicle.]** (*Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-501, section 101(c).*)

## GENERAL PROVISIONS—MILITARY CONSTRUCTION

**SEC. 101. None of the funds appropriated in this [title] Act shall be expended for payments under a cost-plus-a-fixed-fee contract for work, where cost estimates exceed \$25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.**

**SEC. 102. Funds herein appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.**

**SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.**

**SEC. 104. None of the funds appropriated in this [title] Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.**

**SEC. 105. No part of the funds provided in this [title] Act shall be used for purchase of land or land easements in excess of 100 per centum of the value as determined by the Corps of Engineers or the Naval Facilities Engineering Command, except; (a) where there is a determination of value by a Federal court, or (b) purchases negotiated by the Attorney General or his designee, or (c) where the estimated value is less than \$25,000, or (d) as otherwise determined by the Secretary of Defense to be in the public interest.**

**SEC. 106. None of the funds appropriated in this [title] Act shall be used to (1) acquire land, (2) provide for site preparation, or (3) install utilities for any family housing, except housing for which funds have been made available in annual military construction appropriation Acts.**

**[SEC. 107. None of the funds appropriated in this title for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.]**

**SEC. [108] 107. No part of the funds appropriated in this [title] Act may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.**

**SEC. [109] 108. No part of the funds appropriated in this [title] Act for dredging in the Indian Ocean may be used for the performance of the work by foreign contractors: *Provided*, That the low responsive and responsible bid of a United States contractor does not exceed the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.**

**SEC. [110] 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation *except where required by nation-to-nation agreements*.**

**[SEC. 111. No part of the funds appropriated in this title may be used to pay the compensation of an officer of the Government of the United States or to reimburse a contractor for the employment of a**

person for work in the continental United States by any such person if such person is an alien who has not been lawfully admitted to the United States.]

[SEC. 112. The expenditure of any appropriation under this title for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.]

[SEC. 113. None of the funds appropriated by this title may be obligated and expended in any way for the express purpose of sale, lease, or rental of any portion of land currently identified as Fort DeRussy, Honolulu, Hawaii.]

SEC. [114] 110. None of the funds in this [title] Act may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

[SEC. 115. None of the funds appropriated in this title may be obligated for architect and engineer contracts estimated by the Government to exceed \$500,000 for projects to be accomplished in Japan or in any NATO member country, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.]

SEC. [116] 111. None of the funds appropriated in this [title] Act for military construction in the United States territories and possessions in the Pacific and on Kwajalein Island may be used to award any contract estimated by the Government to exceed \$1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 per centum.

[SEC. 117. The Secretary of Defense is to inform the Committees on Appropriations and Committees and Armed Services of the plans and scope of any proposed military exercise involving United States personnel 30 days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed \$100,000.]

SEC. [118] 112. Unexpended balances in the Military Family Housing Management Account established pursuant to section 2831 of title 10, United States Code, as well as any additional amounts which would otherwise be transferred to the Military Family Housing Management Account during [fiscal year 1987] *the current fiscal year or the following fiscal year*, shall be transferred to the appropriations available for Family Housing provided in this [title] Act, as determined by the Secretary of Defense, based on the sources from which the funds were derived, and shall be available for the same purposes, and for the same time period, as the appropriation to which they have been transferred.

SEC. [119] 113. Not more than 20 per centum of the appropriations in this [title] Act which are limited for obligation during [the current] *a single fiscal year* shall be obligated during the last two months of [the] *such fiscal year*.

SEC. [120] 114. Funds appropriated to the Department of Defense for construction in prior years are hereby made available for construction authorized for each such military department by the authorizations enacted into law during the [second session of the Ninety-ninth] *One Hundredth Congress*.

[SEC. 121. For Transfer by the Secretary of Defense to and from appropriations and funds not merged pursuant to subsection 1552(a)(1) of title 31 of the United States Code and available for obligation or expenditure during fiscal year 1987 or thereafter, for military construction or expenses of family housing for the military departments and Defense agencies, in order to maintain the budgeted level of operations for such appropriations and thereby eliminate substantial gains and losses to such appropriations caused by fluctuations in foreign currency exchange rates that vary substantially from those used in preparing budget submissions, an appropriation, to remain available until expended: *Provided*, That funds transferred from this appropriation shall be merged with and be available for the same purpose, and for the same time period, as the appropriation or fund to which transferred, and funds transferred to this appropriation shall be merged with, and available for the purpose of this appropriation until expended: *Provided further*, That transfers may be made from time to time from this appropriation to the extent the Secretary of Defense determines it may be necessary to do so to reflect downward fluctuations in the currency exchange rates from those used in preparing the budget submissions for such appropriations, but transfers shall be made from such appropriations to this appropriation to reflect upward fluctuations in currency exchange rates to prevent

substantial net gains in such appropriations: *Provided further*, That authorizations or limitations now or hereafter contained within appropriations or other provisions of law limiting the amounts that may be obligated or expended for military construction and family housing expenses are hereby increased to the extent necessary to reflect downward fluctuations in foreign currency exchange rates from those used in preparing the applicable budget submission: *Provided further*, That for the purposes of the appropriation "Foreign Currency Fluctuations, Construction, Defense" the foreign currency rates used in preparing budget submissions shall be the foreign currency exchange rates as adjusted or modified, as reflected in applicable Committee reports on the Acts making appropriations for military construction for the Department of Defense: *Provided further*, That the Secretary of Defense shall provide an annual report to the Congress on all transfers made to or made from this appropriation: *Provided further*, That contracts or other obligations entered into payable in foreign currencies may be recorded as obligations based on the currency exchange rates used in preparing budget submissions and adjustments to reflect fluctuations in such rates may be recorded as disbursements are made: *Provided further*, That no later than the end of the second fiscal year following the fiscal year for which appropriations for Family Housing Operation and Maintenance have been made available to the Department of Defense, and no later than the end of the sixth fiscal year following the fiscal year for which the appropriations for Military Construction and Family Housing Construction have been made available to the Department of Defense, unobligated balances of such appropriations may be transferred into the appropriation "Foreign Currency Fluctuations, Construction, Defense": *Provided further*, That, at the discretion of the Secretary of Defense, any savings generated in the military construction and family housing programs may be transferred to this appropriation.]

[SEC. 122. The Secretary of the Navy shall enter into negotiations with shipyards located on Sampson Street, San Diego, California, and on Fort George Island, Jacksonville, Florida, to determine what liability (if any) the United States has for damages suffered by such a shipyard resulting from facility improvements made by such shipyard during 1982 in good faith reliance on representations and assurances provided to officials of such shipyard by representatives of the Department of the Navy in 1981 and 1982 with respect to future work of the Department of the Navy at such shipyard.]

[SEC. 123. For Military Construction for the strategic homeporting initiative, no more than \$799,000,000 shall be appropriated or obligated through fiscal year 1991.]

[SEC. 124. Of the total amount of budget authority provided for fiscal year 1987 by this Act that would otherwise be available for consulting services, management and professional services, and special studies and analyses, 10 per centum of the amount intended for such purposes in the President's budget for 1987, as amended, for any agency, department or entity subject to apportionment by the Executive shall be placed in reserve and not made available for obligation or expenditure: *Provided*, That this section shall not apply to any agency, department or entity whose budget request for 1987 for the purposes stated above did not amount to \$5,000,000.]

[SEC. 125. (a) None of the funds appropriated in this Act may be available for any country if the President determines that the government of such country is failing to take adequate measures to prevent narcotic drugs or other controlled substances cultivated or produced or processed illicitly, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country of United States personnel or their dependents, or from being smuggled into the United States. Such prohibition shall continue in force until the President determines and reports to the Congress in writing that—

(1) the government of such country has prepared and committed itself to a plan presented to the Secretary of State that would eliminate the cause or basis for the application of such country of the prohibition contained in the first sentence; and

(2) the government of such country has taken appropriate law enforcement measures to implement the plan presented to the Secretary of State.]

[ (b) The provisions of subsection (a) shall not apply in the case of any country with respect to which the President determines that the application of the provisions of such subsection would be inconsistent with the national security interests of the United States.]

[SEC. 126. Section 4, chapter III of Public Law 99-349, dated July 2, 1986, is amended to read as follows: Of the amounts available to the Department of Defense, not to exceed \$5,000,000 shall be available for

such claims arising from property losses caused by the explosion of Army munitions near Checotah, Oklahoma on August 4, 1985, and claims determined by the Department to be bona fide shall be paid from the funds made available by this section without a determination of legal liability based on an act or omission of an agent or employee of the Federal Government.】

【SEC. 127. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with a report by February 15, 1987, containing details of the specific actions proposed to be taken by the Department of Defense during fiscal year 1987 to encourage other member nations of the North

Atlantic Treaty Organization and Japan to assume a greater share of the common defense burden of such nations and the United States.】

*SEC. 115. Funds appropriated in this Act for Military Construction, Army; Military Construction, Navy; Military Construction, Air Force; and Military Construction, Defense Agencies shall be available for expenses associated with the operation, maintenance, repair, renovation, improvement, replacement, and disposal of Defense facilities, including family housing, listed on the National Register of Historic Places. (Military Construction Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(k).)*

## DEPARTMENT OF DEFENSE—CIVIL

### CEMETERIAL EXPENSES, ARMY

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, and not to exceed \$1,000 for official reception and representation expenses; **[\$15,783,000] \$8,504,000**, to remain available until expended: *Provided*, That reimbursement shall be made to the applicable military appropriation for the pay and allowances of any military personnel performing services primarily for the purposes of this appropriation.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code 21-1805-0-1-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operation and maintenance .....	5,996	6,451	6,744
00.02 Administration .....	306	330	340
00.03 Special construction, Arlington National Cemetery .....	8,000	9,082	1,420
10.00 Total obligations .....	14,302	15,863	8,504
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-284		
21.40 Unobligated balance available, start of year .....	-36	-6	
24.40 Unobligated balance available, end of year .....	6		
39.00 <b>Budget authority</b> .....	<b>13,987</b>	<b>15,857</b>	<b>8,504</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>13,987</b>	<b>15,783</b>	<b>8,504</b>
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		74	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	14,302	15,863	8,504
72.40 Obligated balance, start of year .....	3,839	9,990	11,418
74.40 Obligated balance, end of year .....	-9,990	-11,418	-3,929
78.00 Adjustments in unexpired accounts .....	-284		
89.00 <b>Outlays</b> .....	<b>7,866</b>	<b>14,435</b>	<b>15,995</b>
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental .....	7,866	14,363	15,993
91.40 Outlays from retirement contribution supplemental .....		72	2

**Operation and maintenance.**—Funds requested will provide for contractual services, necessary operating supplies and equipment, and personnel.

**Administration.**—Provision is made for determining eligibility for burial; management of Arlington and Soldiers' Home National Cemeteries; and administrative support.

**Special construction, Arlington National Cemetery.**—Funds requested will provide for demolition of the temporary visitors center and parking facility and design of a 10,000 niche Columbarium.

#### Object Classification (in thousands of dollars)

Identification code 21-1805-0-1-705	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	2,992	3,092	3,168
11.3 Other than full-time permanent .....	100	120	100

11.5 Other personnel compensation .....	90	80	40
11.9 Total personnel compensation .....	3,182	3,292	3,308
12.1 Personnel benefits: Civilian .....	458	584	855
21.0 Travel and transportation of persons .....	3	3	3
22.0 Transportation of things .....	2	2	2
23.1 Rental payments to GSA .....	8		
23.3 Communications, utilities, and miscellaneous charges .....	175	185	214
25.0 Other services .....	2,007	2,026	2,485
26.0 Supplies and materials .....	430	480	481
31.0 Equipment .....	183	198	226
32.0 Lands and structures .....	7,854	9,093	930
99.9 Total obligations .....	14,302	15,863	8,504

#### Personnel Summary

Total number of full-time permanent positions .....	140	140	140
Total compensable workyears:			
Full-time equivalent employment .....	147	149	148
Full-time equivalent of overtime and holiday hours .....	3	3	2

## CORPS OF ENGINEERS—CIVIL

#### Federal Funds

#### General and special funds:

#### GENERAL INVESTIGATIONS CONSOLIDATED PROGRAM

(Obligations in thousands of dollars)

General investigations:	1986 actual	1987 est.	1988 est.
Direct program .....	120,361	148,098	142,000
Reimbursable program .....	642	400	450
Rivers and harbors contributed funds (permanent appropriation) .....	3,644	10,160	10,000
Total obligations .....	124,647	158,658	152,450

## DEPARTMENT OF THE ARMY

#### CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

#### GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, **[\$135,517,000] \$133,000,000**, to remain available until expended, and in addition, \$250,000, to remain available until expended, for the Bolsa Chica/Sunset Harbor, California, study; and in addition, \$520,000 to remain available until expended, for the Red River Waterway, Shreveport, Louisiana, to Index, Arkansas, project for continuation of preconstruction planning: *Provided*, That not to exceed \$18,000,000 shall be available for obligation for research and development activities]. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

GENERAL INVESTIGATIONS—Continued

Program and Financing (in thousands of dollars)

Identification code 96-3121-0-1-301	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
Surveys and planning:				
00.01	Navigation, flood damage prevention, and shoreline protection studies	37,494	53,740	44,680
00.02	Comprehensive basin studies	3,387	4,480	5,520
00.03	Special studies	1,572	2,390	1,210
00.04	Review of authorized projects	1,130	1,360	1,415
00.05	Cooperation with other Federal agencies, non-Federal interests and foreign governments	6,426	6,850	8,390
00.06	Phase 1, advance engineering and design	2,691	3,530	1,650
00.07	Preconstruction engineering and design	37,867	46,100	41,850
Collection and study of basic data:				
00.08	Flood plain management services	7,522	6,410	9,315
00.09	Other programs	2,895	4,465	6,470
00.10	Research and development	19,377	18,773	21,500
00.91	Total direct program	120,361	148,098	142,000
01.01	Reimbursable program	642	400	450
10.00	Total obligations	121,003	148,498	142,450
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-655	-339	-450
14.00	Non-Federal sources	-30	-18	
21.40	Unobligated balance available, start of year	-17,697	-20,854	-9,000
24.40	Unobligated balance available, end of year	20,854	9,000	
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	3		
40.00	Budget authority (appropriation)	123,478	136,287	133,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	120,318	148,141	142,000
72.40	Obligated balance, start of year	26,100	15,518	28,659
74.40	Obligated balance, end of year	-15,518	-28,659	-37,659
90.00	Outlays	130,901	135,000	133,000

The total program proposed for General Investigations for 1988 is \$143 million of which \$10 million will come from the Rivers and Harbors Contributed Funds, and \$133 million will be provided by the General Investigations appropriation, under existing law.

**Surveys and planning.**—Funds are requested to initiate and continue studies to determine the need, engineering feasibility, economic justification, and the environmental and social suitability of solutions to water and related land resource problems. Funds are also requested to continue planning to establish project features and cost estimates and to ready projects for construction. Ten million dollars in cash and in kind will be contributed by local interests to further this program.

**Collection and study of basic data.**—Funds are requested to collect and analyze water resource data. Additional funds are requested to provide water resource information to other Federal agencies and state and local government agencies.

**Research and development.**—These investigations are conducted to improve the Corps' capability to execute the civil works program. The objectives are to maximize effectiveness, economy, and safety, with due regard for protecting and enhancing environmental and social values.

Object Classification (in thousands of dollars)

Identification code 96-3121-0-1-301	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	64,212	67,822	69,770
11.3	Other than full-time permanent	3,523	4,349	4,450
11.5	Other personnel compensation	1,253	1,650	1,670
11.7	Military personnel	1,310	1,339	1,468
11.9	Total personnel compensation	70,298	75,160	77,358
<b>Personnel benefits:</b>				
12.1	Civilian	8,172	9,600	12,800
<b>Military personnel:</b>				
12.2	Accrued retirement benefits	524	687	747
12.2	Other personnel benefits	81	95	103
21.0	Travel and transportation of persons	2,102	2,350	2,400
22.0	Transportation of things	102	115	120
23.1	Rental payments to GSA	3,830	3,835	4,490
23.2	Rental payments to others	237	285	290
23.3	Communications, utilities, and miscellaneous charges	1,620	1,810	1,840
24.0	Printing and reproduction	1,135	1,440	1,330
25.0	Other services	29,056	48,996	36,942
26.0	Supplies and materials	1,905	2,120	2,070
31.0	Equipment	1,209	1,450	1,400
32.0	Lands and structures	51	155	110
43.0	Interest and dividends	39		
99.0	Subtotal, direct obligations	120,361	148,098	142,000
99.0	Reimbursable obligations	642	400	450
99.9	Total obligations	121,003	148,498	142,450

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions	2,360	2,199	2,195
Total compensable workyears:				
	Full-time equivalent employment	2,378	2,340	2,335
	Full-time equivalent of overtime and holiday hours	39	43	60
<b>Reimbursable:</b>				
	Total compensable workyears: Full-time equivalent employment	6	2	2

CONSTRUCTION, GENERAL CONSOLIDATED PROGRAM

(Obligations in thousands of dollars)

<b>Construction, general:</b>				
<b>Direct program:</b>				
	General fund	889,143	1,224,634	1,250,000
	Transfer from Inland waterway trust fund		33,800	38,000
	Reimbursable program	133,817	170,000	192,000
	Rivers and harbors contributed funds (permanent appropriation)	35,993	211,266	221,000
	Total obligations	1,058,953	1,639,700	1,701,000

CONSTRUCTION, GENERAL \*

\*See Part II for additional information.

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), **[\$1,065,950,000]** \$1,188,000,000, of which **[\$26,000,000]** \$38,000,000 shall be derived from the Inland Waterway Trust Fund, to remain available until expended, and in addition, to remain available until expended, \$2,300,000 for that increment of the project for beach erosion control, Sandy Hook to Barnegat Inlet, New Jersey, of which \$1,300,000 shall be made available for the Sea Bright to Ocean Township reach and of which \$1,000,000 for the Asbury Park to Manasquan reach; and in addition, \$6,800,000 to remain available until expended for the construction of the Yatesville, Kentucky, construction project; and in addition, \$1,600,000, to remain available until expended for construction of the Sturgeon Point Marina, New York, project authorized by section 107 of the Rivers and Harbors Act of 1960, as amended; and in addition, \$1,600,000 to remain available until expended, for construction of recreation facilities at New Melones Lake, California; and in

addition, \$1,200,000 to remain available until expended to be equally divided between the Crossett Harbor Public Access/Recreation Site and the Grand Marais Lake Public Access/Recreation Site at the Felsenthal National Wildlife Refuge, Arkansas (Ouachita and Black Rivers, Arkansas and Louisiana); and in addition, \$1,100,000 to remain available until expended, for construction, at a standard project level of protection, for the Barbourville, Kentucky, project as authorized by section 202 of Public Law 96-367; and in addition, \$3,600,000, to remain available until expended, for construction at a standard project level of protection, for the Harlan, Kentucky, project as authorized by section 202 of Public Law 96-367 (Levisa/Tug Forks of Big Sandy River and Upper Cumberland River, West Virginia, Virginia, and Kentucky); and in addition, \$68,000,000, to remain available until expended, for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, \$38,000,000 for Locks and Dams 1 and 2, and \$30,000,000 with which the Secretary of the Army is directed, as a minimum, to award continuing contracts in fiscal year 1987 for construction and completion of each of the following features of the Red River Waterway: Lock and Dam No. 3 Phase III (consisting of the main lock and dam and connecting channels), realignment and bank stabilization measures in Pools 3, 4, and 5, including but not limited to Saint Maurice, Kadesh, Socot, Powhattan, Ile Au Vaches, Campti, Smith Island, Carroll, and Wilkerson Point Realignments, and Cognac and Lumbré Revetments. The Secretary is further directed to initiate and complete both the Lock and Dam No. 3 Phase IIB (consisting of the initial excavation for the lock and dam, the north cofferdam, the reservation mound and disposal area) and Phase IIC (consisting of the remaining access roads) contracts in fiscal year 1987. None of these contracts are to be considered fully funded. Contracts are to be initiated, or initiated and completed, with funds herein provided: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall provide funds for design and construction of a storage facility including necessary conveyances, to resolve a water quality problem associated with Dam Site 18 of the Papillion Creek and Tributaries Lakes, Nebraska. The funds are to be provided from available funds: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized to construct flood control structures in accordance with the plan contained in the reevaluation report of the Chief of Engineers for Papillion Creek and Tributaries Lakes, Nebraska, dated March 1985 (revised October 1985). Features of such project authorized by the Flood Control Act of 1968 but eliminated by or otherwise not in accordance with the reevaluation report are not authorized after the date of enactment of this Act: *Provided further*, That section 123 of Public Law 99-190 is amended by striking out "at an estimated cost of \$1,000,000" and inserting in lieu thereof "a cost of \$2,300,000", and of which not more than \$7,000,000 shall be available to pay the authorized governing body of the Tohono O'odham Nation in accordance with the provisions of section 4(a) of Public Law 99-469. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
96-3122-0-1-301			
<b>Program by activities:</b>			
Direct program:			
00.01	384	217	
Navigation projects:			
Channels and harbors:			
00.04	95,008	203,190	238,080
00.05	7,691	10,850	10,085
00.06	641	490	665
00.09	212,817	271,655	260,385
Beach erosion control projects:			
00.12	9,024	19,620	16,330
00.13	879	5,730	3,245
Flood control projects:			
Local protection:			
00.16	190,883	332,840	420,370
00.17	32,621	33,490	29,455
00.18	7,579	9,040	8,830
00.19	511	1,350	1,100
00.22	205,366	211,020	186,960
00.25	77,100	78,270	60,370
Major rehabilitation and dam safety assurance projects:			
00.27	20,341	15,260	8,980

00.28	Flood control .....	14,055	45,650	34,640
00.29	Multiple-purpose power projects .....	120	10,975	405
00.32	Recreation facilities at completed projects .....	5,756	743	
00.33	Streambank erosion control evaluation and demonstration .....	16	100	
00.34	Shoreline erosion control demonstration .....	10	85	
00.35	Aquatic plant control .....	8,341	7,859	8,100
00.91	Total direct program .....	889,143	1,258,434	1,288,000
01.01	Reimbursable program .....	133,817	170,000	192,000
10.00	Total obligations .....	1,022,960	1,428,434	1,480,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-131,738	-142,620	-141,770
13.00	Trust funds .....		-33,800	-38,000
14.00	Non-Federal sources .....	-218	-225	-230
21.40	Unobligated balance available, start of year .....	-290,045	-278,839	-150,000
24.40	Unobligated balance available, end of year .....	278,839	150,000	
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	31		
39.00	Budget authority .....	879,830	1,122,950	1,150,000
<b>Budget authority:</b>				
40.00	Appropriation .....	879,830	1,126,150	1,150,000
45.00	Transfer out for pay raises and retirement contributions .....		-3,200	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	891,004	1,251,789	1,300,000
72.40	Obligated balance, start of year .....	207,098	189,815	279,304
74.40	Obligated balance, end of year .....	-189,815	-279,304	-429,304
90.00	Outlays .....	908,288	1,162,300	1,150,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[in thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	879,830	1,122,950	1,150,000
Outlays .....	908,288	1,162,300	1,150,000
Rescission proposal:			
Budget authority .....			
Outlays .....		-7,715	
Total:			
Budget authority .....	879,830	1,122,950	1,150,000
Outlays .....	908,288	1,154,585	1,150,000

Funds are requested for construction and related activity for water resource development projects having navigation, flood control, water supply, hydroelectric, and other attendant benefits to the Nation. Work will be accomplished on 162 projects. The total direct program proposed for 1988 is \$1,409 million, of which, \$38 million will come from the inland waterway trust fund, \$221 million will be provided from river and harbor contributed funds, and \$1,150 million from the construction, general appropriation.

Construction will be initiated on up to 13 new projects, subject to agreement by non-Federal interests to share costs in accordance with the recently enacted Water Resources Development Act of 1986 (Public Law 99-662).

**Navigation projects.**—Work will start on four channel and harbor projects and continue on 24 projects. Work will continue on 14 lock and dam projects.

**Beach erosion control projects.**—Work will continue on seven beach erosion control projects, including reimbursement to non-Federal interests.

**Flood control projects.**—Work will start on nine local protection projects and continue on 69 projects. Work will continue on 22 reservoir projects.

**Multiple-purpose power projects.**—Work will continue on seven hydropower projects.

CONSTRUCTION, GENERAL—Continued

**Major rehabilitation and dam safety assurance projects.**—Work will continue on three dam safety assurance projects, and three major rehabilitation projects.

**Aquatic plant control.**—This program is for the control and progressive eradication of obnoxious aquatic plants from navigable waters.

Object Classification (in thousands of dollars)

Identification code 96-3122-0-1-301	1986 actual	1987 est.	1988 est.
<b>CORPS OF ENGINEERS</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	144,218	163,092	169,850
11.3 Other than full-time permanent.....	8,555	12,300	12,200
11.5 Other personnel compensation.....	5,196	5,715	5,250
11.7 Military personnel.....	6,550	6,696	7,300
11.9 Total personnel compensation.....	164,519	187,803	194,600
Personnel benefits:			
12.1 Civilian.....	19,191	22,500	30,690
Military personnel:			
12.2 Accrued retirement benefits.....	2,621	3,433	3,736
12.2 Other personnel benefits.....	405	475	516
13.0 Benefits for former personnel.....	16		
21.0 Travel and transportation of persons.....	3,524	4,000	4,180
22.0 Transportation of things.....	422	450	435
23.1 Rental payments to GSA.....	8,650	8,660	10,620
23.2 Rental payments to others.....	409	440	460
23.3 Communications, utilities, and miscellaneous charges.....	3,907	4,120	4,280
24.0 Printing and reproduction.....	1,846	2,110	2,190
25.0 Other services.....	275,327	539,353	540,273
26.0 Supplies and materials.....	6,094	6,510	6,770
31.0 Equipment.....	5,573	8,580	8,250
32.0 Lands and structures.....	395,311	470,000	481,000
42.0 Insurance claims and indemnities.....	639		
43.0 Interest and dividends.....	667		
99.0 Subtotal, direct obligations.....	889,121	1,258,434	1,288,000
99.0 Reimbursable obligations.....	133,817	170,000	192,000
<b>ALLOCATION ACCOUNTS</b>			
25.0 Other services.....	2		
32.0 Lands and structures.....	20		
99.0 Subtotal obligations, allocation accounts.....	22		
99.9 Total obligations.....	1,022,960	1,428,434	1,480,000
Obligations are distributed as follows:			
Corps of Engineers—Civil.....	22		
Department of the Interior: National Park Service.....	22		

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	5,130	5,370	5,380
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	5,213	5,775	5,785
Full-time equivalent of overtime and holiday hours.....	112	121	120
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	535	649	638
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	679	783	776
Full-time equivalent of overtime and holiday hours.....	5	7	7

OPERATION AND MAINTENANCE, GENERAL CONSOLIDATED PROGRAM

(Obligations in thousands of dollars)

Operation and maintenance, general:			
Direct program:	1986 actual	1987 est.	1988 est.
General fund.....	1,267,292	1,300,254	1,328,800

Special recreation use fees.....	11,484	12,500	12,000
Transfer from Harbor maintenance trust fund.....		66,750	149,200
Reimbursable program.....	22,243	26,000	30,000
Total obligations.....	1,301,019	1,405,504	1,520,000

OPERATION AND MAINTENANCE, GENERAL\*

\*See Part II for additional information.

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; administration of laws pertaining to preservation of navigable waters; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, **[\$1,389,846,000]** \$1,470,000,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund, and of which **[\$12,500,000]** \$12,000,000 shall be for construction, operation, and maintenance of outdoor recreation facilities, to be derived from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601), and of which \$7,400,000 shall be for construction of recreation facilities (including a recreation lake) at Sepulveda Dam, California: *Provided*, That not to exceed \$8,000,000 shall be available for obligation for mobilization planning activities]. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year (special recreation use fees).....	16,485	16,689	17,189
Receipts (net) authorized.....	12,204	13,000	14,000
Total available for appropriation.....	28,689	29,689	31,189
Appropriation.....	-12,516	-12,500	-12,000
Reduction pursuant to P.L. 99-177.....	516		
Unappropriated balance, end of year (special recreation use fees).....	16,689	17,189	19,189

Program and Financing (in thousands of dollars)

Identification code 96-3123-0-1-300	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Navigation projects:			
00.01 Channels and harbors.....	428,248	552,630	546,760
00.02 Locks and dams.....	232,219	252,990	296,590
Flood control projects:			
00.05 Reservoirs.....	213,318	201,860	226,820
00.06 Channel improvements, inspections, and miscellaneous maintenance.....	12,202	13,110	13,780
00.09 Multiple-purpose power projects.....	299,539	281,080	313,870
00.91 Total operation and maintenance of projects.....	1,185,526	1,301,670	1,397,820
01.01 Protection of navigation.....	82,716	70,210	81,350
01.02 National emergency preparedness.....	10,534	7,624	10,830
01.92 Total direct program.....	1,278,776	1,379,504	1,490,000
02.01 Reimbursable program.....	22,243	26,000	30,000
10.00 Total obligations.....	1,301,019	1,405,504	1,520,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-13,070	-21,650	-24,400
13.00 Trust funds.....			-149,200
14.00 Non-Federal sources.....	-6,753	-3,803	-3,600
21.40 Unobligated balance available, start of year.....	-33,403	-12,205	-22,000
24.40 Unobligated balance available, end of year.....	12,205	22,000	
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	251		
39.00 Budget authority.....	1,260,248	1,389,846	1,320,800
Budget authority:			
40.00 Appropriation.....	1,248,764	1,377,346	1,308,800

40.00	Appropriation (special recreation use fees).....	11,484	12,500	12,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,281,196	1,380,051	1,342,800
72.40	Obligated balance, start of year .....	216,749	183,763	183,814
74.40	Obligated balance, end of year .....	-183,763	-183,814	-205,814
90.00	Outlays.....	1,314,182	1,380,000	1,320,800

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority .....	1,260,248	1,389,846	1,320,800	
Outlays .....	1,314,182	1,380,000	1,320,800	
Supplemental under existing legislation:				
Budget authority .....		-66,750		
Outlays .....		-66,750		
Total:				
Budget authority .....	1,260,248	1,323,096	1,320,800	
Outlays .....	1,314,182	1,313,250	1,320,800	

The total program proposed for Operation and Maintenance, General for 1988 is \$1,470 million. The \$1,470 million will be provided by the Operation and Maintenance, General appropriation, of which, such sums as are available will be derived from the Harbor Maintenance Trust Fund, and of which \$12.0 million will be derived from the Special Recreation Use Fee account.

Funds are requested for operation, maintenance, and related activities of the Corps of Engineers at 256 navigation projects, 275 flood control projects and 72 multiple purpose projects. Work to be accomplished consists of dredging, repair, and operation of structures and other facilities, including recreation, all as authorized in the various River and Harbor and Flood Control Acts. Related activities include aquatic plant control, monitoring of completed coastal projects, river ice management, maintenance research, general regulatory functions, removal of sunken vessels, and the collection of domestic waterborne commerce statistics. This request also includes funds for Mobilization Readiness Planning as directed in Executive Order 11490.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
96-3123-0-1-300			
Direct obligations:			
Personnel compensation:			
11.1	366,585	368,622	379,600
11.3	31,601	45,553	46,900
11.5	19,658	14,715	15,000
11.7	2,474	2,530	2,800
11.9	420,318	431,420	444,300
Personnel benefits:			
12.1	50,947	58,300	80,200
Military personnel:			
12.2	990	1,297	1,400
12.2	153	179	195
21.0	10,047	10,450	10,700
22.0	2,204	2,240	2,270
23.1	14,307	14,410	16,880
23.2	1,518	1,960	2,035
23.3	15,442	15,560	16,500
24.0	4,072	4,165	4,250
25.0	596,133	658,983	701,170
26.0	45,534	47,440	50,360
31.0	33,931	34,100	35,540
32.0	82,151	99,000	124,200
42.0	9		
43.0	1,020		
99.0	1,278,776	1,379,504	1,490,000
99.0	22,243	26,000	30,000
99.9	1,301,019	1,405,504	1,520,000

**Personnel Summary**

Direct:			
Total number of full-time permanent positions .....	15,295	13,352	13,350
Total compensable workyears:			
Full-time equivalent employment .....	15,686	15,002	15,000
Full-time equivalent of overtime and holiday hours.....	392	416	405
Reimbursable:			
Total number of full-time permanent positions .....	36	21	20
Total compensable workyears: Full-time equivalent employment.	50	39	31

**FLOOD CONTROL AND COASTAL EMERGENCIES**

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, **[\$10,000,000]** \$26,000,000, to remain available until expended. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
96-3125-0-1-301			
Program by activities:			
Direct program:			
00.01	8,166	12,540	10,650
00.02	3,957	9,290	7,000
00.03	13,264	19,540	20,850
00.04	3,652	8,960	4,000
00.91	29,039	50,330	42,500
01.01	4,576	14,000	7,000
10.00	33,615	64,330	49,500
Financing:			
11.00	-16,321	-3,388	-4,000
21.40	-38,811	-70,442	-19,500
24.40	70,442	19,500	
40.00	48,925	10,000	26,000
Relation of obligations to outlays:			
71.00	17,294	60,942	45,500
72.40	3,716	-6,055	14,887
74.40	6,055	-14,887	-25,387
90.00	27,065	40,000	35,000

This activity provides for flood emergency preparation, flood fighting and rescue operations, and repair of flood control and Federal hurricane or shore protection works. It also provides for emergency supplies of clean water where the source has been contaminated and, in drought distressed areas, provision of adequate supplies of water for human and livestock consumption. In the event of a major flood or coastal emergency, additional funds may be requested.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
96-3125-0-1-301			
Direct obligations:			
Personnel compensation:			
11.1	4,338	4,858	5,100
11.3	135	248	255
11.5	309	350	350
11.7	65	70	70
11.9	4,847	5,526	5,775
Personnel benefits:			
12.1	606	654	1,050
Military personnel:			
12.2	27	30	30
12.2	4	5	5
21.0	497	600	550
22.0	30	18	19
23.1	362	380	350

FLOOD CONTROL AND COASTAL EMERGENCIES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	96-3125-0-1-301	1986 actual	1987 est.	1988 est.
23.2	Rental payments to others.....	239	240	145
23.3	Communications, utilities, and miscellaneous charges...	422	440	450
24.0	Printing and reproduction .....	121	135	110
25.0	Other services.....	15,327	38,367	30,696
26.0	Supplies and materials.....	610	780	720
31.0	Equipment.....	265	370	350
32.0	Lands and structures.....	5,643	2,785	2,250
43.0	Interest and dividends.....	39		
99.0	Subtotal, direct obligations .....	29,039	50,330	42,500
99.0	Reimbursable obligations .....	4,576	14,000	7,000
99.9	Total obligations .....	33,615	64,330	49,500

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	138	157	162
Total compensable workyears:			
Full-time equivalent employment .....	155	165	170
Full-time equivalent of overtime and holiday hours.....	5	6	6
Reimbursable:			
Total number of full-time permanent positions .....	2	17	17
Total compensable workyears: Full-time equivalent employment.	11	16	16

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Board, the Engineer Automation Support Activity, and the Water Resources Support Center, **[\$115,000,000], \$128,200,000**, to remain available until expended. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code	96-3124-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Executive direction and management:				
00.01	Office, Chief of Engineers.....	41,653	44,845	46,700
00.02	Division offices.....	54,967	61,000	65,510
00.05	Board of Engineers for Rivers and Harbors.....	2,755	2,981	3,050
00.06	Coastal Engineering Research Board.....	219	231	240
Support centers:				
00.10	Engineer Automation Support Activity .....	3,892	4,528	7,700
00.11	Water Resources Support Center.....	4,469	5,292	5,500
00.91	Total direct program.....	107,955	118,877	128,700
01.01	Reimbursable program.....		3	5
10.00	Total obligations.....	107,955	118,880	128,705
Financing:				
11.00	Offsetting collections from: Federal funds.....		-3	-5
21.40	Unobligated balance available, start of year.....	-3,732	-1,177	-500
24.40	Unobligated balance available, end of year.....	1,177	500	
39.00	Budget authority .....	105,399	118,200	128,200
Budget authority:				
40.00	Appropriation .....	105,399	115,000	128,200
Transfers in for:				
46.20	Civilian pay raises.....		1,656	
46.30	Military pay raises.....		144	
46.40	Retirement contributions (P.L. 99-335) .....		1,400	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	107,955	118,877	128,700
72.40	Obligated balance, start of year .....	19,248	17,267	17,944
74.40	Obligated balance, end of year.....	-17,267	-17,944	-18,444
77.00	Adjustments in expired accounts.....	-165		
89.00	Outlays.....	109,770	118,200	128,200

Outlays:

90.00	Outlays, excluding pay and retirement supplementals .....	109,770	115,000	128,200
91.20	Outlays from civilian pay raise supplemental.....		1,656	
91.30	Outlays from military pay raise supplemental.....		144	
91.40	Outlays from retirement contribution supplemental .....		1,400	

**Executive direction and management.**—The Office, Chief of Engineers, and 11 division offices supervise work in 36 district offices.

**Board of Engineers for Rivers and Harbors.**—The Board reviews reports on proposed projects and makes advisory recommendations to the Chief of Engineers.

**Coastal Engineering Research Board.**—The Board provides policy guidance, reviews and plans requirements for conducting coastal engineering research and development, and recommends research project priorities.

Support centers—

**Engineer Automation Support Activity.**—Provides a central data processing service for a variety of ADP applications.

**Water Resources Support Center.**—Performs studies and analyses for meeting national objectives. Develops planning techniques for comprehensive management and development of the Nation's water resources.

Object Classification (in thousands of dollars)

Identification code	96-3124-0-1-301	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	64,596	67,370	69,200
11.3	Other than full-time permanent .....	1,957	3,540	3,600
11.5	Other personnel compensation.....	1,063	1,100	1,200
11.7	Military personnel.....	3,639	3,720	4,000
11.9	Total personnel compensation .....	71,255	75,730	78,000
Personnel benefits:				
12.1	Civilian .....	7,445	9,050	12,600
Military personnel:				
12.2	Accrued retirement benefits.....	1,456	1,905	2,000
12.2	Other personnel benefits.....	225	265	300
21.0	Travel and transportation of persons .....	3,080	3,330	3,330
22.0	Transportation of things.....	367	370	380
23.1	Rental payments to GSA.....	3,953	3,905	4,860
23.2	Rental payments to others.....	820	945	950
23.3	Communications, utilities, and miscellaneous charges...	2,882	2,960	3,130
24.0	Printing and reproduction .....	1,648	1,730	1,750
25.0	Other services.....	12,004	15,797	18,440
26.0	Supplies and materials.....	1,691	1,720	1,740
31.0	Equipment.....	748	770	790
32.0	Lands and structures .....	381	400	430
99.0	Subtotal, direct obligations .....	107,955	118,877	128,700
99.0	Reimbursable obligations .....		3	5
99.9	Total obligations .....	107,955	118,880	128,705

Personnel Summary

Total number of full-time permanent positions.....	1,645	1,636	1,639
Total compensable workyears:			
Full-time equivalent employment .....	1,730	1,722	1,725
Full-time equivalent of overtime and holiday hours .....	7	7	7

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES CONSOLIDATED PROGRAM

(Obligations in thousands of dollars)

Flood control, Mississippi River and tributaries:	1986 actual	1987 est.	1988 est.
Direct program .....	296,294	314,437	327,000
Reimbursable program.....	554	500	500
Rivers and harbors contributed funds (permanent appropriation) .....		1,000	2,000
Total obligations.....	296,848	315,937	329,500

**FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE**

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), **[\$310,797,000] \$317,000,000**, to remain available until expended: *Provided*, That not less than \$250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist. **[The Secretary of the Army, acting through the Chief of Engineers, is hereby directed to repair the Pumping Station and Gravity Outlets at the City of DeValls Bluff, Arkansas, authorized by the Flood Control Act of August 18, 1941, as amended by the Flood Control Act of July 24, 1946, at an estimated cost of \$250,000.]** (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

**Program and Financing (in thousands of dollars)**

Identification code	96-3112-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	General investigations.....	6,168	8,670	7,380
00.03	Construction.....	188,956	197,120	199,620
00.04	Dam safety assurance.....	385	3,265	2,890
00.05	Maintenance.....	100,785	105,382	117,110
00.91	Total direct program.....	296,294	314,437	327,000
01.01	Reimbursable program.....	554	500	500
10.00	Total obligations.....	296,848	314,937	327,500
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-146	-120	-110
14.00	Non-Federal sources.....	-408	-380	-390
21.40	Unobligated balance available, start of year.....	-8,726	-13,640	-10,000
24.40	Unobligated balance available, end of year.....	13,640	10,000	.....
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	17	.....	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>301,225</b>	<b>310,797</b>	<b>317,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	296,294	314,437	327,000
72.40	Obligated balance, start of year.....	68,802	35,440	39,877
74.40	Obligated balance, end of year.....	-35,440	-39,877	-49,877
90.00	Outlays.....	329,656	310,000	317,000

The total program proposed for Flood Control, Mississippi River and tributaries for 1988 is \$319 million, of which \$2 million will come from the Rivers and Harbors Contributed Fund, and \$317 million will be provided from the Flood Control, Mississippi River and Tributaries appropriation.

Funds are requested for activities associated with the Corps of Engineers—Civil responsibilities for the flood control program for the Lower Mississippi Valley from Cape Girardeau, MO, to the Gulf of Mexico and its contiguous basins. Thirteen studies of potential development will be continued, while two studies will be completed. Eleven construction projects will continue as well as one dam safety assurance project. Operation and maintenance on numerous flood control dams, and flood control and navigation structures are included in this request.

**Object Classification (in thousands of dollars)**

Identification code	96-3112-0-1-301	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	66,030	66,200	66,500
11.3	Other than full-time permanent.....	5,393	6,800	7,000
11.5	Other personnel compensation.....	8,332	10,590	10,890
11.7	Military personnel.....	582	600	600
11.9	Total personnel compensation.....	80,337	84,190	84,990
Personnel benefits:				
12.1	Civilian.....	10,655	12,200	16,355
Military personnel:				
12.2	Accrued retirement benefits.....	233	300	330
12.2	Other personnel benefits.....	36	45	45
21.0	Travel and transportation of persons.....	1,116	1,140	1,180
22.0	Transportation of things.....	180	195	200
23.1	Rental payments to GSA.....	1,824	1,840	1,970
23.2	Rental payments to others.....	62	65	70
23.3	Communications, utilities, and miscellaneous charges.....	3,541	3,665	3,810
24.0	Printing and reproduction.....	419	450	480
25.0	Other services.....	65,840	74,157	81,860
26.0	Supplies and materials.....	11,052	12,640	12,900
31.0	Equipment.....	3,181	3,550	4,810
32.0	Lands and structures.....	115,659	120,000	118,000
43.0	Interest and dividends.....	2,159	.....	.....
99.0	Subtotal, direct obligations.....	296,294	314,437	327,000
99.0	Reimbursable obligations.....	554	500	500
99.9	Total obligations.....	296,848	314,937	327,500

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	2,670	2,526	2,516
Total compensable workyears:			
Full-time equivalent employment.....	2,817	2,776	2,765
Full-time equivalent of overtime and holiday hours.....	235	286	286
<b>Reimbursable:</b>			
Total compensable workyears: Full-time equivalent employment.....	1	.....	.....

**PERMANENT APPROPRIATIONS**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	1,400	5,472	1,600
Transferred to general fund receipts.....	.....	-2,087	.....
Receipts (net) authorized: Hydraulic mining in California, debris fund and payments to States.....	8,496	6,148	6,148
Total available for appropriation.....	9,896	9,533	7,748
Appropriation: Hydraulic mining in California, debris fund and payments to States.....	-4,424	-7,933	-6,048
Unappropriated balance, end of year.....	5,472	1,600	1,700

**Program and Financing (in thousands of dollars)**

Identification code	96-9921-0-2-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Hydraulic mining in California, debris fund.....	46	50	48
00.02	Maintenance and operation of dams and other improvements of navigable waters.....	5,819	10,210	2,952
00.03	Payments to States.....	7,101	6,353	6,000
10.00	Total obligations.....	12,966	16,613	9,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-13,020	-14,680	-8,952
24.40	Unobligated balance available, end of year.....	14,680	8,952	8,952
60.00	<b>Budget authority (appropriation) (permanent, indefinite, special fund).....</b>	<b>14,626</b>	<b>10,885</b>	<b>9,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	12,966	16,613	9,000

PERMANENT APPROPRIATIONS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	96-9921-0-2-999	1986 actual	1987 est.	1988 est.
72.40	Obligated balance, start of year.....	29	45	158
74.40	Obligated balance, end of year.....	-45	-158	-158
90.00	Outlays.....	12,950	16,500	9,000
Distribution of budget authority by account:				
	Hydraulic mining in California, debris fund.....	48	48	48
	Maintenance and operation of dams and other improvements of navigable waters.....	10,202	2,952	2,952
	Payments to States.....	4,376	7,885	6,000
Distribution of outlays by account:				
	Hydraulic mining in California, debris fund.....	46	50	48
	Maintenance and operation of dams and other improvements of navigable waters.....	5,805	10,095	2,952
	Payments to States.....	7,099	6,355	6,000

*Hydraulic mining in California, debris fund.*—Fees paid by mine operators in the Sacramento and San Joaquin basins for depositing mine debris in restraining works, are used for their maintenance.

*Maintenance and operation of dams and other improvements of navigable waters.*—License fees are levied by the Department of Energy for private construction, operation, and maintenance of dams, conduits, and reservoirs. Half of the fees collected are used for maintenance and operation of Federal dams and other navigation structures, and for improvement of navigable waters. License fees are also levied by the Department of Energy for benefits accruing directly as the result of headwater improvements by Federal projects. One hundred percent of these fees collected are used for maintenance and operation of Federal dams and other navigation structures, and for improvement of navigable waters.

*Payments to States.*—Three-fourths of the money received from lease of Federal lands acquired for flood control, navigation, and allied purposes is paid to the State in which such property is situated for public schools, roads, or other expenses of county government.

Object Classification (in thousands of dollars)

Identification code	96-9921-0-2-999	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	215	220	220
11.3	Other than full-time permanent.....	4	135	135
11.9	Total personnel compensation.....	219	355	355
12.1	Personnel benefits: Civilian.....	24	26	26
23.1	Rental payments to GSA.....	13	13	13
23.2	Rental payments to others.....	2	2	2
23.3	Communications, utilities, and miscellaneous charges.....	6	6	6
24.0	Printing and reproduction.....	2	3	2
25.0	Other services.....	5,483	9,750	2,501
26.0	Supplies and materials.....	97	90	85
31.0	Equipment.....	19	15	10
41.0	Grants, subsidies, and contributions.....	7,101	6,353	6,000
99.9	Total obligations.....	12,966	16,613	9,000

Personnel Summary

Total number of full-time permanent positions.....	5	4	5
Total compensable workyears: Full-time equivalent employment.....	5	4	5

Intragovernmental funds:

【REVOLVING FUND】

【For construction of a dustpan dredge and for the Corps of Engineers Automation Plan, \$12,000,000, to remain available until expended (33 U.S.C. 576).】 (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

Program and Financing (in thousands of dollars)

Identification code	96-4902-0-4-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Plant and equipment services.....	63,963	67,170	65,900
00.02	Warehousing.....	1,729	1,720	1,800
00.03	Shop and facility services.....	780,663	819,700	804,000
00.04	General administrative services.....	969,244	1,017,610	998,300
00.91	Total operating expenses.....	1,815,599	1,906,200	1,870,000
Capital investment:				
01.01	Land and structures.....	11,532	16,100	31,000
01.02	Dredges.....	7,921	6,300	10,000
01.03	Other floating plant.....	7,402	15,800	15,700
01.04	Land-based equipment.....	35,637	34,700	29,300
01.05	Tools, office furniture, and equipment.....	9,419	2,900	3,000
01.91	Total capital investment.....	71,911	75,800	89,000
10.00	Total obligations.....	1,887,510	1,982,000	1,959,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-1,873,581	-1,968,000	-1,945,000
14.00	Non-Federal sources.....	-7,578	-7,000	-7,000
21.98	Unobligated balance available, start of year: Fund balance.....	-10,020	-10,368	-15,368
24.98	Unobligated balance available, end of year: Fund balance.....	10,368	15,368	8,368
40.00	Budget authority (appropriation).....	6,699	12,000	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	6,351	7,000	7,000
72.98	Obligated balance, start of year: Fund balance.....	128,096	140,146	145,146
74.98	Obligated balance, end of year: Fund balance.....	-140,146	-145,146	-142,146
90.00	Outlays.....	-5,699	2,000	10,000

The fund provides for the acquisition, operation, and maintenance of plant and equipment used in civil works functions; for temporary financing of services chargeable to civil appropriations; and for furnishing facilities and services for military functions of the Department of the Army, other governmental agencies and private persons (33 U.S.C. 576).

Budget program—

*Operating expenses.*—Operating costs include plant operations, warehousing, shops and facilities performing common services, and general administrative support including payrolls. Operating costs will increase about 4 percent in 1987.

*Capital investment.*—The 1988 program contains \$31 million for the design, rehabilitation, and construction of structures; \$10 million for the design, construction and rehabilitation of dredges, \$15.7 million for the design, rehabilitation and construction of floating plant other than dredges; \$29.3 million for the design and procurement of various land based equipment, including the Corps of Engineers Automation Plan; and \$3 million for a variety of relatively small tools, office furniture, and equipment.

*Financial condition.*—Capital Government equity of the fund amounted to \$725.5 million on September 30, 1986. Capital was increased by net earnings of \$21 mil-

lion in 1986. Increases are principally due to earnings reserved for plant replacement which are wholly reinvested in assets.

**Object Classification (in thousands of dollars)**

Identification code 96-4902-0-4-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	7,523	9,152	9,427
11.3 Other than full-time permanent.....	798	1,129	1,163
11.5 Other personnel compensation.....	797	800	810
11.9 Total personnel compensation.....	9,118	11,081	11,400
12.1 Personnel benefits: Civilian.....	974	1,330	1,370
21.0 Travel and transportation of persons.....	24,072	23,020	23,340
22.0 Transportation of things.....	3,775	3,950	3,910
23.3 Communications, utilities, and miscellaneous charges.....	20,574	21,590	21,350
24.0 Printing and reproduction.....	3,398	3,550	3,520
25.0 Other services.....	1,689,321	1,774,449	1,752,700
26.0 Supplies and materials.....	66,440	69,730	68,950
31.0 Equipment.....	59,457	62,400	61,700
32.0 Lands and structures.....	10,381	10,900	10,760
99.9 Total obligations.....	1,887,510	1,982,000	1,959,000

**Personnel Summary**

Total number of full-time permanent positions.....	180	316	316
Total compensable workyears:			
Full-time equivalent employment.....	317	355	355
Full-time equivalent of overtime and holiday hours.....	1	4	4

**Trust Funds**

**INLAND WATERWAYS TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	172,308	239,896	294,896
<b>Receipts:</b>			
Inland waterway fuel tax.....	40,302	45,000	48,000
Interest and profits on investments.....	27,286	36,000	37,000
Total available for appropriation.....	239,896	320,896	379,896
Appropriation.....		-26,000	-38,000
Unappropriated balance, end of year.....	239,896	294,896	341,896

**Program and Financing (in thousands of dollars)**

Identification code 20-8861-0-7-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		33,800	38,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-7,800	-7,800	
24.40 Unobligated balance available, end of year.....	7,800		
40.00 <b>Budget authority (appropriation).....</b>		<b>26,000</b>	<b>38,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		33,800	38,000
90.00 Outlays.....		33,800	38,000

The Inland Waterways Trust Fund was established in accordance with the Inland Waterways Revenue Act of 1978. Revenue is derived from taxes imposed on fuel in vessels engaged in commercial waterway transportation. See "Construction, general" for appropriation language.

**RIVERS AND HARBORS CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 96-8862-0-7-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 General investigations: Where required for an authorized Federal study.....	3,644	10,160	10,000
<b>Construction:</b>			
00.02 Where required for an authorized Federal project.....	35,993	211,266	221,000
00.03 Where not required for an authorized Federal project.....	6,480	17,940	15,000
00.04 Flood control, Mississippi River and Tributaries: Where required for an authorized feature.....		1,000	2,000
00.05 Maintenance: Where not required for an authorized Federal project.....	1,439	1,603	2,000
10.00 Total obligations.....	47,556	241,969	250,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-25,461	-26,969	-22,000
24.40 Unobligated balance available, end of year.....	26,969	22,000	22,000
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>49,064</b>	<b>237,000</b>	<b>250,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	47,556	241,969	250,000
72.40 Obligated balance, start of year.....	15,040	16,538	64,507
74.40 Obligated balance, end of year.....	-16,538	-64,507	-64,507
90.00 Outlays.....	46,058	194,000	250,000

Funds are contributed by non-Federal interests for expenditure on improvements of rivers and harbors. This includes cash contributions by terms of agreements with non-Federal interests for study, design, construction and maintenance of authorized Federal projects as well as other non-Federal contributions. Of the \$233 million budget authority, it is proposed that \$10 million will be used for required contributions for the General Investigations program, \$221 million for the Construction, General program, and \$2 million for the Flood Control, Mississippi River and Tributaries program. In addition, it is estimated that the cost of unauthorized work requested by non-Federal interests will be \$15 million under Construction, General and \$2 million under Operation and Maintenance, General.

**Object Classification (in thousands of dollars)**

Identification code 96-8862-0-7-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,570	1,285	1,320
11.3 Other than full-time permanent.....	24	60	65
11.5 Other personnel compensation.....	35	45	50
11.9 Total personnel compensation.....	1,629	1,390	1,435
12.1 Personnel benefits: Civilian.....	183	166	171
21.0 Travel and transportation of persons.....	132	150	150
22.0 Transportation of things.....	43	20	20
23.1 Rental payments to GSA.....	129	140	271
23.2 Rental payments to others.....	3	3	3
23.3 Communications, utilities, and miscellaneous charges.....	273	320	335
24.0 Printing and reproduction.....	31	80	85
25.0 Other services.....	17,546	175,680	180,440
26.0 Supplies and materials.....	163	440	520
31.0 Equipment.....	75	280	300
32.0 Lands and structures.....	27,308	63,300	66,270
44.0 Refunds.....	41		
99.9 Total obligations.....	47,556	241,969	250,000

**Personnel Summary**

Total number of full-time permanent positions.....	25	43	43
Total compensable workyears: Full-time equivalent employment.....	57	45	45

**HARBOR MAINTENANCE TRUST FUND\***

\*See Part II for additional information.

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....			
Receipts:			
Revenue:			
Harbor maintenance tax.....		73,000	160,000
Saint Lawrence Seaway tolls.....		6,000	
Net receipts.....		79,000	160,000
Total available for appropriation.....		79,000	160,000
Annual appropriations:			
U.S. Army Corps of Engineers, Civil: Operation and maintenance of commercial navigation harbors.....			-149,200
Department of the Treasury:			
Rebate of Saint Lawrence Seaway tolls.....			-10,400
Administration of rebates.....			-400
Subtotal annual appropriations.....			-160,000
Supplemental appropriations:			
Saint Lawrence Seaway Development Corporation: Operation and maintenance.....		-6,000	
U.S. Army Corps of Engineers, Civil: Operation and maintenance of commercial navigation harbors.....		-66,750	
Department of The Treasury:			
Rebate of Saint Lawrence Seaway tolls.....		-6,000	
Administration of rebates.....		-250	
Subtotal supplemental appropriations.....		-79,000	
Total appropriations.....		-79,000	160,000
Unappropriated balance, end of year.....			

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
96-8863-0-7-301			
<b>Program by activities:</b>			
10.00 Operation and maintenance of commercial navigation harbors (total obligations) (object class 25.0).....			149,200
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			149,200
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			149,200
90.00 Outlays.....			149,200

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....			149,200
Outlays.....			149,200
Supplemental under existing legislation:			
Budget authority.....		66,750	
Outlays.....		66,750	
Total:			
Budget authority.....		66,750	149,200
Outlays.....		66,750	149,200

The Harbor Maintenance Trust Fund was established in accordance with the Harbor Maintenance Revenue Act of 1986 (Public Law 99-662, Title XIV). Under existing law, revenue is derived from: (1) receipts from a 0.04% ad valorem user fee imposed on commercial cargo loaded and unloaded at those U.S. ports open to public navigation, and (2) collection of charges and tolls imposed by the Saint Lawrence Seaway Development Corporation.

The Harbor Maintenance Revenue Act also authorized appropriations from the Trust Fund to fully finance the operation and maintenance of the Corporation, to finance up to 40 percent of Corps of Engineers' harbor operation and maintenance costs, including costs associated with Great Lakes navigational projects, and to rebate the U.S. portion of tolls paid on the Seaway.

Legislation will be proposed to restore financing of the Corporation's operation and maintenance to its status prior to passage of the Act. Pursuant to the proposed legislation, the Corporation would retain its tolls to finance operation and maintenance. Rebates would continue to be paid out of this Trust Fund.

For appropriation language, see the following accounts: Army Corps of Engineers, Civil "Operation and maintenance, general"; St. Lawrence Seaway Development Corporation "Operation and maintenance"; and Department of the Treasury "St. Lawrence Seaway toll rebate program".

**ADMINISTRATIVE PROVISIONS**

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by section 4110 of title 5, United States Code, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901-5902), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; not to exceed \$2,000 for official reception and representation expenses; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed [250] 225 for replacement only) and hire of passenger motor vehicles.

**GENERAL PROVISIONS, CORPS OF ENGINEERS**

*In section 4(c) of Public Law 99-469, the word "Secretary" is deleted each time it appears and the words "United States" are inserted in lieu thereof.*

[SEC. 101. None of the funds appropriated in this title, except as specifically contained herein, shall be used to alter, modify, dismantle, or otherwise change any project which is partially constructed but not funded for construction in this title.]

[SEC. 102. The Secretary of the Army, acting through the Chief of Engineers, is directed to continue with planning, design, engineering, construction and the operation and maintenance of the Des Moines Recreational River and Greenbelt project as described in Conference Report 99-236 using funds heretofore, herein and hereafter appropriated. Notwithstanding the language contained in the 1985 Supplemental Appropriations Act, Public Law 99-88, the Corps of Engineers shall continue their work on the General Design Memorandum, which shall be completed by October 1987 to serve as a master plan for the overall project. The design memorandum must address all enhancements contained in the list prepared by the Des Moines Recreational River and Greenbelt Advisory Committee. The project after construction will be operated and maintained at full Federal expense.]

[SEC. 103. Notwithstanding any conditions to the contrary in executed local cooperation agreements, where such agreements exist, initiation of construction of new Department of the Army water resource projects funded and authorized by Public Law 99-88 shall not be contingent upon enactment of legislation imposing a Federal port use charge or increasing the tax imposed by section 4042 of the Internal Revenue Code of 1954. Upon fulfillment of all other conditions and subject to such other terms as might appear in a local cooperation agreement, where required, for such a project, the Secretary shall initiate and complete construction of the project. Once construction has been initiated, no work in connection with such project shall be considered a "new start" for budgetary or funding purposes.]

[SEC. 104. None of the funds provided in this act, or any other act, may be used by the Corps of Engineers to lease, contract or otherwise

transfer to a non-government entity any parks or recreation resources, or the management or operation thereof, located at Greers Ferry Lake or Little Red River in the State of Arkansas, for which such arrangements did not exist on or before September 1, 1986, until the Corps has studied the economic, environmental and public use impact of leasing to private enterprise the parks and other recreation resources at lakes, reservoirs and reaches of river under its jurisdiction and such study has been reviewed by the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works in the Senate.]

[Sec. 105. None of the funds made available by this Act or any other Act for any fiscal year may be used hereafter to study, to plan, to implement, to construct, or to issue any permit for the Northfield Mountain Water Supply Project, Massachusetts or the Millers and Tully Rivers Water Supply Project, Massachusetts: *Provided*, That this section shall not apply to environmental studies undertaken by the United States Fish and Wildlife Service: *Provided further*, That this shall not be construed as a precedent for any other Corps permit in any other State or region.]

[Sec. 106. Within available funds, the Secretary of the Army acting through the Chief of Engineers is authorized and directed to modify the Black Warrior and Tombigbee Rivers, Alabama, project, to provide a safe channel and general navigation facilities in the vicinity of Jackson, Alabama, at an estimated cost of \$8,200,000. Necessary training works to provide a safe channel shall be constructed at full Federal expense as part of the Operation and Maintenance, General program. Development of general navigation facilities to provide a spur canal for a port facility at Jackson, at an estimated cost of \$2,300,000, shall be part of the Construction, General program and shall be cost shared under terms and conditions acceptable to the Secretary of the Army as set forth in a binding agreement with a non-Federal sponsor desiring to participate in project construction.] (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are shown in the schedules of the parent appropriation as follows:  
Operations, Research, and Facilities, National Oceanic and Atmospheric Administration, Department of Commerce.  
Energy, Supply, Research and Development Activities, Operating Expenses, Department of Energy.  
Construction, National Park Service, Department of the Interior.  
Construction, Bureau of Indian Affairs, Department of the Interior.  
Construction and Anadromous Fish, United States Fish and Wildlife Service, Department of the Interior.  
Land Acquisition and State Assistance, National Park Service, Department of the Interior.  
American Sections, International Commissions, State.  
Construction, International Boundary and Water Commission, United States and Mexico, State.  
Federal Highway Administration, Department of Transportation.  
Acquisition and Construction of Radio Facilities, United States Information Agency.  
Appalachian Regional Development Programs.

MILITARY RETIREMENT

Federal Funds

General and special funds:

PAYMENT TO MILITARY RETIREMENT FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations (object class 13.0)	10,500,000	10,524,000	11,200,000	11,494,000
<b>Financing:</b>				
60.00 Budget authority (appropriation) (permanent, indefinite)	10,500,000	10,524,000	11,200,000	11,494,000
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	10,500,000	10,524,000	11,200,000	11,494,000
90.00 Outlays	10,500,000	10,524,000	11,200,000	11,494,000

The 1988 and 1989 payments to the military retirement fund include funds for the amortization of the unfunded liability for all retirement benefits earned by military personnel for service prior to 1985. The amortization schedule for the unfunded liability was determined by the DOD Retirement Board of Actuaries. Included in the unfunded liability are the consolidated requirements of the military departments to cover: (a) retired officers and enlisted personnel of the Army, Navy, Marine Corps, and Air Force; (b) retainer pay of enlisted personnel of the Fleet Reserve of the Navy and Marine Corps; and (c) survivors benefits.

RETIRED PAY, DEFENSE

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	25,015	19,941	12,941
74.40 Obligated balance, end of year	-19,941	-12,941	-7,941
77.00 Adjustments in expired accounts	4,968		
90.00 Outlays	10,042	7,000	5,000

Trust Funds

MILITARY RETIREMENT FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Nondisability	14,986,834	15,366,600	16,168,100
00.02 Temporary disability	71,746	77,900	82,000
00.03 Permanent disability	1,311,792	1,304,300	1,372,300
00.04 Fleet Reserve	643,293	597,500	628,700
00.05 Survivors' benefits	623,947	680,600	716,100
10.00 Total obligations (object class 42.0)	17,637,612	18,026,900	18,967,200
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance	-2,364	-1,172	-2,000
21.40 U.S. securities (par)	-10,155,606	-19,469,654	-33,411,472
21.40 Unamortized premium (-) or discount, net	221,539	-2,723,691	-2,000,000
Unobligated balance available, end of year:			
24.40 Treasury balance	1,172	2,000	2,000
24.40 U.S. securities (par)	19,469,654	33,411,472	47,936,272
24.40 Unamortized premium or discount (-), net	2,723,691	2,000,000	1,917,000
60.00 Budget authority (appropriation) (permanent, indefinite)	29,895,698	31,245,855	33,409,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	17,637,612	18,026,900	18,967,200
Obligated balance available, start of year:			
72.40 U.S. securities (par)	1,479,124	1,400,000	1,482,228
72.40 Unamortized premium or discount (-), net	-22,187	84,028	83,000
Obligated balance available, end of year:			
74.40 U.S. securities (par)	-1,400,000	-1,482,228	-1,567,728
74.40 Unamortized premium (-) or discount, net	-84,028	-83,000	-83,000
90.00 Outlays	17,610,521	17,945,700	18,881,700

Public Law 98-94 provided for accrual funding of the military retirement system and for the establishment of a Department of Defense Military Retirement Fund in 1985. The fund is financed through: (a) Federal contributions for retired pay and retirement pay of military personnel on the retired lists of the Army, Navy and Marine Corps, and Air Force, including the reserve

General and special funds—Continued

MILITARY RETIREMENT FUND—Continued

components thereof, and retainer pay for personnel of the Inactive Fleet Reserve; (b) Government contributions consisting of a normal cost accrual percentage applied to basic pay amounts contained in the military personnel appropriations; and (c) interest on investments.

The status of the fund is as follows:

STATUS OF FUND			
[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.
Unexpended balance, start of year:			
Cash	2,364	1,172	2,000
U.S. securities:			
Par	11,634,730	20,869,654	34,893,700
Unamortized premiums/discounts (—) (including interest purchased)	— 243,726	2,807,719	2,083,000
Total, U.S. securities	11,391,004	23,677,373	36,976,700
Balance of trust fund, start of year	11,393,368	23,678,545	36,978,700
Cash income for the year (intragovernmental receipts):			
Employer's contribution:			
Appropriation: DOD Military	17,422,736	18,184,800	18,233,800
Appropriation: Corps of Engineers	5,800	8,300	8,400
Proposed legislation (pay raise)			540,100
Total, employer's contribution	17,428,536	18,193,100	18,782,300
General fund payment (unfunded liability)	10,500,000	10,524,000	11,200,000
Earnings on investments	1,967,162	2,528,755	3,426,700
Total cash income	29,895,698	31,245,855	33,409,000
Cash outgo during the year:			
Payments to retirees	17,610,521	17,945,700	18,881,700
Net income or outgo (—)	12,285,177	13,300,155	14,527,300
Unexpended balance, end of year:			
Cash	1,172	2,000	2,000
U.S. securities:			
Par	20,869,654	34,893,700	49,504,000
Unamortized premiums/discounts (—) (including interest purchased)	2,807,719	2,083,000	2,000,000
Total, U.S. securities	23,677,373	36,976,700	51,504,000
Balance of trust fund, end of year	23,678,545	36,978,700	51,506,000

EDUCATION BENEFITS

Federal Funds

General and special funds:

[PAYMENT TO THE HENRY M. JACKSON FOUNDATION]

[For payment to the Henry M. Jackson Foundation, a direct and unrestricted grant, including any interest or earnings therefrom, to support the purposes of the Foundation, its on-going educational and public services programs and to serve as a memorial to the late Senator Henry M. Jackson; \$10,000,000: *Provided*, That, notwithstanding any other provision of law or of this Act, the Secretary of Defense is hereby authorized and directed to make the grant authorized by this section to the Henry M. Jackson Foundation, and such grant shall be transferred to the Foundation by January 1, 1987.] (*Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).*)

Program and Financing (in thousands of dollars)

Program and Financing (in thousands of dollars)			
Identification code 97-0825-0-1-502			
	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		10,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		10,000	

Relation of obligations to outlays:		
71.00 Obligations incurred, net		10,000
90.00 Outlays		10,000

Trust Funds

EDUCATION BENEFITS FUND

Program and Financing (in thousands of dollars)

Identification code 97-8098-0-7-702			
	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Active duty program	1	3,000	15,000
00.02 Selected reserve program	24,202	72,000	105,000
10.00 Total obligations (object class 25.0)	24,203	75,000	120,000
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance		— 1	
21.40 U.S. securities (par)	— 53,488	— 236,782	— 515,976
21.40 Unamortized premium (—) or discount, net	— 7,420	— 44,993	
Unobligated balance available, end of year:			
24.40 Treasury balance	1		
24.40 U.S. securities (par)	236,782	515,976	630,276
24.40 Unamortized premium or discount (—), net	44,993		
60.00 Budget authority (appropriation) (permanent, indefinite)	245,071	309,200	234,300
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	24,203	75,000	120,000
Obligated balance available, start of year:			
72.40 U.S. securities (par)	4,000		
72.40 Unamortized premium or discount (—), net	557		
90.00 Outlays	28,760	75,000	120,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
Enacted/requested:			
Budget authority	245,071	309,200	234,300
Outlays	28,760	75,000	120,000
Proposed for later transmittal under proposed legislation:			
Budget authority			48,800
Outlays			20,000
Total:			
Budget authority	245,071	309,200	283,100
Outlays	28,760	75,000	140,000

The 1985 Defense Authorization Bill, Public Law 98-525, provided for the accrual funding of certain new education benefits to be provided to active duty military personnel under the authority of Chapter 30, Title 38 U.S.C., and to Selected Reserve personnel under the authority of Chapter 106, Title 10 U.S.C. The fund is financed through: (a) actuarially-determined Government contributions from the Department of Defense military personnel appropriations; and (b) interest on investments. Funds are transferred to the Veterans Administration to make benefit payments to eligible personnel. The status of the fund is as follows:

STATUS OF FUND

[In thousands of dollars]			
Unexpended balance, start of year:			
Cash		1	
U.S. securities:			
Par	57,488	236,782	515,976
Unamortized premiums/discounts (—) (including interest purchased)	7,977	44,993	
Total, U.S. securities	65,465	281,775	515,976
Balance of trust fund, start of year	65,465	281,776	515,976

Cash income for the year:			
Employer's contribution:			
Appropriation, DOD Military .....	232,148	281,500	198,140
Proposed legislation .....			47,900
Budget accounting adjustment .....	4,753		
<b>Total, employer's contribution .....</b>	<b>236,901</b>	<b>281,500</b>	<b>246,040</b>
Earnings on investments:			
Existing law .....	8,170	27,700	36,160
Proposed legislation .....			900
<b>Total, earnings on investments .....</b>	<b>8,170</b>	<b>27,700</b>	<b>37,060</b>
<b>Total cash income .....</b>	<b>245,071</b>	<b>309,200</b>	<b>283,100</b>
Cash outgo during the year:			
Benefit payments:			
Existing law .....	24,007	75,000	120,000
Proposed legislation .....			20,000
Budget accounting adjustment* .....	4,753		
<b>Total cash outgo .....</b>	<b>28,760</b>	<b>75,000</b>	<b>140,000</b>
<b>Net income or outgo (—) .....</b>	<b>216,311</b>	<b>234,200</b>	<b>143,100</b>
Unexpended balance, end of year:			
Cash .....	1		
U.S. securities:			
Par .....	236,782	515,976	659,076
Unamortized premiums/discounts (—) (including interest purchased) .....	44,993		
<b>Total, U.S. securities .....</b>	<b>281,775</b>	<b>515,976</b>	<b>659,076</b>
<b>Balance of trust fund, end of year .....</b>	<b>281,776</b>	<b>515,976</b>	<b>659,076</b>

\* Reflects accounting error that was corrected in fiscal year 1986.

**EDUCATION BENEFITS**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 97-8098-2-7-702			
1986 actual 1987 est. 1988 est.			
<b>Program by activities:</b>			
10.00 Selected reserve program (total obligations) (object class 25.0) .....			20,000
<b>Financing:</b>			
24.40 Unobligated balance available, end of year: U.S. securities (par) .....			28,800
40.00 <b>Budget authority (appropriation) .....</b>			<b>48,800</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			20,000
90.00 Outlays .....			20,000

Legislation will be proposed to extend this program after June 30, 1988 for purposes of initial program eligibility of active and reserve military personnel.

**SOLDIERS' AND AIRMEN'S HOME**

*Trust Funds*

**OPERATION AND MAINTENANCE**

For maintenance and operation of the United States Soldiers' and Airmen's Home, to be paid from the Soldiers' and Airmen's Home permanent fund, **[\$34,022,000]** \$37,080,000: Provided, That this appropriation shall not be available for the payment of hospitalization of members of the Home in United States Army hospitals at rates in excess of those prescribed by the Secretary of the Army upon recommendation of the Board of Commissioners and the Surgeon General of the Army.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233; Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 84-8931-0-7-705			
1986 actual 1987 est. 1988 est.			
<b>Program by activities:</b>			
00.01 Direct program .....	33,174	35,154	37,080
01.01 Reimbursable program .....	115	144	144
10.00 <b>Total obligations .....</b>	<b>33,289</b>	<b>35,298</b>	<b>37,224</b>
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	—115	—144	—144
25.00 Unobligated balance lapsing .....	21		
39.00 <b>Budget authority .....</b>	<b>33,196</b>	<b>35,154</b>	<b>37,080</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation .....</b>	<b>33,196</b>	<b>34,022</b>	<b>37,080</b>
<b>Transfer in for:</b>			
46.10 <b>Wage-board pay raises .....</b>		<b>176</b>	
46.20 <b>Civilian pay raises .....</b>		<b>378</b>	
46.40 <b>Retirement contributions (P.L. 99-335) .....</b>		<b>578</b>	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	33,174	35,154	37,080
72.40 Obligated balance, start of year .....	4,221	7,792	8,070
74.40 Obligated balance, end of year .....	—7,792	—8,070	—8,379
77.00 Adjustments in expired accounts .....	—381		
89.00 <b>Outlays .....</b>	<b>29,222</b>	<b>34,876</b>	<b>36,771</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	29,222	33,830	36,685
91.10 Outlays from wage-board pay raise supplemental .....		162	14
91.20 Outlays from civilian pay raise supplemental .....		350	28
91.40 Outlays from retirement contribution supplemental .....		534	44

The U.S. Soldiers' and Airmen's Home provides medical and domiciliary care and other authorized benefits for the relief and support of certain retired soldiers of the regular Army and airmen of the Air Force.

The average number of members receiving domiciliary and hospital care are shown below:

	1986 actual	1987 est.	1988 est.
Domiciliary care .....	1,702	1,730	1,730
Hospital care .....	367	370	370
<b>Total members .....</b>	<b>2,069</b>	<b>2,100</b>	<b>2,100</b>

**Object Classification (in thousands of dollars)**

Identification code 84-8931-0-7-705			
1986 actual 1987 est. 1988 est.			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	18,739	19,882	20,126
11.3 Other than full-time permanent .....	1,195	1,325	1,342
11.5 Other personnel compensation .....	946	884	894
11.9 <b>Total personnel compensation .....</b>	<b>20,880</b>	<b>22,091</b>	<b>22,362</b>
12.1 Personnel benefits: Civilian .....	2,814	3,667	4,979
13.0 Benefits for former personnel .....	85	52	52
21.0 Travel and transportation of persons .....	9	7	8
22.0 Transportation of things .....		3	3
23.2 Rental payments to others .....	20		
23.3 Communications, utilities, and miscellaneous charges .....	1,149	1,281	1,328
24.0 Printing and reproduction .....	25	26	27
25.0 Other services .....	2,304	2,602	2,699
26.0 Supplies and materials .....	5,106	5,252	5,442
31.0 Equipment .....	734	173	180
32.0 Lands and structures .....	42		
42.0 Insurance claims and indemnities .....	6		
99.0 <b>Subtotal, direct obligations .....</b>	<b>33,174</b>	<b>35,154</b>	<b>37,080</b>
99.0 Reimbursable obligations .....	115	144	144
99.9 <b>Total obligations .....</b>	<b>33,289</b>	<b>35,298</b>	<b>37,224</b>

**Personnel Summary**

<b>NONMEMBER EMPLOYEES</b>			
Total number of full-time permanent positions .....	767	796	801

OPERATION AND MAINTENANCE—Continued

Personnel Summary—Continued

Total compensable workyears:			
Full-time equivalent employment .....	815	843	848
Full-time equivalent of overtime and holiday hours .....	15	16	16
<b>MEMBER EMPLOYEES</b>			
Total number of full-time permanent positions .....	161	159	159
Total compensable workyears:			
Full-time equivalent employment .....	200	189	189
Full-time equivalent of overtime and holiday hours .....	4	4	4

**[CAPITAL OUTLAYS]**

**[For construction and renovation of the physical plant, to be paid from the Soldiers' and Airmen's Home permanent fund, \$16,241,000, to remain available until expended.]**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 84-8932-0-7-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0) .....	20,775	17,271	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-9,823	-2,162	
24.40 Unobligated balance available, end of year .....	2,162		
39.00 <b>Budget authority</b> .....	<b>13,114</b>	<b>15,109</b>	
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>13,114</b>	<b>16,241</b>	
45.00 <b>Transfers out for pay raises and retirement contributions</b> .....		-1,132	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred net .....	20,775	17,271	
72.40 Obligated balance, start of year .....	3,306	20,218	25,297
74.40 Obligated balance, end of year .....	-20,218	-25,297	-19,201
90.00 <b>Outlays</b> .....	<b>3,863</b>	<b>12,192</b>	<b>6,096</b>

This appropriation finances renovation and construction of the physical plant of the U.S. Soldiers' and Airmen's Home.

PAYMENT OF CLAIMS

Program and Financing (in thousands of dollars)

Identification code 84-8930-0-7-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0) .....		5	5
<b>Financing:</b>			
60.00 <b>Budget authority (appropriation) (permanent, indefinite)</b> .....		<b>5</b>	<b>5</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		5	5
90.00 <b>Outlays</b> .....		<b>5</b>	<b>5</b>

Refunds are made from the permanent fund of amounts of courts-martial fines and other charges erroneously deducted from the pay of soldiers and airmen after adjudication of claims therefor by the General Accounting Office.

SOLDIERS' AND AIRMEN'S HOME PERMANENT FUND (TRUST FUND)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year .....	161,579	162,821	162,352
<b>Revenues:</b>			
Interest .....	12,946	14,500	14,000
Government receipts .....	30,128	30,544	30,549
Proprietary receipts .....	4,179	4,755	4,901
Total available for appropriation .....	<b>208,832</b>	<b>212,620</b>	<b>211,802</b>
<b>Appropriations:</b>			
Operation and maintenance .....	-33,196	-34,022	-37,080
Capital outlay .....	-13,114	-16,241	
Payment of certified claims .....		-5	-5
Total appropriations .....	-46,310	-50,268	-37,085
Unobligated balance returned to unappropriated receipts and reduction pursuant to P.L. 97-177 .....	299		
Unappropriated balance, end of year .....	162,821	162,352	174,717

This fund consists of receipts from fines, forfeitures, and stoppages of pay of regular enlisted personnel of the Army and Air Force, withholding not to exceed 50 cents per month from the pay of such personnel, estates of deceased soldiers and airmen, other receipts consisting largely of interest paid on the fund, and a fee charged to Home members.

SOLDIERS' AND AIRMEN'S HOME REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code 84-8463-0-8-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0) .....	521	508	508
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds .....	-544	-508	-508
21.98 Unobligated balance available, start of year: Fund balance .....	-103	-127	-127
24.98 Unobligated balance available, end of year: Fund balance .....	127	127	127
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-23		
72.98 Obligated balance, start of year: Fund balance .....	87	61	61
74.98 Obligated balance, end of year: Fund balance .....	-61	-61	-61
90.00 <b>Outlays</b> .....	<b>3</b>		

This fund finances, on a reimbursable basis, inventories of supplies and equipment for use in the operating activities of the Soldiers' and Airmen's Home. The fund does not finance the acquisition of major items of equipment.

**FOREST AND WILDLIFE CONSERVATION, MILITARY RESERVATIONS**

Federal Funds

General and special funds:

FOREST PRODUCTS PROGRAM RESERVE ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 21-5285-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0) .....		1,377	1,500

<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-1,205	-1,977	-1,000
24.40	Unobligated balance available, end of year.....	1,977	1,000	1,000
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>771</b>	<b>400</b>	<b>1,500</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		1,377	1,500
72.40	Obligated balance, start of year.....		170	
74.40	Obligated balance, end of year.....	-170		
78.00	Adjustments in unexpired accounts.....		-170	
90.00	Outlays.....	-170	1,377	1,500

Title 10 of United States Code 2665 authorizes the Department of Defense to retain all of its annual surplus forest products income. The funds may be used to reimburse unplanned expenses in forest management and forest improvement projects.

**WILDLIFE CONSERVATION**

**Program and Financing (in thousands of dollars)**

Identification code 97-5095-0-2-303	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Department of the Army.....	1,124	1,570	1,430
00.02	Department of the Navy.....	142	200	252
00.03	Department of the Air Force.....	415	570	540
10.00	Total obligations.....	1,681	2,340	2,222
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-1,415	-1,466	-1,106
24.40	Unobligated balance available, end of year.....	1,466	1,106	904
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>1,732</b>	<b>1,980</b>	<b>2,020</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,681	2,340	2,222
72.40	Obligated balance, start of year.....	685	726	866
74.40	Obligated balance, end of year.....	-726	-866	-838
90.00	Outlays.....	1,641	2,200	2,250

<b>Distribution of budget authority by account:</b>				
	Department of the Army.....	1,209	1,320	1,340
	Department of the Navy.....	103	210	230
	Department of the Air Force.....	420	450	450
<b>Distribution of outlays by account:</b>				
	Department of the Army.....	1,193	1,500	1,450
	Department of the Navy.....	88	200	250
	Department of the Air Force.....	360	500	550

These appropriations provide for a program of development and conservation of fish and wildlife and the development of recreational facilities on military reservations. Proceeds from the sale of fishing and hunting permits are used for these programs on the 45 Army, 22 Navy and Marine Corps, and 42 Air Force bases charging such fees. These programs are carried out through cooperative plans agreed upon by the local representatives of the Secretary of Defense, the Secretary of the Interior, and the appropriate agency of the State in which the reservation is located.

**Object Classification (in thousands of dollars)**

Identification code 97-5095-0-2-303	1986 actual	1987 est.	1988 est.	
11.1	Personnel compensation: Full-time permanent.....	92	93	93
12.1	Personnel benefits: Civilian.....	14	14	14
21.0	Travel and transportation of persons.....	40	54	54
22.0	Transportation of things.....	10	15	15
23.3	Communications, utilities, and miscellaneous charges.....	3	4	5
24.0	Printing and reproduction.....	21	27	27
25.0	Other services.....	612	885	840
26.0	Supplies and materials.....	629	805	833
31.0	Equipment.....	188	293	202
32.0	Lands and structures.....	72	150	138
99.9	Total obligations.....	1,681	2,340	2,222

**Personnel Summary**

Total number of full-time permanent positions.....	4	4	4
Total compensable workyears: Full-time equivalent employment.....	4	4	4



# DEPARTMENT OF EDUCATION

## OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

### Federal Funds

#### General and special funds:

#### [COMPENSATORY EDUCATION FOR THE DISADVANTAGED]\*

\*See Part II for additional information.

[For carrying out chapter 1 of the Education Consolidation and Improvement Act of 1981, as amended, \$3,944,163,000, of which \$6,246,000 shall be used for purposes of section 555(d) of said Act to provide technical assistance and evaluate programs, and the remaining \$3,937,917,000 shall become available on July 1, 1987, and remain available until September 30, 1988: *Provided*, That of these remaining funds, no funds shall be used for purposes of section 554(a)(1)(B), \$264,524,000 shall be available for purposes of section 554(a)(2)(A), \$150,170,000 shall be available for purposes of section 554(a)(2)(B), \$32,616,000 shall be available for purposes of section 554(a)(2)(C) and \$37,107,000 shall be available for purposes of section 554(b)(1)(D).]

[For carrying out section 418A of the Higher Education Act, \$7,500,000.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code 91-0900-0-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Grants for disadvantaged:			
00.01	3,059,711	3,453,769	
00.02	430,410	449,775	
00.03	34,039	37,144	
00.04	5,165	6,246	
00.10	7,177	7,500	
00.91	3,536,502	3,954,434	
01.01	20,524		
10.00	3,557,026	3,954,434	
<b>Financing:</b>			
Offsetting collections from:			
11.00	-17,822		
14.00	-2,702		
17.00	-1,980		
21.40	-4,090	-6,317	
24.40	6,317		
25.00		3,546	
40.00	3,536,749	3,951,663	
Relation of obligations to outlays:			
71.00	3,536,502	3,954,434	
72.40	3,809,151	3,938,922	4,614,863
74.40	-3,938,922	-4,614,863	-864,226
77.00	-63	-169,512	
78.00	-1,980		
90.00	3,404,687	3,108,981	3,750,637
Distribution of outlays by account:			
	1,911		
	3,402,777	3,108,981	3,750,637

#### NOTES

The end of year obligated balances include \$738 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$261 thousand; 1984, \$386 thousand; 1985, \$65 thousand; 1986, \$26 thousand.

The unobligated balances lapsing in 1987 reflect 1986 appropriations that became unavailable for obligation, upon the effective date of the Compact of Free Association for the Federated States of Micronesia and the Marshall Islands.

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	3,536,749	3,951,663	
Outlays .....	3,404,687	3,108,981	3,750,637
Proposed for later transmittal under proposed legislation:			
Budget authority .....			4,144,163
Outlays .....			207,208
Rescission proposal:			
Budget authority .....		-7,500	
Outlays .....		-1,050	-4,800
Total:			
Budget authority .....	3,536,749	3,944,163	4,144,163
Outlays .....	3,404,687	3,107,931	3,953,045

#### Status of Direct Loans (in thousands of dollars)

Identification code 91-0900-0-1-501	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	16	12	6
1251 Repayments: Repayments and prepayments .....	-4	-4	-4
1262 Adjustments: Write-offs for defaults .....		-2	-2
1290 Outstanding, end of year .....	12	6	

This account funds activities authorized under chapter 1 of the Education Consolidation and Improvement Act of 1981. For chapter 1 activities, the budget includes the following amounts:

	1986 actual	1987 est.	1988 est.
(a) Grants to local educational agencies .....	3,062,400	3,453,500	
(b) State agency programs:			
(1) Migrant .....	253,149	264,524	
(2) Handicapped .....	143,713	150,170	
(3) Neglected and delinquent .....	31,214	32,616	
(c) State administration .....	34,076	37,107	
(d) Evaluation and technical assistance .....	5,020	6,246	
(e) Proposed legislation .....			4,144,163
Total .....	3,529,572	3,944,163	4,144,163

#### *Grants for the disadvantaged.—*

*Grants to local educational agencies.*—Funds made available under this activity enable local educational agencies to provide supplementary compensatory education services for disadvantaged elementary and secondary school students. Funds are allocated to local school districts on the basis of a statutory formula.

*State agency programs.*—The programs within this activity make financial assistance available to State educational agencies for providing supplementary compensatory education services to migrant children, handicapped children in State operated programs, and neglected or delinquent children in State institutions. In each of the three State agency programs, funds are provided to the appropriate State agencies on the basis of an annual count of eligible children.

*State administration.*—This activity provides funds to State educational agencies to administer the programs authorized under chapter 1.

*Evaluation and technical assistance.*—Funds provide technical assistance to local school districts and

General and special funds—Continued

【COMPENSATORY EDUCATION FOR THE DISADVANTAGED】—Continued

State educational agencies and support activities to evaluate the program.

**Reimbursable program.**—Amounts in this activity consist of: payments made to the Department of Education as audit recoveries which the Secretary has granted back to the audited agency under the terms of section 456 of the General Education Provisions Act and funds appropriated in other accounts for consolidation grants to the insular areas.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0900-0-1-501			
Direct obligations:			
25.0 Other services.....	5,165	6,246	
41.0 Grants, subsidies, and contributions.....	3,531,337	3,948,188	
99.0 Subtotal, direct obligations.....	3,536,502	3,954,434	
99.0 Reimbursable obligations.....	20,524		
99.9 Total obligations.....	3,557,026	3,954,434	

COMPENSATORY EDUCATION FOR THE DISADVANTAGED  
(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0900-2-1-501			
Program by activities:			
10.00 Compensatory education for the disadvantaged (total obligations) (object class 41.0).....			4,144,163
Financing:			
40.00 Budget authority (appropriation).....			4,144,163
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			4,144,163
74.40 Obligated balance, end of year.....			-3,936,955
90.00 Outlays.....			207,208

Proposed legislation would reauthorize the programs currently authorized under chapter 1 of the Education Consolidation and Improvement Act. These programs would provide financial assistance to local school districts for compensatory education services for disadvantaged students and to State educational agencies for special educational programs for children of migratory workers, handicapped children in State-operated programs, and neglected and delinquent children under State care. In addition, the legislation would authorize funds for States to administer these programs.

IMPACT AID\*

\*See Part II for additional information.

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13), 【\$695,000,000】 \$543,000,000, of which 【\$22,000,000】 \$10,000,000 shall be for entitlements under section 2 of said Act【, \$10,000,000, which shall remain available until expended, shall be for payments under section 7 of said Act】 and 【\$663,000,000 shall be for entitlements under section 3 of said Act of which】 \$533,000,000 shall be for entitlements under section 3(a) of said Act: 【Provided, That payment with respect to entitlements under section 3(b) of said Act to any local educational agency in which 20 per centum or more of the total average daily attendance is made up of children determined eligible under section 3(b) shall be at 60 per centum of entitlement and payment with respect to entitlements under section 3(b) of said Act to any local educational agency in which less than 20 per centum of the total average daily attendance

is made up of children determined eligible under section 3(b) shall be ratably reduced from 100 per centum of entitlement: *Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency described in section 3(d)(1)(A) of said Act shall be at 100 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) shall be at 15 per centum of entitlement, so long as the fiscal year 1987 per pupil payment does not exceed 105 per centum of the fiscal year 1986 per pupil payment: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 15 per centum but less than 20 per centum of such agency's total average daily attendance shall be at 75 per centum of entitlement, except that payments on behalf of children who reside on property which is described in section 403(1)(C) shall be at 11.25 per centum of entitlement and the fiscal year 1987 local contribution rate for such agency shall not exceed 105 per centum of such agency's fiscal year 1986 local contribution rate: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to less than 15 per centum of such agency's total average daily attendance shall be ratably reduced from 100 per centum of entitlement: Provided further, That payments on behalf of children who reside on property which is described in section 403(1)(C) of said Act shall be ratably reduced from 15 per centum of entitlement:】 *Provided, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 35 per centum of such agency's total average daily attendance shall be at 100 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 20 per centum but less than 35 per centum of such agency's total average daily attendance shall be at 95 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 15 per centum but less than 20 per centum of such agency's total average daily attendance shall be at 75 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to at least 10 per centum but less than 15 per centum of such agency's total average daily attendance shall be at 50 per centum of entitlement: Provided further, That payment with respect to entitlements under section 3(a) to any local educational agency whose children determined eligible under section 3(a) amount to less than 10 per centum of such agency's total average daily attendance shall be ratably reduced from 100 per centum of entitlement: Provided further, That payments on behalf of children who reside on property which is described in section 403(1)(C) of said Act shall be at 15 per centum of the respective payment level specified in each of the preceding five provisions: Provided further, That no payment shall be made under section 3(a) to any local educational agency whose payment under that section fails to exceed \$5,000: Provided further, That only children described in section 3(a) shall be counted for determining eligibility and payments under section 3(d)(2)(B) of said Act: Provided further, That the aggregate amount for additional payments to local educational agencies eligible under section 3(d)(2)(B) shall not exceed \$10,000,000: Provided further, That payment under section 5(b)(2) of said Act to any local educational agency described in section 3(d)(1)(A) shall not exceed 75 per centum of that agency's payment under sections 2 and 3(a) for the prior fiscal year: Provided further, That payment under section 5(b)(2) to any other local educational agency shall not exceed 50 per centum of that agency's payment under sections 2 and 3(a) for the prior fiscal year: Provided further, That the provisions of section 5(c) of said Act shall not apply to funds provided herein: Provided further, That no payments shall be made under section 7 of said Act to any local educational agency whose need for assistance under that section fails to exceed the lesser of \$10,000 or 5 per centum of the district's current operating expenditures during the fiscal year preceding the one in which the disaster occurred.**

For carrying out the Act of September 23, 1950, as amended (20 U.S.C. ch. 19), 【\$22,500,000】 \$5,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by 【said Act, of which \$9,250,000 shall be for awards under section 10 of said Act, \$9,250,000 shall be for awards under】 sections 14(a) and

14(b) [of said Act, and \$4,000,000 shall be for awards under sections 5 and 14(c)] of said Act.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 91-0102-0-1-501	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Maintenance and operations:				
00.01	Payments for "a" children.....	490,941	533,000	533,000
00.02	Payments for "b" children.....	124,410	130,000	.....
00.03	Special provisions.....	21,054	22,000	10,000
00.91	Subtotal, maintenance and operations.....	636,405	685,000	543,000
01.01	Disaster assistance.....	19,383	27,610	15,000
02.01	Construction.....	21,267	31,330	5,000
10.00	Total obligations.....	677,055	743,940	563,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-4,800	.....	.....
17.00	Recovery of prior year obligations.....	-4,520	.....	.....
21.40	Unobligated balance available, start of year.....	-6,454	-41,440	-15,000
22.40	Unobligated balance transferred, net.....	-20,000	.....	.....
24.40	Unobligated balance available, end of year.....	41,440	15,000	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>682,722</b>	<b>717,500</b>	<b>548,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	672,255	743,940	563,000
72.40	Obligated balance, start of year.....	348,231	331,656	198,761
74.40	Obligated balance, end of year.....	-331,656	-198,761	-175,643
77.00	Adjustments in expired accounts.....	.....	-72,305	.....
78.00	Adjustments in unexpired accounts.....	-4,520	.....	.....
90.00	Outlays.....	684,311	804,530	586,118

Note.—The end of year obligated balances include \$1,250 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$1,245 thousand, 1984, \$5 thousand.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	682,722	717,500	548,000
Outlays.....	684,311	804,530	586,118
Rescission proposal:			
Budget authority.....	.....	-17,500	.....
Outlays.....	.....	-1,750	-4,726
Total:			
Budget authority.....	682,722	700,000	548,000
Outlays.....	684,311	802,780	581,392

**Maintenance and operations.**—Payments are made to school districts when enrollments and the availability of revenues from local sources have been adversely affected by Federal activities. Funds are provided to districts under section 3(a) for children who live and whose parents work on Federal property or are on active duty in the uniformed services. For 1988, funds available for section 3(a) payments would be at the 1987 enacted amount. Payments on behalf of 3(a) children (other than those residing in Federally-subsidized, low-rent housing) would be made according to the following schedule:

Percentage of 3(a) children in district:	Percentage of entitlement to be paid
35-100.....	100
20-34.....	95
15-19.....	75
10-14.....	50
Under 10.....	( <sup>1</sup> )

<sup>1</sup> Prorated share of remaining funds.

In 1988, payments would be made to about 800 school districts for 310,000 children under section 3(a). Section

2, which provides payments to certain districts having a partial loss of tax base, would be funded at \$10 million.

**Disaster assistance.**—No new budget authority is requested for this activity for 1988. Carryover funds remaining unobligated at the end of 1987 will be available for assistance to school districts that have suffered damage to their facilities from a major disaster.

**Construction.**—Budget authority of \$5 million is requested for 1988 for construction of school facilities in school districts that serve children who reside on Indian lands.

**Object Classification** (in thousands of dollars)

Identification code 91-0102-0-1-501	1986 actual	1987 est.	1988 est.	
32.0	Lands and structures.....	40,650	58,940	20,000
41.0	Grants, subsidies, and contributions.....	636,405	685,000	543,000
99.9	Total obligations.....	677,055	743,940	563,000

**SPECIAL PROGRAMS\***

\*See Part II for additional information.

[For carrying out the consolidated programs and projects authorized under chapter 2 of the Education Consolidation and Improvement Act of 1981, as amended, \$529,337,000, of which \$29,337,000 shall be for programs and projects authorized under subchapter D of said Act, including \$10,700,000 for programs and projects authorized under subsection 583(a)(1) of said Act; \$1,500,000 shall be used for awards, which, except for educational television programming, are not to exceed a cumulative amount of \$1,000,000 to any recipient for national impact demonstration or research projects; \$7,800,000 for activities authorized under subsection 583(b)(1) of said Act; \$3,337,000 for programs authorized under subsection 583(b)(2) of said Act; \$3,000,000 for programs authorized under subsection 583(b)(3) of said Act; and \$3,000,000 for activities authorized under subsection 583(b)(4) of said Act: *Provided*, That \$500,000,000 to carry out the State block grant program authorized under chapter 2 of said Act shall become available for obligation on July 1, 1987, and shall remain available until September 30, 1988.]

[For grants to State educational agencies and desegregation assistance centers authorized under section 403 of the Civil Rights Act of 1964, \$24,000,000.]

[For carrying out activities authorized under title IX, part C of the Elementary and Secondary Education Act, \$3,500,000.]

[For carrying out activities authorized under section 1524 of the Education Amendments of 1978, \$5,000,000.]

[For carrying out activities authorized under section 1525 of the Education Amendments of 1978, \$2,000,000.]

[For carrying out activities authorized under Public Law 92-506, as amended, \$1,700,000: *Provided*, That said sum shall become available on July 1, 1987, and shall remain available until September 30, 1988.]

*For carrying out activities authorized under the Drug-Free Schools and Communities Act of 1986, \$100,000,000, of which \$82,300,000 for grants to States and outlying areas shall be available beginning July 1, 1988, and shall remain available until September 30, 1989.*

For carrying out the provisions of title VII of the Education for Economic Security Act, relating to magnet schools assistance, \$75,000,000: *Provided*, That not more than \$4,000,000 in the fiscal year may be paid to any single eligible local educational agency.

[For carrying out the provisions of title II of the Education for Economic Security Act, \$43,066,000 of which \$39,190,060 for State grants under section 204 shall become available on July 1, 1987, and shall remain available until September 30, 1988.]

[For carrying out the provisions of title IX of Public Law 98-558, \$7,177,000, to become available July 1, 1987, and to remain available until September 30, 1988.]

[SEC. 513. Amounts available under this Act for carrying out the provisions of title II of the Education for Economic Security Act are hereby increased by \$36,934,000.]

General and special funds—Continued

SPECIAL PROGRAMS—Continued

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Such amounts as may be necessary for continuing the following activities, not otherwise provided for in this joint resolution, which were conducted in the fiscal year 1986, under the terms and conditions provided in applicable appropriations Acts for the fiscal year 1986, at the current rate or as otherwise provided herein: *Provided*, That no appropriation or fund made available or authority granted pursuant to this subsection shall be used to initiate or resume any project or activity for which appropriations, funds, or authority were not available during fiscal year 1986 unless otherwise provided for herein: Activities authorized by the Follow Through Act. (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(n).)

For an additional amount for carrying out drug abuse education and prevention activities, \$200,000,000 to remain available until September 30, 1988, of which \$5,500,000 shall be used for the development of audio-visual materials for distribution to local educational authorities. (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Improving school programs:			
00.01	477,183	500,000	
00.02	27,797	29,337	
Drug free schools and communities:			
00.03		161,046	82,800
00.04		38,954	17,200
Teacher training and improvement:			
00.05			
	26,146	86,352	
00.06	8,059	8,027	
00.07	1,914	2,000	
00.08		14,353	
00.09	2,177	5,214	
00.10	71,760	75,000	75,000
00.11	5,741	3,500	
00.12	22,963	24,000	
00.13	4,784	5,000	
00.14	1,627	1,700	
00.15	7,176	7,176	
00.91	657,327	961,659	175,000
01.01	1,349		
10.00	658,676	961,659	175,000
<b>Financing:</b>			
11.00	-1,349		
21.40	-10,578	-28,040	-2,542
24.40	28,040	2,542	2,542
25.00		-1,271	
40.00	674,789	934,890	175,000
Relation of obligations to outlays:			
71.00	657,327	961,659	175,000
72.40	768,851	1,194,094	1,481,193
74.40	-1,194,094	-1,481,193	-781,713
77.00	386,766		
90.00	618,850	674,560	874,480
Distribution of outlays by account:			
Special programs	542,318	651,764	872,501
Science and math education	76,078	20,226	285
Excellence in education	454	2,570	1,694

NOTES

The end of year obligated balances include \$1,366 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$96 thousand; 1984, \$1,172 thousand; 1985, \$6 thousand; 1986, \$92 thousand.

The unobligated balances lapsing in 1987 reflect 1986 appropriations that became unavailable for obligation upon the effective dates of the Compact of Free Association for the Federated States of Micronesia and the Marshall Islands.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	674,789	934,890	175,000
Outlays	618,850	674,560	874,480
Proposed for later transmittal under proposed legislation:			
Budget authority			609,337
Outlays			54,085
Rescission proposal:			
Budget authority		-50,553	
Outlays		-3,702	-41,089
Total:			
Budget authority	674,789	884,337	784,337
Outlays	618,850	670,858	887,476

Drug-free schools and communities.—

State grants.—States and outlying areas receive grants, according to a statutory formula based on school age population, to assist in combating the abuse of drugs and alcohol by the Nation's school age population. Grants will provide resources to reinforce and coordinate the efforts of State and local officials, community organizations, and concerned parents to end the use of drugs by young people.

Of the total allotted to each State, 70 percent is reserved for distribution and use by State and local educational agencies; the remaining 30 percent is reserved for programs coordinated by the Governor.

National programs.—Funds support programs at institutions of higher education, programs for Indian youth, programs for Native Hawaiians, regional centers, and Federal activities for preventing alcohol and drug abuse.

Magnet schools assistance.—Funds are provided to local educational agencies for use in operating magnet school programs that are part of approved desegregation plans. Currently, 44 school districts are receiving awards of up to \$4,000,000.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25.0	15,717	22,545	1,880
41.0	642,959	939,114	173,120
99.9	658,676	961,659	175,000

SPECIAL PROGRAMS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Improving school programs:			
00.01			500,000
00.02			29,337
Teacher training and improvement:			
00.03			64,000
00.04			16,000
10.00			609,337
<b>Financing:</b>			
40.00			609,337
Relation of obligations to outlays:			
71.00			609,337
74.40			-555,252
90.00			54,085

*Improving school programs.—*

*State block grants.*—Legislation will be proposed to reauthorize chapter 2 of the Education Consolidation and Improvement Act of 1981. Under this program, States and outlying areas receive grants according to a statutory formula based on school-age population to improve the quality of elementary and secondary education for children in public and private schools. Of the total allotted to each State, the State may reserve up to 20 percent for State use and must distribute the remainder to local educational agencies.

*Secretary's discretionary fund.*—Under proposed legislation, the Secretary would continue to support programs of national or regional significance.

*Teacher training and improvement.—*

*State grants.*—Under proposed legislation, funds will be made available to the States for programs to provide opportunities for in-service education of teachers and administrators in order to improve their subject matter competence and professional skills, attract qualified persons into the teaching profession, and provide retraining for teachers who wish to move into new subject areas.

*National programs.*—The Secretary, under the proposed legislation, would use discretionary funds for nationally significant projects of research, development and testing, demonstration, data collection, and dissemination related to improvement of teaching and teacher education.

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-1000-2-1-501			
25.0 Other services.....			10,100
41.0 Grants, subsidies, and contributions.....			599,237
99.9 Total obligations.....			609,337

**INDIAN EDUCATION**

For necessary expenses to carry out, to the extent not otherwise provided, the Indian Education Act, **[\$64,036,000]** *\$64,234,000*, of which \$47,200,000 shall be for part A and \$14,568,000 shall be for parts B and C: *Provided*, That the amounts available pursuant to section 423 of the Act shall remain available for obligation until September 30, **[1988: Provided further**, That funds appropriated for fiscal year 1987 under this or any other Act to carry out Part A of title IV of Public Law 92-318 (Indian Education Act) shall be distributed under the same proof of eligibility requirements as applied in fiscal year 1986. **]** *1989. (Department of the Interior and Related Agencies Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0101-0-1-501			
<b>Program by activities:</b>			
00.01 Grants to local educational agencies and Indian controlled schools.....	47,870	47,200	47,200
Special purpose funds:			
00.02 Special programs for Indian students.....	11,031	11,775	11,568
00.03 Special programs for Indian adults.....	2,797	3,000	3,000
Program administration:			
00.04 Salaries and expenses.....	2,007	2,015	2,180
00.05 National advisory council.....	212	253	286
10.00 Total obligations.....	63,917	64,243	64,234
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-270	
24.40 Unobligated balance available, end of year.....	270		

25.00 Unobligated balance lapsing.....		63	
40.00 Budget authority (appropriation).....	64,187	64,036	64,234
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	63,917	64,243	64,234
72.40 Obligated balance, start of year.....	33,589	27,742	40,043
74.40 Obligated balance, end of year.....	-27,742	-40,043	-40,197
77.00 Adjustments in expired accounts.....	-7,698	63	
90.00 Outlays.....	62,067	52,005	64,080

Note.—The end of the year obligated balances include \$1,922 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$1,194 thousand; 1984, \$510 thousand; 1985, \$116 thousand; 1986, \$102 thousand.

*Grants to local educational agencies and Indian controlled schools.*—Formula grants are made to local educational agencies (LEAs) and tribal schools for supplemental elementary and secondary programs to meet the special educational and culturally related academic needs of Indian children. In 1986 about 1,113 grants were made to LEAs and certain tribal schools serving approximately 237,000 Indian students. Discretionary awards were made to Indian-controlled schools on or near reservations and to LEAs that have been in existence less than three years that serve substantial numbers of Indians. About 33 discretionary awards supported special projects at such schools and LEAs.

In 1988, the Administration proposes to reduce the amount for discretionary awards.

*Special programs for Indian students.*—Funds will support planning, pilot and demonstration projects; educational service projects; educational personnel training; resource and evaluation centers; and fellowships.

*Special programs for Indian adults.*—Competitive grants are made to Indian tribes, institutions, and organizations for programs to improve educational opportunities for Indian adults.

*Program administration.*—Funds support the administrative expenses of the Office of Indian Education and the National Advisory Council on Indian Education, as well as planning and evaluation studies to provide information for policy decisions and program improvement.

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0101-0-1-501			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,480	1,526	1,561
11.3 Other than full-time permanent.....	81	61	62
11.5 Other personnel compensation.....	7	19	19
11.9 Total personnel compensation.....	1,568	1,606	1,642
12.1 Personnel benefits: Civilian.....	167	200	290
21.0 Travel and transportation of persons.....	127	112	145
23.1 Rental payments to GSA.....	127	138	160
23.2 Rental payments to others.....	1	1	
23.3 Communications, utilities, and miscellaneous charges.....	72	92	102
24.0 Printing and reproduction.....	12	10	13
25.0 Other services.....	2,234	2,297	2,300
26.0 Supplies and materials.....	11	12	13
31.0 Equipment.....	11		1
41.0 Grants, subsidies, and contributions.....	59,587	59,775	59,568
99.9 Total obligations.....	63,917	64,243	64,234

General and special funds—Continued

INDIAN EDUCATION—Continued

Personnel Summary

Total number of full-time permanent positions.....	46	47	47
Total compensable workyears: Full-time equivalent employment.....	49	50	50

OFFICE OF BILINGUAL EDUCATION AND  
MINORITY LANGUAGES AFFAIRS

Federal Funds

General and special funds:

BILINGUAL EDUCATION

For carrying out, to the extent not otherwise provided and notwithstanding the limitations in section 702(b)(3) and 702(b)(4), title VII of the Elementary and Secondary Education Act, [title VI of the Education Amendments of 1984, \$173,095,000] \$143,095,000, of which \$99,161,000 shall be for part A, \$10,370,000 shall be for part B, and \$33,564,000 shall be for part C [of title VII of the Elementary and Secondary Education Act and \$30,000,000 shall be for the Emergency Immigrant Education Program authorized by title VI of the Education Amendments of 1984].

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 91-1300-0-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Bilingual programs.....	91,010	99,161	99,161
00.02 Support services.....	9,991	10,370	10,370
00.03 Training grants.....	32,123	33,564	33,564
00.04 Bilingual vocational training.....	5,700		
10.00 Total obligations.....	138,824	143,095	143,095
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,173		
25.00 Unobligated balance lapsing.....	160		
40.00 Budget authority (appropriation).....	136,811	143,095	143,095
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	138,824	143,095	143,095
72.40 Obligated balance start of year.....	137,735	200,834	182,571
74.40 Obligated balance, end of year.....	-200,834	-182,571	-184,968
77.00 Adjustments in expired accounts.....	-2,171		
90.00 Outlays.....	73,554	161,358	140,698

NOTES

Excludes \$28,710 thousand in 1986 and \$30,000 thousand in 1987 for immigrant education, transferred to a new account, immigrant and refugee education.

The end of year obligated balance includes \$12,136 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$4,148 thousand; 1984, \$2,228 thousand; 1985, \$1,941 thousand; 1986, \$3,819 thousand.

These programs support the establishment, operation and improvement of programs in local schools to prepare children of limited English proficiency to enter an all-English-language educational program. Aid is also given to train educational personnel and parents to serve limited English proficient children, to build State capacity to improve educational services for limited English proficient children in school districts, and for dissemination, studies, and evaluations.

Object Classification (in thousands of dollars)

Identification code 91-1300-0-1-501	1986 actual	1987 est.	1988 est.
25.0 Other services.....	13,576	15,370	15,370
41.0 Grants, subsidies, and contributions.....	125,248	127,725	127,725
99.9 Total obligations.....	138,824	143,095	143,095

[IMMIGRANT AND REFUGEE EDUCATION]\*

\*See Part II for additional information.

[(n) Such amounts as may be necessary for continuing the following activities, not otherwise provided for in this joint resolution, which were conducted in the fiscal year 1986, under the terms and conditions provided in applicable appropriations Acts for the fiscal year 1986, at the current rate or as otherwise provided herein: *Provided*, That no appropriation or fund made available or authority granted pursuant to this subsection shall be used to initiate or resume any project or activity for which appropriations, funds, or authority were not available during fiscal year 1986 unless otherwise provided for herein:

Refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act, part B of title III of the Refugee Act of 1980, and section 501 of the Refugee Education Assistance Act of 1980, except that the amount necessary for continuing such activities at the current rate shall be reduced, on an activity by activity basis, by the total of amounts of prior appropriations remaining available to the States for conducting any such activities, other than education assistance for children and social services, in fiscal year 1987 or thereafter, and shall not be available for conducting any such activities other than education assistance for children and social services in any fiscal year after 1987;] (Public Law 99-605; Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year, 1987, section 101(n).)

Note.—Appropriation language for the Immigrant education portion of this account is found under "Bilingual Education."

Program and Financing (in thousands of dollars)

Identification code 91-1600-0-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Immigrant education.....	28,710	30,000	
00.02 Refugee education.....		15,886	
10.00 Total obligations (object class 41.0).....	28,710	45,886	
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	28,710	45,886	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	28,710	45,886	
72.40 Obligated balance, start of year.....	44,630	27,293	51,571
74.40 Obligated balance, end of year.....	-27,293	-51,571	-22,484
90.00 Outlays.....	46,047	21,608	29,087
<b>Distribution of budget authority by account:</b>			
Immigrant and refugee education.....		15,886	
Bilingual education.....	28,710	30,000	
<b>Distribution of outlays by account:</b>			
Immigrant and refugee education.....	40,879	4,669	7,784
Bilingual education.....	5,168	16,939	21,303

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	28,710	45,886	
Outlays.....	46,047	21,608	29,087
Rescission proposal:			
Budget authority.....		-45,886	
Outlays.....		-918	-22,484
Total:			
Budget authority.....	28,710		
Outlays.....	46,047	20,690	6,603

Both immigrant education and refugee education programs provide grants to school districts to help finance educational services for eligible students. Under Immigrant education, participation is limited to districts with 500 immigrant students or where immigrant children represent at least 3 percent of the enrollment. Under Refugee education, districts may participate if they enroll a single refugee student. Awards are made

to State educational agencies which make subgrants to eligible local educational agencies.

**OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES**

*Federal Funds*

**General and special funds:**

**EDUCATION FOR THE HANDICAPPED\***

\*See Part II for additional information.

For carrying out the Education of the Handicapped Act, [as amended by S. 2294, which was presented to the President of the United States on September 26, 1986, \$1,741,900,000] \$1,488,181,000, of which [\$1,338,000,000] \$1,259,381,000 for section 611 and [\$180,000,000] \$85,500,000 for section 619 shall become available for obligation on July 1, [1987] 1988, and shall remain available until September 30, [1988] 1989: Provided, That [\$50,000,000 shall be available for section 685 of said Act] the allocation under section 619 shall be limited to \$300 for each child who received special education and related services.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5283, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 91-0300-0-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct programs:			
State grants:			
00.01 Grants to States.....	1,087,249	1,415,359	1,259,381
00.02 Preschool grants.....	15,991	195,209	85,500
00.03 Grants for infants and families.....		50,000	
Special purpose funds:			
00.04 Special populations.....	53,688	57,970	45,100
00.05 Research and technology.....	36,105	40,300	40,300
00.06 Training and information.....	68,339	75,630	57,900
00.07 Architectural barriers removal.....	941	39,059	
00.91 Total direct program.....	1,262,313	1,873,527	1,488,181
01.01 Reimbursable program.....		200	
10.00 Total obligations.....	1,262,313	1,873,727	1,488,181
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....		-200	
17.00 Recovery of prior year obligations.....	-2,880		
21.40 Unobligated balance available, start of year.....	-42,462	-133,153	
24.40 Unobligated balance available, end of year.....	133,153		
25.00 Unobligated balance lapsing.....	213	1,525	
40.00 Budget authority (appropriation).....	1,350,336	1,741,900	1,488,181
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,262,313	1,873,527	1,488,181
72.40 Obligated balance, start of year.....	1,888,053	1,448,267	1,863,090
74.40 Obligated balance, end of year.....	-1,448,267	-1,863,090	-1,823,513
77.00 Adjustments in expired accounts.....	-71,325	-18,795	
78.00 Adjustments in unexpired accounts.....	-2,880		
90.00 Outlays.....	1,627,894	1,439,909	1,527,758

NOTES

The end of year obligated balances include \$4,283 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$1,100 thousand; 1984, \$1,040 thousand; 1985, \$1,120 thousand; 1986, \$1,023 thousand. The unobligated balances lapsing in 1987 reflect 1986 appropriations that became unavailable for obligation upon the effective dates of the Compact of Free Association for the Federated States of Micronesia and the Marshall Islands.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	1,350,336	1,741,900	1,488,181
Outlays.....	1,627,894	1,439,909	1,527,758
Rescission proposal:			
Budget authority.....		-288,659	

Outlays.....		-11,113	-210,230
Total:			
Budget authority.....	1,350,336	1,453,241	1,488,181
Outlays.....	1,627,894	1,428,796	1,317,528

**State grants.—**

**Grants to States.**—This formula grant program assists States in providing a free appropriate public education and related services to all handicapped children. In order to participate in the program, States must provide services to handicapped children aged 6 through 17. Handicapped children aged 3 through 5, and 18 through 21 must also be served, except when such services would be inconsistent with State law or practice, or the order of any court. To be eligible for a grant, each State is required to submit an acceptable State plan which requires the development and use of individualized education programs for each handicapped student, the establishment of procedural safeguards for all handicapped children and their parents, and the training of personnel for these special education programs.

**Preschool grants.**—This formula grant program assists States in providing special education and related services to handicapped children aged 3 through 5. **Special purpose funds.**—

**Special populations.**—Grants and contracts are awarded for demonstrations, training, technical assistance and other purposes related to the education of severely handicapped (including deaf-blind) children, early childhood education, secondary and transitional services, and postsecondary education.

**Research and technology.**—Grants and contracts are awarded for special education research, development and evaluations, the production of various media materials, and advancing the use of new technology, media, and materials for educating the handicapped. Within the media materials area, special emphasis is placed on the production of captioned films and closed captioned television programming.

**Training and information.**—Grants and contracts are awarded for a variety of technical assistance and training activities including regional resource centers, training of special education personnel, and clearinghouses for information on handicapped educational resources and teacher recruitment.

**Architectural barriers removal.**—Grants are made to States for the removal of architectural barriers in schools.

**Object Classification (in thousands of dollars)**

Identification code 91-0300-0-1-501	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
25.0 Other services.....	27,243	29,960	27,688
41.0 Grants, subsidies, and contributions.....	1,235,070	1,843,567	1,460,493
99.0 Subtotal, direct obligations.....	1,262,313	1,873,527	1,488,181
99.0 Reimbursable obligations.....		200	
99.9 Total obligations.....	1,262,313	1,873,727	1,488,181

**REHABILITATION SERVICES AND HANDICAPPED RESEARCH\***

\*See Part II for additional information.

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973 and the Helen Keller National Center Act, as

General and special funds—Continued

REHABILITATION SERVICES AND HANDICAPPED RESEARCH—Continued

amended [by H.R. 4021, as presented to the President, \$1,484,758,000] \$1,401,123,000, of which [\$1,281,000,000] \$1,228,142,000 shall be for allotments under sections 100(b)(1) and 110(b)(3) of the Rehabilitation Act, and \$4,600,000 shall be for the Helen Keller National Center.]: *Provided, That notwithstanding the provisions of section 634(a) of the Rehabilitation Act, no State is required to amend its State plan in order to be eligible for grants under sections 100(b)(1) and 110(b)(3): Provided further, That amounts available for Indian tribes shall not exceed 1/5 of one percent of the amounts appropriated for sections 100(b)(1) and 110(b)(3), notwithstanding section 110(d)(2) of the Rehabilitation Act.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	
91-0301-0-1-506				
<b>Program by activities:</b>				
Direct program:				
00.01	Vocational rehabilitation State grants	1,145,148	1,281,000	1,228,142
Special purpose funds:				
00.02	Supported employment		22,100	
00.03	Client assistance	6,412	7,100	7,100
00.04	Service and demonstration projects	46,894	48,358	44,528
00.05	Helen Keller Center	4,115	4,600	4,600
00.06	Independent living	37,323	41,440	41,440
00.07	Training	25,838	29,550	25,838
00.08	National Institute on Disability and Rehabilitation Research	42,108	48,500	48,500
00.09	Evaluation	1,723	2,110	975
00.91	Total direct program	1,309,561	1,484,758	1,401,123
01.01	Reimbursable program	1,525	1,125	1,125
10.00	Total obligations	1,311,086	1,485,883	1,402,248
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-1,525	-1,125	-1,125
17.00	Recovery of prior year obligations	-812		
25.00	Unobligated balance lapsing	1,013		
40.00	Budget authority (appropriation)	1,309,761	1,484,758	1,401,123
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,309,561	1,484,758	1,401,123
72.40	Obligated balance, start of year	597,013	468,293	441,490
74.40	Obligated balance, end of year	-468,293	-441,490	-433,339
77.00	Adjustment in expired accounts	-125,984	-20,000	
78.00	Adjustment in unexpired accounts	-812		
90.00	Outlays	1,311,485	1,491,561	1,409,274

Note.—The end of year obligated balances include \$6,811 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$3,045 thousand; 1984, \$1,471 thousand; 1985, \$936 thousand; 1986, \$1,359 thousand.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	1,309,761	1,484,758	1,401,123
Outlays	1,311,485	1,491,561	1,409,274
Rescission proposal:			
Budget authority		-127,455	
Outlays		-98,140	-20,394
Total:			
Budget authority	1,309,761	1,357,303	1,401,123
Outlays	1,311,485	1,393,421	1,388,880

**Vocational rehabilitation State grants.**—The basic State grant program provides 80 percent Federal matching to State vocational rehabilitation agencies to assist physically and mentally handicapped individuals to become gainfully employed. Services provided include counseling, vocational evaluation, work adjustment, mental and physical restoration, education and vocational training, job placement, and post-employment

services. Priority is given to serving those with the most severe disabilities.

The first table below presents estimates of the number of persons served and rehabilitated nationally. The 1987 estimates reflect resources requested for 1987 in the 1988 budget. The second table shows relative State performance in rehabilitating severely disabled persons. During 1987 the Department of Education will investigate various caseload and performance trends.

COMPARABLE NUMBER OF HANDICAPPED INDIVIDUALS SERVED AND REHABILITATED

	1986 actual	1987 est.	1988 est.
Applicants accepted for vocational rehabilitation	346,161	351,000	351,000
Total active cases	923,762	924,000	925,000
Cases closed, rehabilitated	223,304	223,000	223,000
Severely disabled	135,294	136,000	137,000
Nonseverely disabled	88,010	87,000	86,000
Severely disabled, percent	60.6	61.0	61.4
Cases closed, not rehabilitated	127,487	127,000	127,000
Cases on hand, end of year	572,971	574,000	575,000

RELATIVE STATE PERFORMANCE IN REHABILITATING SEVERELY DISABLED INDIVIDUALS

Rehabilitation rate:	Number of States <sup>1</sup>		
	1984 actual	1985 actual	1986 actual
30-39 percent			1
40-49 percent	3	1	4
50-59 percent	21	20	16
60-69 percent	22	24	29
70-79 percent	5	6	4
80-89 percent	1	1	1

<sup>1</sup> Includes District of Columbia and Puerto Rico.

**Supported employment.**—Formula grants are made to assist States in developing programs with public and nonprofit organizations for training and time-limited post-employment services leading to supported employment for persons with severe disabilities.

**Special purpose funds.**—

**Client assistance.**—Formula grants are made to States to provide assistance in informing and advising clients and applicants of benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals.

**Service and demonstration projects.**—Grants are made for projects to expand services to disability groups who have been underserved in the past, to develop new and innovative approaches to meeting the needs of the severely disabled, and to provide disabled individuals special training and job opportunities in private industry.

**Helen Keller Center.**—The Center provides services to deaf-blind youths and adults and conducts research and training programs.

**Independent living.**—Grants are awarded to States and nonprofit agencies to provide services designed to enable severely disabled persons to live and function more independently.

**Training.**—Project grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in rehabilitation settings.

**National Institute on Disability and Rehabilitation Research.**—The Institute carries out a comprehensive and coordinated program of rehabilitation research.

Through grants and contracts, it supports research and training centers, rehabilitation engineering centers, research and demonstration projects, information utilization projects, and career development activities. In the reimbursable program, the National Institute of Mental Health cosponsors research and training centers for rehabilitating persons disabled by mental illness.

**Evaluation.**—Studies are conducted to evaluate the impact and effectiveness of various programs authorized under the Rehabilitation Act.

**Object Classification** (in thousands of dollars)

Identification code	91-0301-0-1-506	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
25.0	Other services.....	5,289	5,939	5,604
41.0	Grants, subsidies, and contributions.....	1,304,272	1,478,819	1,395,519
99.0	Subtotal, direct obligations.....	1,309,561	1,484,758	1,401,123
99.0	Reimbursable obligations.....	1,525	1,125	1,125
99.9	Total obligations.....	1,311,086	1,485,883	1,402,248

**[SPECIAL INSTITUTIONS]**

**[AMERICAN PRINTING HOUSE FOR THE BLIND]**

**[For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101-106), including provision of materials to adults undergoing rehabilitation on the same basis as provided in 1985, \$5,500,000.]**

**[NATIONAL TECHNICAL INSTITUTE FOR THE DEAF]**

**[For carrying out the National Technical Institute for the Deaf Act (20 U.S.C. 681 et seq.), \$32,000,000.]**

**[GALLAUDET COLLEGE]**

**[For carrying out the Model Secondary School for the Deaf Act (80 Stat. 1027) and for the partial support of Gallaudet College authorized by the Act of June 18, 1954 (68 Stat. 265), including continuing education activities, existing extension centers and the National Center for Law and the Deaf, \$62,000,000.]**

**SPECIAL INSTITUTIONS FOR THE HANDICAPPED**

*For special institutions for the handicapped, \$101,510,000: Provided, That \$63,000,000 shall be for Gallaudet University as authorized under titles I and IV of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) ("the Act"), of which \$1,000,000 shall be for the endowment program as authorized under section 407 and shall be available until expended; \$33,000,000 shall be for the National Technical Institute for the Deaf as authorized under titles II and IV of the Act, of which \$1,000,000 shall be for the endowment program as authorized under section 408 and shall be available until expended; and \$5,510,000 shall be for the American Printing House for the Blind as authorized under the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.).*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code	91-0604-0-1-500	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	American Printing House for the Blind.....	5,263	5,500	5,510
<b>National Technical Institute for the Deaf:</b>				
01.01	Operations.....	29,684	31,065	31,057
01.02	Operations—rubella epidemic.....	940	935	943
01.03	Endowment grant.....			1,000
01.91	Subtotal, National Technical Institute for the Deaf... ..	30,624	32,000	33,000
<b>Gallaudet University:</b>				
02.01	University programs.....	37,653	39,998	39,679
02.02	University programs—rubella epidemic.....	2,595	2,595	2,914

02.03	Model Secondary School for the Deaf.....	12,294	12,530	12,530
02.04	Kendall Demonstration Elementary School.....	6,792	6,877	6,877
02.05	Endowment grant.....			1,000
02.91	Subtotal, Gallaudet University.....	59,334	62,000	63,000
10.00	Total obligations (object class 41.0).....	95,221	99,500	101,510
<b>Financing:</b>				
40.00	Budget authority (appropriation).....	95,221	99,500	101,510

<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	95,221	99,500	101,510
72.40	Obligated balance, start of year.....	32,047	45,517	3,722
74.40	Obligated balance, end of year.....	-45,517	-3,722	-4,522
77.00	Adjustments in expired accounts.....		-414	
90.00	Outlays.....	81,751	140,881	100,710

<b>Distribution of budget authority by account:</b>				
Special institutions for the handicapped.....				101,510
American Printing House for the Blind.....				5,263
National Technical Institute for the Deaf.....				30,624
Gallaudet College.....				59,334

<b>Distribution of outlays by account:</b>				
Special institutions for the handicapped.....				100,710
American Printing House for the Blind.....				3,031
National Technical Institute for the Deaf.....				36,701
Gallaudet College.....				42,020

Note.—The activities previously financed in three accounts under Department of Education, Special Institutions—American Printing House for the Blind, National Technical Institute for the Deaf and Gallaudet College—in 1986 and 1987 are presented in these schedules and are proposed to be financed in this account in 1988. Budget authority and outlays are distributed by account above.

This new account consolidates three prior accounts, each of which included a grant to a particular institution which serves handicapped students. These institutions share a special relationship with the Federal Government including congressional recognition of each institution in law. In addition, these grants are the largest single source of funds for each institution.

**American Printing House for the Blind.**—The Federal appropriation supports the production of free educational materials for blind students below the college level. In 1986, the direct Federal appropriation represented 42 percent of the institution's operating budget. Legislation has been proposed to eliminate the \$10 thousand annual payment to the Printing House based on a 1879 trust fund. An offsetting increase of \$10 thousand is included in the regular appropriation request.

**National Technical Institute for the Deaf.**—This national residential center provides postsecondary technical education for deaf people to prepare them for successful employment. In 1986, Federal appropriations represented 85 percent of the institute's operating budget. The budget display shows separately the costs of educating a temporary increase in students due to the rubella epidemic of 1964-65. Legislation was enacted in 1986 to create an endowment matching grant.

**Gallaudet University.**—This private, nonprofit educational institution provides an undergraduate higher education program for deaf persons, a preparatory program for students who need such training to qualify them for college admission, a graduate program in fields of study related to deafness, and continuing education and public service programs appropriate to its postsecondary education mission. The budget display shows separately the costs of educating a temporary increase in students due to the rubella epidemic of 1964-65.

General and special funds—Continued

[SPECIAL INSTITUTIONS]—Continued

SPECIAL INSTITUTIONS FOR THE HANDICAPPED—Continued

Gallaudet also operates on campus the Model Secondary School for the Deaf, which serves deaf students of high school age, and the Kendall Demonstration Elementary School for younger children. In connection with their instructional programs, these schools also develop materials and methods for teaching deaf children.

In 1986, Federal appropriations represented 74 percent of the university's operating budget and 100 percent of the operating budgets of the related elementary and secondary schools. Legislation was enacted in 1986 to create an endowment matching grant.

Trust Funds

PROMOTION OF EDUCATION FOR THE BLIND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-8893-0-7-501			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		10	10
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent)		10	10
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		10	10
72.40 Obligated balance, start of year	10	14	5
74.40 Obligated balance, end of year	-14	-5	-5
90.00 Outlays	-4	19	10

Note.—The above schedule reflects errors in Education and Treasury Department handling of the trust fund payment to the American Printing House for the Blind. Actual transfers to the Printing House are \$10 thousand each year.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority		10	10
Outlays	-4	19	10
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority			-10
Outlays			-5
<b>Total:</b>			
Budget authority		10	
Outlays	-4	19	5

A \$250 thousand trust fund was established in 1879 for the American Printing House for the Blind. The Printing House annually receives \$10 thousand in lieu of interest income.

PROMOTION OF EDUCATION FOR THE BLIND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-8893-2-7-501			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)			-10
<b>Financing:</b>			
40.00 Budget authority (appropriation)			-10
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			-10
74.40 Obligated balance, end of year			5
90.00 Outlays			-5

Legislation has been proposed to eliminate the \$10 thousand annual payment based on a trust fund initially established in 1879 (no actual trust fund now exists). An offsetting increase of \$10 thousand is requested in the regular appropriation. Separate administration of the annual payment, which now amounts to less than one-tenth of 1 percent of the annual operating budget of this institution, is no longer cost effective.

OFFICE OF VOCATIONAL AND ADULT EDUCATION

Federal Funds

General and special funds:

VOCATIONAL AND ADULT EDUCATION\*

\*See Part II for additional information.

For carrying out, to the extent not otherwise provided, [the Carl D. Perkins Vocational Education Act, and] the Adult Education Act, [\$980,800,000 which] \$130,000,000, of which \$2,000,000 shall be for projects under section 309 of that Act, and the remainder shall become available for obligation on July 1, [1987] 1988, and shall remain available until September 30, [1988: Provided, That \$11,000,000 shall be available for title IV of the Carl D. Perkins Vocational Education Act including \$6,000,000 for section 404 of said title: Provided further, That \$7,500,000 shall be available for State councils under section 112 of the Carl D. Perkins Vocational Education Act: Provided further, That \$6,000,000 shall be made available to carry out title III-A and \$31,633,000 shall be made available for title III-B of said Vocational Education Act: Provided further, That \$3,686,000 shall be available for part E of title IV of the Carl D. Perkins Vocational Education Act] 1989.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0400-0-1-501			
<b>Program by activities:</b>			
<b>Vocational education:</b>			
<b>Basic grants:</b>			
00.01 Basic State grants	834,195	805,015	
00.02 Indian and Hawaiian natives set-aside	11,767	23,765	
00.91 Subtotal, basic grants	845,962	828,780	
01.01 Community-based organizations	6,460	6,715	
02.01 Consumer and homemaking education	30,311	31,724	
03.01 State councils	6,761	7,809	
<b>National programs:</b>			
04.01 Research	6,899	14,532	
04.02 Demonstrations	143	1,500	
04.03 Data systems	3,123	6,647	
04.91 Subtotal, national programs	10,165	22,679	
05.01 Bilingual vocational training		3,686	
06.00 Total, annual appropriation	899,659	901,393	
<b>Permanent appropriation:</b>			
07.01 Basic grants	6,602	6,898	6,898
07.02 Indian and Hawaiian natives set-aside	107	210	107
07.03 Research	143	280	143
07.91 Total, permanent appropriation	6,852	7,388	7,148
09.00 Total, vocational education	906,511	908,781	7,148
<b>Adult education:</b>			
09.01 Grants to States	109,791	111,048	128,000
09.02 Research, development, and evaluation			2,000
09.91 Total, adult education	109,791	111,048	130,000
10.00 Total obligations	1,016,302	1,019,829	137,148

<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-1,192		
21.40	Unobligated balance available, start of year .....	-140,395	-32,450	
24.40	Unobligated balance available, end of year .....	32,450		
25.00	Unobligated balance lapsing .....	307	569	
39.00	<b>Budget authority</b> .....	<b>907,472</b>	<b>987,948</b>	<b>137,148</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>900,324</b>	<b>980,800</b>	<b>130,000</b>
60.00	<b>Appropriation (permanent)</b> .....	<b>7,148</b>	<b>7,148</b>	<b>7,148</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,016,302	1,019,829	137,148
72.40	Obligated balance, start of year .....	1,369,248	1,225,653	1,116,136
74.40	Obligated balance, end of year .....	-1,225,653	-1,116,136	-434,791
77.00	Adjustments in expired accounts .....	-124,142	-75,094	
78.00	Adjustments in unexpired accounts .....	-1,192		
90.00	<b>Outlays</b> .....	<b>1,034,563</b>	<b>1,054,252</b>	<b>818,493</b>

NOTES

The end of year obligated balances include \$139 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$53 thousand; 1984, \$4 thousand; 1985, \$82 thousand.  
The unobligated balances lapsing in 1987 reflect 1986 appropriations that became unavailable for obligation upon the effective dates of the Compact of Free Association for the Federated States of Micronesia and the Marshall Islands.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	907,472	987,948	137,148
Outlays .....	1,034,563	1,054,252	818,493
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-7,148
Outlays .....			-143
Rescission proposal:			
Budget authority .....		-432,319	
Outlays .....		-8,647	-293,976
<b>Total:</b>			
Budget authority .....	907,472	555,629	130,000
Outlays .....	1,034,563	1,045,605	524,374

Vocational education—State programs.—

**Basic grants.**—This program provides State grants for vocational education expansion, innovation, and improvement and for providing greater access to vocational education for underserved populations. Funds under the Indian and Hawaiian natives programs are awarded to federally recognized Indian tribes and to organizations primarily serving and representing Hawaiian natives. Services funded by these set-asides are in addition to services provided under other provisions of the Perkins Act.

**Community-based organizations.**—This activity provides assistance to joint programs of eligible recipients and community-based organizations for a variety of vocational activities, primarily for disadvantaged youth.

**Consumer and homemaking education.**—These funds are used to prepare youths and adults for the occupation of homemaker.

**State councils.**—Councils are funded for the purpose of advising on and evaluating State vocational education programs. Each council is composed of 13 individuals, 7 of whom represent the private sector.  
**National programs.**—

**Research.**—Funds are awarded on a competitive basis for research activities which contribute to improved access to vocational education for underserved populations and to improved vocational education in the nation. Activities include a national center for research in vocational education, a national assessment of vocational education, and a program of discretionary research projects.

**Demonstration programs.**—Funds are used to support a displaced workers training program in Johnstown, Pennsylvania. Other vocational training demonstration projects may also be funded.

**Data systems.**—Funds are allocated annually to the Department of Labor for joint support of the National Occupational Information Coordinating Committee and 57 State occupational information coordinating committees. Funds also contribute to the support of the vocational education data system.

**Bilingual vocational training.**—Grants are awarded on a competitive basis for projects which provide job and language training to limited English proficient persons. A portion of the funds are also used to train instructors for bilingual vocational training programs and to develop instructional materials and methods for bilingual vocational training.

The Smith-Hughes Act of 1917 (Public Law 64-347), as amended, provides a permanent appropriation for vocational education basic grants and national programs.

**Adult education.**—Formula grants are made to States to eliminate functional illiteracy among the nation's adults and to assist adults in obtaining a high school diploma or its equivalent. Funds may be used to increase the involvement of the private sector in the delivery of adult education services. Funds are also requested for the Secretary to support discretionary research, demonstration and evaluation activities.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0400-0-1-501			
OFFICE OF VOCATIONAL AND ADULT EDUCATION			
25.0	Other services .....	1,041	1,784
41.0	Grants, subsidies, and contributions .....	1,012,141	1,011,398
			2,143
99.0	Total, obligations, Office of Vocational and Adult Education .....	1,013,182	1,013,182
			137,148
ALLOCATION TO EMPLOYMENT AND TRAINING ADMINISTRATION			
25.0	Other services .....	1,328	2,858
41.0	Grants, subsidies, and contributions .....	1,792	3,789
99.0	Total obligations, Employment and Training Administration .....	3,120	6,647
99.9	Total obligations .....	1,016,302	1,019,829
			137,148

VOCATIONAL AND ADULT EDUCATION

(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0400-2-1-501			
<b>Program by activities:</b>			
Permanent appropriation:			
07.01	Basic grants .....		-6,898
07.02	Indian and Hawaiian natives set-aside .....		-107
07.03	Research .....		-143
07.91	Total, permanent appropriation .....		-7,148
10.00	Total obligations .....		-7,148
<b>Financing:</b>			
40.00	<b>Budget authority (appropriation)</b> .....		-7,148
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....		-7,148

General and special funds—Continued

VOCATIONAL AND ADULT EDUCATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
91-0400-2-1-501			
74.40	Obligated balance, end of year.....		7,005
90.00	Outlays.....		-143

Under proposed legislation, the Smith-Hughes Act, which provides a permanent appropriation for vocational education programs, would be repealed.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0400-2-1-501			
25.0	Other services.....		-143
41.0	Grants, subsidies and contributions.....		-7,005
99.0	Total obligations, Office of Vocational and Adult Education.....		-7,148
99.9	Total obligations.....		-7,148

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

General and special funds:

STUDENT FINANCIAL ASSISTANCE\*

\*See Part II for additional information.

For carrying out [subparts] subpart 1 [ , 2, and 3 ] of part A [ , ] and parts [C] D and E of title IV of the Higher Education Act, as amended, [ \$5,196,000,000 ] \$3,336,000,000, which shall remain available until September 30, [ 1988: Provided, That amounts appropriated for Pell grants shall be available first to pay Pell grants under the July 1986 payment schedule established by the Secretary of Education for the 1986-87 academic year under section 411(b)(3)(B)(ii) of the Higher Education Act: Provided further, That no funds appropriated for Pell grants and used to pay Pell grants for the 1986-87 academic year shall be available to pay any awards in excess of those provided under such July 1986 Pell grants payment schedule: Provided further, That other amounts for this appropriations Act shall be available under the terms and conditions included in the Department of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act of 1986, Public Law 99-178: Provided further, That of the amounts appropriated under this heading and made available for part E of title IV of the Higher Education Act of 1965, \$5,000,000 shall be available for carrying out the Income Contingent Pilot Demonstration projects in S. 1965, as passed by the Senate on June 4, 1986, and shall remain available until September 30, 1988. ] 1989: Provided, That notwithstanding section 411(b)(2)(A) of the Higher Education Act, the maximum Pell grant that a student may receive in the 1988-89 award year shall be \$2,100: Provided further, That notwithstanding section 411(b) of the Higher Education Act, no Pell grant shall exceed the lesser of: (1) \$2,100 minus an amount equal to the expected family contribution; (2) the cost of attendance minus the expected family contribution; or (3) 60 per centum of the cost of attendance minus the expected family contribution: Provided further, That notwithstanding section 489 of the Higher Education Act, no payments under that section shall be made to an institution of higher education for students at that institution who receive Pell grants: Provided further, That notwithstanding sections 411B(b)(3), 411C(a)(3), and 411D(a)(3) of the Higher Education Act, the expected family contribution from income and assets shall be adjusted in award year 1988-89 for the number of family members attending, on at least a half-time basis, a program of postsecondary education by multiplying such contribution by: (1) 70 per centum for two such family members; (2) 50 per centum for three such family members; and (3) 40 per centum for four or more such family members: Provided further, That notwithstanding sections 411B(d)(2)(B), 411C(c)(2)(B), and 411D(d)(1) of the Higher Education Act, the family size offsets for Pell grants shall be determined in award year 1988-89 by revising the comparable family size offset for the preceding award year by a percentage equal to the

percentage change from the end of fiscal year 1986 to the end of fiscal year 1987 in the Consumer Price Index for Wage Earners and Clerical Workers published by the Department of Labor, rounding the results to the nearest \$100: Provided further, That notwithstanding sections 411B(e), 411C(d), and 411D(d) of the Higher Education Act, no offset against income shall be provided for unusual medical and dental expenses, employment expenses, or unreimbursed elementary and secondary school tuition and fees: Provided further, That notwithstanding section 411B(f)(2) of the Higher Education Act, the standard parental contribution from effective family income for award year 1988-89 shall be determined by multiplying an effective family income of: (1) \$0 to \$5,000, by 20 per centum; (2) \$5,001 to \$10,000, by 30 per centum; and (3) \$10,001 and above, by 40 per centum: Provided further, That notwithstanding sections 411C(e)(2) and 411D(e)(2) of the Higher Education Act, the standard contribution from income for an independent student with dependents other than a spouse, and a married independent student, shall be 70 per centum of effective family income for award year 1988-89: Provided further, That notwithstanding section 411D(e)(2) of the Higher Education Act, the standard contribution from income for a single independent student shall be 90 per centum of effective family income for award year 1988-89: Provided further, That notwithstanding sections 411B(g) (1), (2), (3), and (4) and 411C(f) (1), (2), (3), and (4) of the Higher Education Act, the amount which may be deducted from the net value of assets shall not exceed: (1) \$25,000 for the principal place of residence; (2) \$15,000 for assets other than a principal place of residence or farm and business assets; and (3) \$80,000 for farm and business assets, unless the sum of all such deductions exceeds \$100,000, in which case the farm and business deductions shall be reduced by the amount that such sum exceeds \$100,000: Provided further, That notwithstanding sections 411D(f) (3) and (4) of the Higher Education Act, no deduction from assets shall be provided for a single independent student or a married independent student without dependents in award year 1988-89: Provided further, That notwithstanding sections 411B(g)(5)(A) and 411C(f)(5)(A) of the Higher Education Act, the expected contribution from assets in award year 1988-89 shall be 5 per centum of the net value of farm and business assets minus any deductions and 12 per centum of the net value of a principal place of residence and other assets minus any deductions: Provided further, That notwithstanding sections 411D(f) (1) and (2) of the Higher Education Act, the expected contribution from assets in award year 1988-89 shall be (1) 35 per centum of the sum of the net values of the principal place of residence, farm and business assets, and other assets if such sum is a positive amount, or (2) zero if such sum is a negative amount: Provided further, That notwithstanding section 411B(j) of the Higher Education Act, there shall be no offset against the income of the dependent student and spouse in award year 1988-89: Provided further, That notwithstanding section 411B(k) of the Higher Education Act, the contribution from income of the dependent student and spouse shall be determined in award year 1988-89 (1) if effective income is a positive amount, by multiplying such amount by 50 per centum, or (2) if effective income is a negative amount, the contribution shall be zero: Provided further, That notwithstanding section 411B(1) of the Higher Education Act, the contribution from the assets of a dependent student and spouse shall be determined in award year 1988-89 by multiplying the net value of assets by 35 per centum: Provided further, That notwithstanding sections 411F(5)(B) (iv) and (v) of the Higher Education Act, no allowance shall be provided in award year 1988-89 for child care or for the costs of special services and equipment for the handicapped: Provided further, That notwithstanding section 452(c)(2) of the Higher Education Act, the Secretary may allot funds under part D of title IV to more than ten institutions: Provided further, That notwithstanding sections 454(a)(2) and 454(a)(3) of the Higher Education Act, the maximum amount of loans to a student made by an institution from a student loan fund under part D of title IV shall be: (1) \$4,000 per academic year for a student who is in the first or second academic year of a program of education leading to a baccalaureate degree; (2) \$5,000 per academic year for a student in the third or fourth such year; (3) \$23,000 in the aggregate to a student for all undergraduate years; (4) \$10,000 per academic year for a graduate or professional student; and (5) \$50,000 in the aggregate for a graduate or professional student, including any loans made under part D to such student before he became a graduate or professional student: Provided further, That notwithstanding sections 463(a)(5), 463(a)(6), and 466(c) of the Higher Education Act, all funds received by the Secretary on or after October 1, 1986 under part E of title IV may be allotted as Federal capital contributions only to student loan funds at institutions participating

in the loan program under part D: Provided further, that notwithstanding section 463(a)(3) of the Higher Education Act, any collections of principal and interest on loans made under part E of title IV which are deposited on or after October 1, 1987 in the student loan fund of an institution participating in the loan program under part D shall be used only to make loans under part D: Provided further, That notwithstanding section 464(c)(1)(D) of the Higher Education Act, the interest rate for loans made under part E of title IV for award year 1988-89 shall be the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the quarter ending September 30, 1988, plus three percent: Provided further, That the Secretary is authorized, after all other collection efforts have failed, to sell or exchange at public or private sale on such terms as the Secretary determines appropriate loans made or assigned under part D or part E of title IV: Provided further, That notwithstanding section 484(d) of the Higher Education Act, a student who is admitted to an institution on the basis of the ability to benefit from the education or training must, in order to remain eligible for any grant or loan assistance under subpart 1 of part A and parts D and E of title IV, receive a general education diploma prior to the student's certification or graduation from the program of study, or by the end of the first academic year of the course of study, whichever is earlier: Provided further, That notwithstanding sections 411F(12) and 480(d) of the Higher Education Act, the term "independent student" means, for the 1988-89 award year, any student who will not be for such award year, and who has not been for each of the two calendar years preceding the calendar year in which such award year begins, claimed as a dependent on his parents' Federal income tax return, receiving in excess of \$1,000 in support from his parents, or living with his parents for more than six weeks, provided that such student must in addition be older than the age of 22 on July 1 of such award year unless he is an orphan or ward of the court or can demonstrate to the satisfaction of the institution how he supported himself for each of the two calendar years preceding the calendar year in which such award year begins: Provided further, That notwithstanding any limitation in section 484(f) of the Higher Education Act, the Secretary may, pursuant to regulation, require institutions to verify the accuracy of data used to determine student eligibility: Provided further, That notwithstanding section 479A of the Higher Education Act, no adjustments to the calculation of a student's cost of attendance or expected family contribution shall be made, except as specifically prescribed by the Secretary in regulations.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	91-0200-0-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Pell grants:</b>				
01.01	Academic year program	1,996,436	2,280,000	1,626,000
01.02	Prior academic year program	1,632,248	1,241,823	1,295,000
01.03	Unfunded shortfall	359,783	325,000	287,000
01.04	Administrative costs	1,454		
01.91	Subtotal, Pell grants	3,989,920	3,846,823	3,208,000
<b>Campus-based aid:</b>				
02.01	Work study	576,145	595,472	
02.02	Supplemental opportunity grants	397,411	415,829	
02.91	Subtotal, Campus-based aid	973,556	1,011,302	
<b>Direct student loans:</b>				
03.01	Income-contingent loans		5,000	670,000
<b>Perkins loans:</b>				
03.02	Federal capital contribution	192,969	191,446	
03.03	Cancellations	19,259	34,472	26,000
03.04	Administrative costs	468		
03.91	Subtotal, direct student loans	212,696	230,918	696,000
04.01	State student incentive grants	72,934	76,000	
10.00	Total obligations	5,249,107	5,165,043	3,904,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources		-70,000	-77,750
17.00	Recovery of prior year obligations	-48,572	-16,729	
21.40	Unobligated balance available, start of year	-1,625,130	-1,247,454	-1,365,000
24.40	Unobligated balance available, end of year	1,247,454	1,365,000	874,750

25.00	Unobligated balance lapsing		140	
40.00	<b>Budget authority (appropriation)</b>	<b>4,822,859</b>	<b>5,196,000</b>	<b>3,336,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	5,249,107	5,095,043	3,826,250
72.40	Obligated balance, start of year	3,120,612	2,860,562	2,765,078
74.40	Obligated balance, end of year	-2,860,562	-2,765,078	-1,815,107
77.00	Adjustments in expired accounts	-875,375		
78.00	Adjustments in unexpired accounts	-48,572	-16,729	
90.00	Outlays	4,585,210	5,173,798	4,776,221

NOTES

The end of year obligated balances include \$16,167 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$8,436 thousand; 1984, \$1,616 thousand; 1985, \$313 thousand; 1986, \$5,802 thousand. The unobligated balance lapsing in 1987 reflects 1986 appropriations that became unavailable for obligation upon the effective dates of the Compact of Free Association for the Federated States of Micronesia and the Marshall Islands.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	4,822,859	5,196,000	3,336,000
Outlays	4,585,210	5,173,798	4,776,221
Supplemental under existing legislation:			
Budget authority		287,000	
Outlays		12,400	-13,640
Rescission proposal:			
Budget authority		-1,269,000	
Outlays		-157,300	-1,075,910
Total:			
Budget authority	4,822,859	4,214,000	3,336,000
Outlays	4,585,210	5,028,898	3,686,671

Status of Direct Loans (in thousands of dollars)

Identification code	91-0200-0-1-502	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriation act limitation on obligations:</b>				
1111	Limitation on direct loans to the public			
<b>Obligations exempt from limitation:</b>				
<b>Direct loans to the public:</b>				
1131	Resources subject to sequester <sup>1</sup>	178,429		
1131	Other resources	12,629		
1150	Total direct loan obligations	191,058		
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	5,133,092	5,271,751	532,314
1231	Disbursements: Direct loan disbursements	204,907		
<b>Repayments:</b>				
1251	Repayments and prepayments	-55,873	-57,716	-60,100
1253	Loan asset sales to the public			-4,950
<b>Adjustments:</b>				
1262	Write-offs for default	-2,681	-2,250	-28,505
1264	Other adjustments, net <sup>2</sup>	-7,694	-4,679,471	80,000
1290	Outstanding, end of year	5,271,751	532,314	518,759

<sup>1</sup> The 1986 loan level was subject to sequestration under Public Law 99-177. The post-sequestration loan level constituted a de facto limitation of \$181,830 thousand.

<sup>2</sup> Represents in all years institutional matching share of defaulted loans assigned to the Education Department. In addition, 1987 reflects reclassification of direct loan capital contributions to schools as grants (-\$4,793,462 thousand) as well as funds transferred to Guaranteed student loans (-\$16,009 thousand) for 1968 advances for guarantee agency reserve funds.

This account finances several programs of aid to students in postsecondary education.

**Pell grants.**—Undergraduate students establish eligibility for these grants through application to a federally managed system of assessment of need, including individual and parental ability to contribute. In 1987 a proposed transfer of budget authority would eliminate the unfunded shortfall. If this transfer is not approved, a "linear reduction" of \$287 million will be required. In 1988 legislative changes are proposed to increase targeting of these grants on the neediest students.

**Direct student loans.—Income-contingent loans.**—

General and special funds—Continued

STUDENT FINANCIAL ASSISTANCE—Continued

Under the income-contingent loan (ICL) program, schools operate revolving loan funds capitalized in part with Federal contributions distributed to participating schools. Loans are made at the school's discretion to students with demonstrated need and carry unsubsidized interest rates. Repayment rates depend on post-school earnings: as income increases, so does the percentage of income required for repayment. In 1988, the increase in Federal contributions would increase the number of schools and students served. Legislative changes are proposed to allow use of a variety of program-related revenues for additional ICL loan capital.

**Perkins loans.**—Under the Perkins loan (formerly national direct student loan (NDSL)) program, schools operate similar revolving loan funds. Most loans are financed by repayments and other income in the funds. The interest rate is 5 percent, with repayment generally beginning after leaving school. Certain deferments to delay repayment are available. Legislative changes are proposed to raise effective borrower interest rates to increase solvency of institutional revolving funds.

Funds requested under the Perkins loan cancellation authority reimburse school revolving funds for indebtedness cancelled as a result of the borrower engaging in certain public service occupations.

The following tables display aid funds available and number of aid awards, including aid under the guaranteed student loan (GSL) program, under the budget request. For work study and direct loans, the chart includes the effect of matching funds. Direct loan amounts are all loans from revolving funds, regardless of source of capital. Guaranteed loan amounts are loan capital, not the Federal costs of those loans.

AID FUNDS AVAILABLE

[In millions of dollars]  
[Dollars include required matching share]

	1986 actual	1987 est.	1988 est.
Pell grants.....	3,567	3,847	2,710
Work study.....	662		
Supplemental grants.....	379		
Guaranteed student loans—regular.....	7,652	7,646	7,169
Guaranteed student loans—PLUS and SLS.....	504	1,497	1,796
Direct student loans—Income-contingent loans.....		5	993
Direct student loans—Perkins loans.....	829	700	399
State student incentive grants.....	145		
<b>Total aid available.....</b>	<b>13,738</b>	<b>13,695</b>	<b>13,067</b>

NUMBER OF AID AWARDS

[In thousands]

	Academic year of availability		
	1986-87	1987-88	1988-89
Pell grants.....	2,619	2,933	1,923
Work study.....	753		
Supplemental grants.....	689		
Guaranteed student loans—regular.....	3,242	3,305	3,095
Guaranteed student loans—PLUS and SLS.....	191	425	459
Direct student loans—Income-contingent loans.....		3	497
Direct student loans—Perkins loans.....	896	756	431
State student incentive grants.....	264		
<b>Total awards.....</b>	<b>8,654</b>	<b>7,422</b>	<b>6,405</b>

NUMBER OF STUDENTS AIDED

Academic year of availability

	1986-87	1987-88	1988-89
Unduplicated student count.....	5,132	5,477	4,727

DEFAULTED DIRECT STUDENT LOANS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Assigned defaulted loans, beginning of year <sup>1</sup> .....	434,189	461,609	531,759
Unassigned defaulted loans, beginning of year.....	690,081	688,700	687,323
New defaulted loans.....	214,480	283,671	235,440
Federal collections.....	-48,502	-57,600	-64,950
Institutional collections.....	-59,900	-64,000	-69,000
Write-offs for assigned loans.....	-2,449	-2,250	-28,050
Write-offs for unassigned loans.....	-77,590	-91,048	-87,822
<b>Outstanding defaulted loans, end of year.....</b>	<b>1,150,309</b>	<b>1,219,082</b>	<b>1,204,700</b>

<sup>1</sup> Subject to Federal collection.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0200-0-1-502			
25.0 Other services.....	1,922		
33.0 Investments and loans.....	192,969		
41.0 Grants, subsidies, and contributions.....	5,054,216	5,165,043	3,904,000
99.9 Total obligations.....	5,249,107	5,165,043	3,904,000

GUARANTEED STUDENT LOANS\*

\*See Part II for additional information.

For necessary expenses under title IV, part B of the Higher Education Act, [\$3,004,000,000] 889,574,000, to remain available until expended [..]: *Provided, That notwithstanding sections 428A(b) and 428B(b) of the Higher Education Act, loans made under section 428A or 428B for periods of enrollment beginning on or after July 1, 1987 shall be limited to the student's cost of attendance minus estimated financial assistance, without annual or cumulative limits, provided that a borrower may also borrow additional amounts necessary to pay interest costs accruing during periods of authorized deferments: Provided further, That notwithstanding section 428A(a) of the Higher Education Act, eligibility for loans made under section 428A for periods of enrollment beginning on or after July 1, 1987 shall include all students and their spouses, provided that a spouse is not eligible for deferments under sections 427(a)(2)(C) or 428(b)(1)(M) or for loans which, when combined with the estimated financial assistance of the student, including loans made to a parent under section 428B, exceed the student's cost of attendance: Provided further, That notwithstanding section 428(a) of the Higher Education Act, no Federal payments shall be made to reduce student interest costs associated with loans made for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428: Provided further, That notwithstanding section 427A of the Higher Education Act, the applicable interest rate to be charged on loans made for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428 shall be, through the second year of the repayment period, the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the twelve months ending on November 30 preceding the award year for which the loan is made, rounded to the nearest whole percent, and thereafter the rate shall be agreed to by the borrower and the lender and shall further be either fixed, in which case it shall be subject to a maximum rate of the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the twelve months ending on November 30 preceding the calendar year in which the third year of repayment begins, rounded to the nearest whole percent, plus 2.75 per centum, or variable, in which case it shall be subject to a maximum rate of the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the twelve months ending on November 30 preceding the year for which the rate is being determined, rounded to the nearest whole percent, plus 2.75 per centum: Provided further, That notwithstanding section 438 of the Higher Education Act, the rate of special allowance paid on loans made for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428 shall, when added to the applicable interest rate on such loans, assure lenders a total annual yield equal to the average of the*

bond equivalent rates of 91-day United States Treasury bills auctioned during each quarter plus 2.75 per centum, provided that no special allowance shall be paid on such loans after the second year of repayment: Provided further, That notwithstanding sections 425(a) and 428(b) of the Higher Education Act, the sum of loans made to a student under sections 427 and 428 for periods of enrollment beginning on or after July 1, 1987 shall not exceed \$2,500 annually, or result in a cumulative total of more than \$12,500, for an undergraduate student, or \$5,000 annually, or result in a cumulative total of more than \$25,000, for a graduate student, provided that a student shall be permitted to borrow in excess of such limits as necessary to pay interest costs accruing during periods of in-school, grace, or authorized deferments: Provided further, That notwithstanding section 428(b) of the Higher Education Act, a guaranty agency shall not guarantee loans made for periods of enrollment beginning on or after July 1, 1987 under part B of title IV at a rate greater than ninety per centum of the unpaid principal and interest of such a loan: Provided further, That notwithstanding section 428(c) of the Higher Education Act, the maximum amount that the Secretary shall reimburse any agency in any year with respect to losses as a result of default on the unpaid balance of the principal and accrued interest of any loans made for periods of enrollment beginning on or after July 1, 1987 under part B of title IV shall be ninety per centum of the amount expended by such agency in discharge of its guarantee obligation, provided that if the ratio of the agency's cumulative net defaults, as defined by the Secretary, as of the end of the prior fiscal year to the cumulative amount of the agency's reinsured loans that have entered repayment as of the end of the prior fiscal year exceeds five per centum, the reimbursement rate shall be reduced to eighty per centum, and that if the ratio is nine per centum or more, the reimbursement rate shall be reduced to seventy per centum: Provided further, That notwithstanding section 428(c) of the Higher Education Act, the Secretary's reinsurance reimbursements made to an agency after September 30, 1987 shall be reduced to the extent that the agency's reserves exceed the greatest of fifty per centum of reimbursements paid to the agency during the prior fiscal year, one per centum of the agency's balance of outstanding loans as of the end of the prior fiscal year, or \$500,000: Provided further, That notwithstanding section 428(f) of the Higher Education Act, no payments shall be made based on agency guarantees made after June 30, 1987 to reimburse an agency for administrative costs incurred that are associated with the agency's loan program: Provided further, That notwithstanding section 438(c) of the Higher Education Act, no origination fee shall be charged to borrowers for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428: Provided further, That a borrower for any award year after 1986-87 under section 427 or 428 shall pay to the Federal Government a guarantee fee, equal to nine per centum of the amount of such loan, to cover Federal default and other program administrative costs, and a borrower for any award year after 1986-87 under section 428A or 428B shall pay to the Federal Government a guarantee fee, equal to two per centum of the amount of such loan, to cover such Federal costs: Provided further, That notwithstanding section 484(d) of the Higher Education Act, a student who is admitted to an institution of higher education on the basis of the ability to benefit from the education or training must, in order to remain eligible to borrow, or to have borrowed on his behalf, loans made for periods of enrollment beginning on or after July 1, 1988 under sections 427, 428, 428A, and 428B, receive a general education diploma prior to the student's certification or graduation from the program of study, or by the end of the first academic year of the course of study, whichever is earlier: Provided further, That notwithstanding section 480(d) of the Higher Education Act, the term "independent student" means, for any award year following award year 1987-88, any student who will not be for such award year, and who has not been for each of the two calendar years preceding the calendar year in which such award year begins, claimed as a dependent on his parents' Federal income tax return, receiving in excess of \$1,000 in support from his parents, or living with his parents for more than six weeks, provided that such student must in addition be older than the age of 22 on July 1 of such award year unless he is an orphan or ward of the court or can demonstrate to the satisfaction of the institution how he supported himself for each of the two calendar years preceding the calendar year in which such award year begins: Provided further, That notwithstanding any limitation in section 484(f) of the Higher Education Act, the Secretary may, pursuant to regulation, require institutions to verify the accuracy of data used to determine student eligibility.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	91-0230-0-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Regular loans:				
01.01	Interest benefits.....	1,700,000	1,485,000	989,000
01.02	Special allowance, net of origination fees.....	429,000	157,850	583,960
01.03	Default claims, net of guarantee fees.....	1,305,797	1,056,877	726,954
01.04	Death, disability, and bankruptcy claims.....	66,912	76,245	85,414
01.05	Contract collection costs.....	6,434	7,232	1,929
01.06	Administrative costs.....	6,214	6,800	.....
01.07	Administrative cost allowances to guarantee agencies..	107,101	97,710	.....
01.08	Advances to agency reserve funds.....	15,335	.....	.....
01.91	Subtotal, regular loans.....	3,636,793	2,887,714	2,387,257
PLUS/SLS loans:				
02.01	Default claims, net of guarantee fees.....	12,410	.....	2,767
02.02	Death, disability, and bankruptcy claims.....	1,880	2,510	4,266
02.03	Administrative costs.....	112	.....	.....
02.04	Administrative cost allowances to guarantee agencies..	6,836	11,412	.....
02.05	Advances to agency reserve funds.....	471	.....	.....
02.91	Subtotal, PLUS/SLS loans.....	21,709	13,922	7,033
10.00	Total obligations.....	3,658,502	2,901,636	2,394,290
<b>Financing:</b>				
Offsetting collections from non-Federal sources:				
Regular loans:				
Defaulted loans repaid:				
14.00	Federal collections.....	-65,983	-76,000	-61,000
14.00	Offsets against Federal tax refunds.....	-90,729	-128,000	-142,000
14.00	Reimbursements from guarantee agencies.....	-168,160	-262,698	-335,236
14.00	Sale of defaulted loan portfolio.....	.....	.....	-37,500
Other collections:				
14.00	Advances repaid.....	-7,020	-14,408	-67,500
14.00	Reinsurance fees.....	.....	-34,307	-35,770
PLUS/SLS loans:				
Defaulted loans repaid:				
14.00	Offsets against Federal tax refunds.....	-160	-365	-582
14.00	Reimbursements from guarantee agencies.....	-602	-1,718	-2,799
Other collections:				
14.00	Advances repaid.....	-780	-1,601	-7,500
14.00	Reinsurance fees.....	.....	-1,806	-1,883
14.00	Guarantee fees.....	.....	-9,833	.....
14.00	SLMA loan repayments.....	-30,000	-30,000	-30,000
17.00	Recovery of prior year obligations.....	-48,823	-121,679	.....
21.40	Unobligated balance available, start of year.....	-68,471	-58,167	-812,946
24.40	Unobligated balance available, end of year.....	58,167	812,946	.....
31.00	Redemption of debt.....	30,000	30,000	30,000
40.00	Budget authority (appropriation).....	3,265,941	3,004,000	889,574
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	3,295,067	2,340,900	1,672,520
72.40	Obligated balance, start of year.....	529,551	453,061	449,844
74.40	Obligated balance, end of year.....	-452,061	-449,844	-340,504
78.00	Adjustments in unexpired accounts.....	-48,823	-121,679	.....
90.00	Outlays.....	3,322,734	2,222,438	1,781,860

NOTES

Excludes \$6,800 thousand in 1988 for activities transferred to Departmental Management, Salaries and expenses. Comparable amounts for 1986 (\$6,326 thousand) and 1987 (\$6,800 thousand) are included above.  
Administratively, proposed guarantee fees would be deducted from agency billings for current default claims, just as origination fees are deducted from lender billings for current special allowance payments. Conceptually, guarantee fees are intended to be equal to the present value of future defaults arising from new loans. When loan volume is growing, therefore, guarantee fees in a given year might exceed default claims. In such a case, fees in excess of claims would be an offsetting collection; this occurs in the PLUS/SLS component in 1987.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	3,265,941	3,004,000	899,574
Outlays.....	3,322,734	2,222,438	1,781,860
Supplemental under existing legislation:			
Budget authority.....	.....	-287,000	287,000
Outlays.....	.....	.....	.....
Total:			
Budget authority.....	3,265,941	2,717,000	1,176,574

## General and special funds—Continued

## GUARANTEED STUDENT LOANS—Continued

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

[In thousands of dollars]

Outlays.....	3,322,734	2,222,438	1,781,860
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## Status of Direct Loans (in thousands of dollars)

Identification code 91-0230-0-1-502	1986 actual	1987 est.	1988 est.
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## GSL LOANS

## Position with respect to appropriation act limitation on obligations:

1111 Limitation on direct loans to the public.....			
Obligations exempt from limitation:			
1131 Direct loans to the public.....	15,805		
1132 Defaulted guaranteed loan claims.....	1,318,207	1,231,984	1,403,561
1150 Total direct loan obligations.....	1,334,012	1,231,984	1,403,561

## Cumulative balance of direct loans outstanding:

1210 Outstanding, start of year.....	3,202,589	4,176,481	4,647,498
Disbursements:			
1231 Direct loan disbursements.....	15,805		
1232 Disbursements for guaranteed loan claims.....	1,350,422	1,249,229	1,369,246
Repayments:			
1251 Repayments and prepayments.....	-7,800	-16,009	-75,000
1252 Repayments of defaulted guaranteed loans <sup>1</sup> .....	-301,467	-442,581	-520,417
1253 Loan asset sales to the public.....			-37,500
Adjustments:			
1262 Write-offs for default.....	-6,531	-222,310	-481,500
1264 Other adjustments, net <sup>2</sup> .....	-76,537	-97,312	-144,872
1290 Outstanding, end of year.....	4,176,481	4,647,498	4,757,455

## SLMA LOANS

## Cumulative balance of direct loans outstanding:

1210 Outstanding, start of year.....	5,000,000	4,970,000	4,940,000
1251 Repayments: Repayments and prepayments.....	-30,000	-30,000	-30,000
1290 Outstanding, end of year.....	4,970,000	4,940,000	4,910,000

<sup>1</sup> Excludes directly insured loan (FISL) interest and insurance premium collections as follows: 1986, —\$24,168 thousand; 1987, —\$26,200 thousand; and 1988, —\$21,200 thousand.

<sup>2</sup> Includes amounts retained by guarantee agencies to cover their collection costs as follows: 1986, —\$76,537 thousand; 1987, —\$113,321 thousand; and 1988, —\$144,872 thousand. Also includes in 1987 transfer of section 422(a) advances (\$16,009 thousand) from Student financial assistance.

## Status of Guaranteed Loans (in thousands of dollars)

Identification code 91-0230-0-1-502	1986 actual	1987 est.	1988 est.
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## Position with respect to appropriation act limitation on commitments:

2111 Limitation on guaranteed loans made by private lenders.....			
2131 Guaranteed loan commitments exempt from limitation.....	8,575,000	9,591,000	9,398,000
2150 Total guaranteed loan commitments.....	8,575,000	9,591,000	9,398,000

## Cumulative balance of guaranteed loans outstanding:

2210 Outstanding, start of year <sup>1</sup> .....	36,825,000	37,481,518	39,931,483
2231 Disbursements of new guaranteed loans <sup>2</sup> .....	6,320,000	9,075,000	9,061,000
2251 Repayments and prepayments.....	-4,188,000	-5,245,000	-6,206,000
Adjustments:			
2261 Terminations for default that result in direct loans <sup>3</sup> .....	-1,406,690	-1,301,280	-1,633,847
2263 Terminations for default that result in claim payments.....	-68,792	-78,755	-89,680
2290 Outstanding, end of year.....	37,481,518	39,931,483	41,062,956

## MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	37,481,518	39,103,843	38,562,956
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<sup>1</sup> 1986 adjusted by \$1,017,689 thousand to reflect actual program activity.

<sup>2</sup> Excludes undisbursed portions of loans that are committed and made subject to multiple disbursement requirements.

<sup>3</sup> Includes terminations that result in lender and guarantee agency liabilities.

The guaranteed student loan (GSL) program is designed to promote the availability of loans from banks and other lenders to students and their parents to help meet the costs of attending participating universities, colleges, and other postsecondary institutions after taking into consideration family financial resources and student self-help. This is accomplished through the provision of Federal reinsurance against borrower default as well as through substantial Federal subsidy payments. In general, the program is administered by State and private nonprofit guarantee agencies that serve as intermediate loan insurers, defaulted loan collectors, and providers of various services to lenders. Through July 1984, the Federal Government also provided direct loan insurance and, in such cases, continues to be responsible for defaulted loan collection and providing assistance to lenders.

Three types of guaranteed loans are currently available through the program: under the regular loan component, students may borrow highly subsidized loans; under the PLUS loan component, parents can borrow less-subsidized loans; and under the Supplemental Loans for Students (SLS) component, formerly part of PLUS, students also may borrow less-subsidized loans. Each program has both annual and cumulative limits on loan amounts. All loans can be used only to meet educational expenses. Evidence of financial need is required for a student to receive a regular student loan.

The Federal Government pays lenders a quarterly special allowance throughout the life of each regular loan. This allowance assures lenders a total yield on new loans equal to the current 91-day Treasury bill rate plus 3¼ percent or the interest rate to the borrower, whichever is higher. Under budget proposals, the special allowance would be reduced to the Treasury bill rate plus 2¾ percent; no allowance would be paid after the second year of repayment. The Government is also liable for up to 100 percent of costs related to borrower default, death, disability, and bankruptcy. The budget proposes borrower user fees and increased lender and guarantee agency default liability to shift a significant portion of this risk to the beneficiaries of the program.

Under the regular loan component, the Federal Government pays the interest obligation (generally 8 percent on new loans) of eligible borrowers while they are in school and during grace and certain deferment periods. Federal interest benefit costs are offset by an origination fee of 5 percent of loan principal which is charged to borrowers. The budget would end this interest benefit payment but would, accordingly, also terminate the origination fee.

Under the PLUS and SLS loan components, graduate students, independent undergraduate students, and parents of dependent students may borrow to meet the student's educational expenses. Unlike the regular loan program, the borrower's interest obligation during in-school, grace, and deferment periods (the 91-day Treasury bill rate plus 3¾ percent) is not paid by the Federal Government. The budget proposes that both annual and cumulative PLUS and SLS loan limits be eliminated.

Finally, the Federal Government pays administrative cost allowances to guarantee agencies and provides them with reserve fund advances. No funds are request-

ed for these activities and outstanding advances are gradually recalled through 1990. One-time savings are proposed in 1988 by applying excess guarantee agency reserves to agency default claims against the Government.

Federal receipts primarily include collections on defaulted loans and reimbursements from guarantee agencies for their default collections. Also included are Student Loan Marketing Association (Sallie Mae) repayments of loans from the Federal Financing Bank because these transactions are treated as part of the cost of the GSL program.

Proposals to improve the design and operation of this program would substantially modify program activity and cost. Total loan volume insured under such proposals is expected to be \$8,965 million in 1988, resulting in outstanding loans at the end of 1988 of \$41,063 million. The following tables all reflect the proposed program improvements.

**AMOUNT OF LOANS GUARANTEED**

	[In millions of dollars]		
	1986 actual	1987 est.	1988 est.
Regular loans:			
Undergraduates .....	6,045	6,229	5,701
Graduates .....	1,607	1,417	1,468
PLUS/SLS loans:			
Students .....	256	689	832
Parents .....	248	808	965
Total .....	8,156	9,143	8,965

**NET OBLIGATIONS FOR LOANS BY YEAR OF ORIGATION**

	[In millions of dollars]							
Year of origination:	1986	1987	1988	1989	1990	1991	1992	
All pre-1986 loans .....	3,509	2,082	1,387	1,275	991	430	205	
1986 .....	-184	653	705	674	406	355	55	
1987 .....		-364	191	142	95	54	15	
1988 .....			-580	101	87	85	52	
1989 .....				-620	141	149	143	
1990 .....					-748	160	148	
1991 .....						-830	231	
1992 .....							-840	
Total .....	3,325	2,371	1,703	1,572	972	403	9	

Note.—Excludes Sallie Mae repayments of FFB debt, \$30,000 thousand in all years except 1989.

Increased efforts are being made to collect outstanding defaults and to reduce the incidence of default. These efforts include: expanding collection activities by referring both insured and reinsured defaulted loans to private collection agencies; sharing information on defaulted loans with consumer credit bureaus; computer matches to locate defaulters; increased litigation; increased lender due diligence requirements; and closer monitoring of collection activity. A major initiative begun recently involves the deduction from Federal tax refunds of defaulted loan amounts. This initiative resulted in repayments of \$91 million in 1986 and is expected to result in repayments of \$128 million in 1987 and \$143 million in 1988. Outstanding defaults owed to the Federal Government in 1986-88 are as follows:

**OUTSTANDING DEFAULTED GUARANTEED LOAN VOLUME**

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Outstanding, start of year .....	3,057,691	4,023,578	4,494,595
New defaulted loans .....	1,350,422	1,249,229	1,369,246

**NUMBER OF LOANS GUARANTEED**

	[In thousands]		
	1986 actual	1987 est.	1988 est.
Regular loans:			
Undergraduates .....	2,756	2,889	2,629
Graduates .....	486	446	466
PLUS/SLS loans:			
Students .....	97	215	234
Parents .....	94	210	225
Total .....	3,433	3,730	3,554

**AVERAGE LOAN SIZE**

	[In dollars]		
	1986 actual	1987 est.	1988 est.
Regular loans:			
Undergraduates .....	2,193	2,179	2,169
Graduates .....	3,304	3,180	3,148
PLUS/SLS loans:			
Students .....	2,640	3,203	3,551
Parents .....	2,639	3,848	4,285

Costs to the Federal Government related to a particular loan accrue throughout the period the loan is outstanding, which can be extended up to 25 years. Federal costs on regular loans are significantly reduced through the origination fees, used to offset interest subsidy costs, and would similarly be reduced under a proposed default guarantee fee, intended to reinforce insurance features of the program by having borrowers share more of the risk of default costs. Indeed, as the following table illustrates, net first year obligations may in fact be negative. Costs in the budget year, therefore, are determined largely by the cost of loans outstanding at the start of the year.

Repayments .....	-301,467	-442,581	-520,417
Writeoffs and other adjustments .....	-83,068	-335,631	-626,372
Proceeds from sales to the public .....			-37,500
Outstanding, end of year .....	4,023,578	4,494,595	4,679,552

Note.—Same as "Status of Direct Loans" table above, but excludes advances to guarantee agency reserve funds.

Despite these many efforts, defaults remain unacceptably high. Frequently used GSL default rate measures are the gross and net cumulative default rates. The former represents cumulative defaults divided by cumulative loans that have matured (i.e., entered repayment). The latter represents cumulative defaults minus cumulative collections on defaults, divided by cumulative matured loans. These rates are the best measures of the long-term default costs of the entire GSL portfolio.

**END OF YEAR GUARANTEED LOAN STATUS**

	[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.	1988 est., current services
Cumulative loans disbursed .....	62,431,750	71,506,750	80,567,750	80,639,750
Cumulative loans matured .....	44,936,303	54,180,303	63,904,303	63,478,303

General and special funds—Continued

GUARANTEED STUDENT LOANS—Continued

END OF YEAR GUARANTEED LOAN STATUS—Continued

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.	1988 est., current services
Cumulative defaults.....	5,578,048	6,827,277	8,196,522	8,389,057
Cumulative collections.....	1,359,519	1,915,421	2,580,710	2,580,710
Gross default rate.....	12.4%	12.6%	12.8%	13.2%
Net default rate.....	9.4%	9.1%	8.8%	9.2%

Another measure represents defaults in a given year divided by the average amount of loans in repayment during that year. This annual rate is more comparable to default rates calculated by commercial lending institutions. 1987 defaults, and thus 1987 default rates, reflect a one-time decrease due to changes in the definition of a defaulted loan implemented in that year.

STATUS OF LOANS IN REPAYMENT

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.	1988 est., current services
Outstanding, start of year.....	16,473,000	19,171,786	21,842,802	21,673,802
Entering repayment.....	8,306,000	9,244,000	9,724,000	9,467,000
Leaving repayment:				
Repayments.....	-4,188,000	-5,245,000	-6,206,000	-6,173,000
Defaults.....	-1,350,422	-1,249,229	-1,369,246	-1,561,781
Death, disability, and bankruptcy.....	-68,792	-78,755	-89,680	-89,680
Outstanding, end of year.....	19,171,786	21,842,802	23,901,877	23,316,342
Annual default rate.....	7.6%	6.1%	6.0%	6.9%

Note.—These in-repayment figures plus comparable figures for loans not yet in repayment are comparable to figures included in the status of guaranteed loans tables provided for this account.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25.0 Other services.....	12,760	14,032	1,929
33.0 Investments and loans.....	1,334,013	1,056,877	729,721
41.0 Grants, subsidies, and contributions.....	2,242,936	1,751,972	1,572,960
42.0 Insurance claims and indemnities.....	68,792	78,755	89,680
99.9 Total obligations.....	3,658,502	2,901,636	2,394,290

HIGHER EDUCATION\*

\*See Part II for additional information.

For carrying out parts B and C of title III of the Higher Education Act of 1965, as amended, **[\$146,208,000]** **\$50,741,000**, of which up to **[\$20,000,000]** **\$10,000,000** for part C of title III of said Act shall remain available until expended: *Provided*, That **[\$50,741,000]** the entire amount of funds appropriated for title III of said Act shall be available only to historically black colleges and universities.

For carrying out [subpart] subparts 4 and 6 of part A of title IV; [subpart 2 of part D of title V; titles VI and VIII, parts B, C, E, and F of title IX;] part D of title VII; and part A and subpart 1 of part B [and parts A and C] of title X; and sections 420A and 1204(c) of the Higher Education Act of 1965, as amended [by S. 1965 as passed the Senate on September 25, 1986; title XIII, part H, subpart 1 of the Education Amendments of 1980, as amended by section 502 of S. 1965 as passed the Senate on September 25, 1986; and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961; \$268,420,000: *Provided*, That \$1,000,000 of the amount appropriated under this paragraph and available for part A of title VI of the Higher Education Act of 1965 shall be available for a grant to the Bologna Center of the School of Advanced International Studies of the Johns Hopkins University.]; **\$125,370,000**, of which **\$22,500,000** for part D of title VII and **\$8,000,000** for subpart 6 of part A of title IV of said Act shall remain available until expended:

[For carrying out subpart 6 of Part A of title IV, subpart 1 of part D of title V, part D of title VII, part D of title XI (\$2,000,000), and section 771 (\$2,000,000) of the Higher Education Act of 1965, as amended by S. 1965 as passed the Senate on September 25, 1986; title II of H.R. 2787 as passed the Senate on June 25, 1986, relating to the

Technology Transfer Institute (\$5,000,000); H.R. 4244 as passed the Senate on September 30, 1986 (\$8,000,000); and H.R. 3598 as passed the House on November 4, 1981 and amended by part I of title XIII of said S. 1965 (\$1,000,000); \$64,500,000 to remain available until expended:] *Provided*, That \$8,000,000 provided herein for carrying out subpart 6 of part A of title IV shall be available notwithstanding sections 419G(b) and 419I(a) of the Higher Education Act of 1965 (20 U.S.C. 1070d-37(b) and 1070d-39(a)).

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0201-0-1-502			
<b>Program by activities:</b>			
Aid for institutional development:			
00.01			
Set-aside for historically black colleges and universities.....	41,165	61,991	50,741
00.02			
Other.....	84,730	86,642	9,785
00.91			
Subtotal, aid for institutional development.....	125,895	148,633	60,526
Other aid for institutions:			
01.01			
Program development.....	62,835	66,650	12,500
01.02			
Academic facilities.....	23,981	60,570	22,500
01.03			
Special grants.....	1,197	24,992	
01.91			
Subtotal, other aid for institutions.....	88,013	152,212	35,000
Aid for students:			
02.01			
Special programs for the disadvantaged.....	168,786	176,370	82,370
02.02			
Other support services.....	4,306	4,500	
02.03			
Scholarships and fellowships.....	18,531	52,720	8,000
02.91			
Subtotal, aid for students.....	191,623	233,590	90,370
03.01			
Law enforcement education.....	2,357		
10.00			
Total obligations (object class 41.0).....	407,888	534,435	185,896
<b>Financing:</b>			
17.00			
Recovery of prior year obligations.....	-1,304		
21.40			
Unobligated balance available, start of year.....	-48,228	-77,308	-22,001
24.40			
Unobligated balance available, end of year.....	77,308	22,001	12,216
40.00			
Budget authority (appropriation).....	435,663	479,128	176,111
Relation of obligations to outlays:			
71.00			
Obligations incurred, net.....	407,888	534,435	185,896
72.40			
Obligated balance, start of year.....	544,050	818,882	489,177
74.40			
Obligated balance, end of year.....	-818,882	-489,177	-259,990
77.00			
Adjustments in expired accounts.....	270,284	-400,000	
78.00			
Adjustments in unexpired accounts.....	-1,304		
90.00			
Outlays.....	402,035	464,140	415,083
Distribution of outlays by account:			
Higher education.....	391,330	460,973	415,083
Grants for construction of academic facilities.....	10,705	3,167	

NOTES

The activity previously financed under Department of Education, Office of Postsecondary Education, Grants for construction of academic facilities in 1984 is presented in the schedules for this account in 1986 and 1987. Outlays are distributed by account above.

The end of year obligated balances include \$5,805 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$4,233 thousand; 1984, \$945 thousand; 1985, \$175 thousand; 1986, \$452 thousand.

The 1986 obligations for law enforcement education reflect amounts for penalty mail costs, not for new loans.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	435,663	479,128	176,111
Outlays.....	402,035	464,140	415,083
Rescission proposal:			
Budget authority.....		-203,050	
Outlays.....		-19,339	-138,685
Total:			
Budget authority.....	435,663	276,078	176,111
Outlays.....	402,035	444,801	276,398

Status of Direct Loans (in thousands of dollars)

Identification code 91-0201-0-1-502	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	76,671	60,502	43,652
1251 Repayments: Repayments and prepayments .....	-3,852	-3,200	-2,635
1262 Adjustments: Write-offs for default .....	-12,317	-13,650	-6,200
1290 Outstanding, end of year .....	60,502	43,652	34,817

*Aid for institutional development—*

*Set-aside for historically black colleges and universities.*—Funds under this heading are set aside to help historically black institutions equalize educational opportunity and strengthen their management and fiscal operations so they may become self-sufficient. In 1988, funds would be available to historically black colleges and universities for formula grants and endowment grants.

*Other.*—In 1988, only unobligated 1987 funds will support endowment grants for institutions other than historically black colleges and universities.

*Other aid for institutions—*

*Program development.*—In 1988, grants under the Fund for the Improvement of Postsecondary Education would support projects which address problems and encourage improvements in postsecondary education. Grants under the minority institutions science improvement program would support projects to improve science education at predominantly minority institutions.

*Academic facilities—Interest subsidy grants.*—Funds will meet mandatory interest subsidy costs of construction loan commitments made prior to 1974.

*Aid for students—*

*Special programs for the disadvantaged.*—This program helps individuals from disadvantaged backgrounds enter and complete college. In 1988, funds would support grants to postsecondary institutions that participate in the special services and upward bound programs.

*Scholarships and fellowships.*—In 1988, funds would support Robert C. Byrd honors scholarships for outstanding students.

*Cuban and law enforcement education loan collection costs.*—No new loans are made under these activities. Collections on outstanding prior year loans continue. Outstanding defaults, as well as delinquent loans, are as follows:

CUBAN AND LAW ENFORCEMENT EDUCATION DEFAULTED AND DELINQUENT LOANS

	(In thousands of dollars)		
	1986 actual	1987 est.	1988 est.
Outstanding, start of year .....	74,201	58,110	41,260
Recoveries: collections .....	-3,774	-3,200	-2,635
Adjustments: write-offs .....	-12,317	-13,650	-6,200
Outstanding, end of year .....	58,110	41,260	32,425

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), \$170,230,000, of which \$2,000,000 shall be for an endowment matching grant in accordance with the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended. (*Additional authorizing legislation to be proposed for \$2,000,000.*)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 91-0603-0-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Howard University:			
00.01 Academic program .....	129,314	141,124	141,124
00.02 Endowment grant .....	700	2,414	2,000
00.03 Research program .....	4,785	5,000	5,000
00.04 Hospital .....	21,155	22,106	22,106
00.05 Construction .....	4,122		
10.00 Total obligations (object class 41.0) .....	160,076	170,644	170,230
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-4,122		
21.40 Unobligated balance available, start of year .....	-600	-1,814	-1,400
24.40 Unobligated balance available, end of year .....	1,814	1,400	1,400
40.00 Budget authority (appropriation) .....	157,168	170,230	170,230
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	160,076	170,644	170,230
72.40 Obligated balance, start of year .....	62,342	66,924	6,729
74.40 Obligated balance, end of year .....	-66,924	-6,729	-6,729
77.00 Adjustments in expired accounts .....	-21,663	-26,105	
78.00 Adjustments in unexpired accounts .....	-4,122		
90.00 Outlays .....	129,709	204,734	170,230

Howard University is a private, nonprofit educational institution consisting of 17 schools and colleges. Federal funds are used to provide partial support for the academic program as well as for the teaching hospital facilities. In 1986, direct Federal appropriations represented 47 percent of the University's operating budget.

HIGHER EDUCATION FACILITIES LOANS AND INSURANCE

[For the payment of principal and interest, including interest insufficiencies, as authorized by the Department of Health, Education, and Welfare Appropriation Act, 1968, on account of outstanding beneficial interests or participations held by the Government National Mortgage Association, as trustee, on behalf of the Department of Education, and issued pursuant to the Participation Sales Act of 1966 (section 302(c) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(c))), and for the payment of interest to the Treasury as required by title VII, part C, section 733(b)(2) of the Higher Education Act, as amended (20 U.S.C. 1132d-2(b)(2)), and for the payment of other operating costs of the fund established pursuant to title VII, section 733 of the Higher Education Act, as amended (20 U.S.C. 1132d-2), \$19,205,000, to remain available until expended.] The Secretary is hereby authorized to make such expenditures, within the limits of funds available under this heading and in accord with law, and to make such contracts and commitments without regard to fiscal year limitation, as provided by section 104 of the Government Corporation Control Act (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year. For the fiscal year [1986] 1988, no new commitments for loans may be made from the fund established pursuant to title VII, section 733 of the Higher Education Act, as amended (20 U.S.C. 1132d-2).

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 91-0240-0-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Interest on Treasury loan capital .....	17,837	16,699	
00.02 Loan servicing .....	144		
00.03 Facilities management .....	10	17	
00.91 Total direct program .....	17,991	16,716	

General and special funds—Continued

HIGHER EDUCATION FACILITIES LOANS AND INSURANCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	91-0240-0-1-502	1986 actual	1987 est.	1988 est.
<b>Reimbursable program:</b>				
01.01	Interest on participation certificates	6,508	5,991	3,067
01.02	Interest on Treasury loan capital	2,301		21,323
01.03	Loan sale commissions			356
01.04	Facilities management			16
01.91	Total reimbursable program	8,809	5,991	24,762
10.00	Total obligations	26,800	22,707	24,762
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Investment income from participation sales funds	-7,247	-8,659	-3,852
Non-Federal sources:				
14.00	Loan repayments	-16,810	-18,240	-16,164
14.00	Interest revenue	-11,117	-10,930	-8,063
14.00	Loan sales			-35,576
14.00	Loan prepayments			-48,262
21.40	Unobligated balance available, start of year	-9,064	-15,379	-21,630
22.40	Unobligated balance transferred, net	20,050	7,216	-87,590
24.40	Unobligated balance available, end of year	15,379	21,630	109,186
31.00	Redemption of debt		20,860	87,189
40.00	Budget authority (appropriation)	17,991	19,205	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-8,374	-15,122	-87,155
72.40	Obligated balance, start of year	20,447	10,153	10,153
74.40	Obligated balance, end of year	-10,153	-10,153	-10,153
90.00	Outlays	1,920	-15,122	-87,155

Status of Direct Loans (in thousands of dollars)

Identification code	91-0240-0-1-502	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	355,957	338,721	320,481
<b>Repayments:</b>				
1251	Repayments and prepayments	-16,810	-18,240	-64,426
1253	Loan asset sales to the public			-35,576
1264	Adjustments: Other adjustments, net <sup>1</sup>	-426		-57,814
1290	Outstanding, end of year	338,721	320,481	162,665

<sup>1</sup> Adjustments in 1986 represent reconciliations with inventory records. Adjustments in 1988 represent discounts from face value on loan prepayments and loans sold to the public.

**Program operations.**—Title VII, Part C, of the Higher Education Act of 1965 authorizes direct loans at 5.5 percent interest, repayable within 50 years, to colleges, universities, and higher education building agencies for the construction, reconstruction, or renovation of academic facilities. No new loan commitments have been made since 1981, and no new commitments are planned for 1988 and beyond.

**Financing.**—Loan capital for this program has been provided both through appropriations and the sale of participation certificates which are backed by pools of existing higher education facilities loans held by the Federal Government.

Interest is payable to Treasury on the amount of appropriations paid out for loan capital and remaining outstanding, less the average undisbursed cash balance in the fund during the year. The interest rate certified by Treasury for payment from the account was 10.75 percent in 1986 and is expected to decline in 1987 and 1988.

Sales of participation certificates by the Government National Mortgage Association (GNMA) were provided for under the Participation Sales Act of 1966, and were

authorized specifically for higher education facilities loans under appropriation acts in 1967 and 1968. The participation certificates outstanding held by this account total \$108,049 thousand as of September 30, 1986, and are expected to decline to \$87,189 thousand in 1987. All remaining certificates are scheduled to be redeemed in 1988.

Insufficiencies appropriations may be used to finance any deficit resulting from the interest rate payable on participation certificates being higher than the interest rate paid by institutions on pledged loans. The budget authority required for insufficiencies is computed as follows:

PARTICIPATION INSUFFICIENCIES

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Interest accrued on participation certificates	6,508	5,991	3,067
Interest accrued on an equal amount of loans in the pool	-1,443	-814	
Insufficiency	5,065	5,177	3,067
<b>Financed by:</b>			
Investment income from participation sales fund, net	-7,247	-8,659	-3,852
Brought forward from prior year adjusted	-2,748		
Amount financed from (-) or repaid to (+) other funds	4,930	3,482	785
Budget authority required			

Note.—Excludes additional amounts required to fund interest payments due to Treasury.

The program appropriation, along with repayments on outstanding loans, interest revenue, and investment income is used to pay operating expenses and to amortize the outstanding debt on participation certificates. It is anticipated that \$28 million will be transferred to GNMA in 1987.

In 1988, the Secretary will begin sale of loans to the public. Proceeds from loan sales are estimated at \$35.6 million in 1988. The budget provides \$356 thousand in 1988 for loan sales commissions to be paid to a financial advisor.

The budget provides \$16 thousand to fund facilities management and property disposition expenses related to loan collection action in 1988. Expenses associated with loan servicing will be paid for with Salaries and expenses account funds.

The status of defaulted loans is shown in the table below:

DEFAULTED LOANS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Outstanding, start of year	29,971	30,309	30,204
New defaulted loans	6,938	6,569	6,183
Defaulted loans converted to current status	-6,600	-6,674	-6,651
Recoveries: Collections			-500
Outstanding, end of year	30,309	30,204	29,236

Note.—Recoveries include collections on both principal and interest; however, because collections on defaulted loans are applied first to delinquent interest, collection amounts shown above do not reduce outstanding principal.

Object Classification (in thousands of dollars)

Identification code	91-0240-0-1-502	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
25.0	Other services	154	17	
43.0	Interest and dividends	17,837	16,699	
99.0	Subtotal, direct obligations	17,991	16,716	
99.0	Reimbursable obligations	8,809	5,991	24,762
99.9	Total obligations	26,800	22,707	24,762

Public enterprise funds:

COLLEGE HOUSING LOANS\*

\*See Part II for additional information.

[The aggregate amount of commitments for loans made from the fund established pursuant to title IV of the Housing Act of 1950, as amended (12 U.S.C. 1749), for the fiscal year 1987 shall not exceed the total of loan repayments and other income available during such period, less operating costs. Payments of interest insufficiencies for the fiscal year 1987 as may be required by the Government National Mortgage Association, as trustee, on account of outstanding beneficial interests or participations issued pursuant to the Participation Sales Act of 1966 (section 302(c) of the Federal National Mortgage Association Charter Act, as amended (12 U.S.C. 1717(c))) shall be made from the fund established pursuant to title IV of the Housing Act of 1950, as amended (12 U.S.C. 1749-1749c) using loan repayments and other income available during such fiscal year. During the fiscal year 1987 and within the resources and authority available, gross commitments for the principal amount of direct loans shall be \$60,000,000.]

Pursuant to title VII, Part F of the Higher Education Act, as amended ("the Act"), for necessary expenses of the college housing loan program, the Secretary shall make expenditures, contracts, and commitments without regard to fiscal year limitation using loan repayments and other income available to this account: Provided, That notwithstanding section 761(e) of the Act, no new commitments for loans may be made during fiscal year 1988: Provided further, That notwithstanding the limitation in section 783 of the Act, the Secretary may sell, at public or private sale, obligations under Part F of title VII of the Act upon such terms as the Secretary may fix and in such amounts as the Secretary determines to be in the best financial interests of the Government. Any unobligated balances remaining from fixed fees previously paid into this account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating costs of this account.

Whenever the Secretary, pursuant to section 402(c) of the Housing Act of 1950 or section 762(c) of the Act, sells, exchanges, or otherwise transfers on a discounted basis obligations or securities held by the Secretary under title VII, Part F of the Act, the outstanding balance remaining on the notes of the Secretary issued to the Secretary of the Treasury under section 761(d) of the Act shall be reduced by the amount of the discount. For such transactions occurring prior to fiscal year 1988, such reduction is effective on September 30, 1987. For such transactions occurring in fiscal year 1988 or thereafter, such reduction is to be effective on the last day of the fiscal year in which the discounted transaction occurs.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01	57,420	60,000	
Operating expenses:			
01.01	68,796	136,070	69,070
01.02	28,138	28,021	15,714
01.03	464		
01.04	348	296	40
01.05	70		
01.06		3,074	5,972
01.91	97,816	167,461	90,796
10.00	155,236	227,461	90,796
<b>Financing:</b>			
Offsetting collections from:			
11.00	-51,719	-49,324	-23,773
Non-Federal sources:			
14.00	-86,541	-86,300	-48,649
14.00	-67,705	-65,580	-34,691
14.00		-244,938	-591,183
14.00		-334,344	
17.00	-5,530		
21.98	-22,749	-21,045	-18,070
22.98	20,000	-4,698	-446,806
24.98	21,045	18,070	32,570

Redemption of debt:				
31.00	Treasury borrowings	37,962	556,000	593,000
31.00	GNMA participation certificates		4,698	446,806
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-50,729	-553,025	-607,500
72.98	Obligated balance, start of year: Fund balance	87,055	104,788	100,537
74.98	Obligated balance, end of year: Fund balance	-104,788	-100,537	-25,577
78.00	Adjustments in unexpired accounts	-5,530		
90.00	<b>Outlays</b>	-73,992	-548,774	-532,540

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority			
Outlays	-73,992	-548,774	-532,540
Supplemental under existing legislation:			
Budget authority			
Outlays			-6,000
<b>Total:</b>			
Budget authority			
Outlays	-73,992	-548,774	-538,540

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-4250-0-3-502			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	57,420	60,000	
1150	57,420	60,000	
<b>Cumulative balance of direct loans outstanding:</b>			
1210	2,300,427	2,228,766	1,226,303
1231	21,114	64,251	68,960
Repayments:			
1251	-86,541	-420,644	-48,649
1253		-244,938	-591,183
1264	-6,234	-401,132	-333,895
1290	2,228,766	1,226,303	321,536

<sup>1</sup> Adjustments in 1986 represent reconciliations with inventory records (-\$6,234 thousand). Adjustments in 1987 and 1988 represent discounts from face value on loan payments and loans sold to the public.

**Program operations.**—Title VII, Part F of the Higher Education Act of 1965, as amended by the Higher Education Amendments of 1986, authorizes direct loans at 5.5 percent interest to colleges and universities for the construction and renovation of student and faculty housing, undergraduate academic facilities, and other postsecondary educational facilities. Loans made by the Department of Education in 1986 and prior years were authorized under Title IV of the Housing Act of 1950 and were for construction and renovation of housing facilities only. No new loan commitments are proposed for 1987 and beyond.

**Financing.**—Loan capital for this program has been provided primarily through Treasury borrowings and the sale of participation certificates which are backed by pools of existing college housing loans held by the Federal Government.

As of September 30, 1986, \$2,587.4 million was borrowed. Interest, at a rate of 5.5 percent, is payable to Treasury on the total borrowings, less the average un-disbursed cash balance in the fund during the year.

Sales of participation certificates by the Government National Mortgage Association (GNMA) were provided for under the Participation Sales Act of 1966, and were authorized specifically for college housing loans under appropriation acts in 1967 and 1968. The participation

Public enterprise funds—Continued

COLLEGE HOUSING LOANS—Continued

certificates outstanding held by this account total \$451,504 thousand as of September 30, 1986, and will decline to \$446,806 thousand in 1987. All remaining certificates are scheduled to be redeemed in 1988.

Insufficiencies appropriations may be used to finance any deficit resulting from the interest rate payable on participation certificates being higher than the interest rate paid by institutions on pledged loans. The budget authority required for insufficiencies is computed as follows:

PARTICIPATION INSUFFICIENCIES

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Interest accrued on participation certificates .....	28,138	28,021	15,714
Insufficiency .....	28,138	28,021	15,714
Financed by:			
Investment income from participation sales fund, net .....	-51,719	-49,234	-23,773
Amount financed from (-) or repaid to (+) other funds.....	23,581	21,303	8,059
Budget authority required.....			

The estimated net operating income and income adjustments of -\$366.1 million will bring the cumulative deficit to -\$1,056.4 million in 1988.

In 1987, the Secretary will begin sales of loans to the public which will continue in 1988. Available resources (loan repayments, interest revenue, loan sale proceeds, investment income, and other income in excess of operating expenses) will be used to redeem a portion of the agency's debt in outstanding Treasury borrowings, as is being done in 1987 and as was done in 1986. It is anticipated that \$593 million will be repaid to Treasury in 1988; \$616 million is anticipated to be repaid in 1987, while \$38 million was repaid in 1986.

A total of \$86.5 million was collected in principal repayments in 1986.

The budget provides \$40 thousand to fund facilities management and property disposition expenses related to loan collection action in 1988. Expenses associated with auditing, facility inspections, and loan servicing will be paid for with Salaries and expenses account funds. Fees and commissions associated with loan sales will be financed from this account. These costs are estimated at \$3.1 million in 1987 and \$6 million in 1988.

A total of \$4.4 million was collected in 1986 from institutions in default. The status of defaulted loans is shown in the table below:

DEFAULTED LOANS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Outstanding, start of year .....	84,456	84,350	83,968
New defaulted loans .....	6,185	6,004	3,199
Defaulted loans converted to current status .....	-5,791	-5,786	-5,760
Recoveries: Collections .....	-4,400	-4,600	-3,125
Collections applied to delinquent interest .....	3,900	4,000	2,525
Outstanding, end of year .....	84,350	83,968	80,807

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Revenue.....	121,346	114,984	58,550
Adjustment of prior year revenue.....	-1,915		

Expense.....	-99,144	-167,461	-90,796
Net operating income or loss (-) .....	20,287	-52,477	-32,246
Non-operating income or loss (-):			
Adjustment for the write-off for discounted loan sales and prepayments .....		-401,132	-333,895
Net income or loss (-) for the year .....	20,287	-453,609	-366,144

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	109,803	125,833	58,607	4,147
Accounts receivable (net) .....	83,111	104,832	102,157	85,407
Loans receivable (net) .....	2,221,874	2,150,608	1,148,224	243,543
Real property and equipment (net) .....	797	5,436	5,436	5,436
Other investment (net) .....		695	695	695
Total assets .....	2,415,585	2,387,404	1,315,119	339,228
<b>Liabilities:</b>				
Selected liabilities: Accounts payable including funded accrued liabilities..	27,997	32,042	34,000	17,250
Debt issued under borrowing authority:				
Borrowing from Treasury.....	2,625,325	2,587,363	1,971,363	1,378,363
Other securities issued .....	451,504	451,504	446,806	
Principal repayments on loans pledged to FAFT and FALT .....	-451,504	-451,504	-446,806	
Total liabilities .....	2,653,322	2,619,405	2,005,363	1,395,613
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	22,748	21,045	18,070	32,570
Undisbursed loan obligations .....	142,169	172,945	108,694	39,734
Undelivered orders .....		4,634		
Invested capital.....	-402,654	-430,625	-817,008	-1,128,689
Total Government equity .....	-237,737	-232,001	-690,244	-1,056,385
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance .....		298,091	283,540	278,906
Transactions: Adjustment of prior year balances .....		5,449	-4,634	
Capital transferred to other accounts.....		-20,000		
Closing balance .....		283,540	278,906	278,906
Retained income or deficit:				
Opening balance .....		-535,828	-515,541	-969,150
Transactions: Net operating income or loss.....		10,287	-453,609	-366,141
Closing balance .....		-515,541	-969,150	-1,335,291
Total Government equity .....		-232,001	-690,244	-1,056,385

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-4250-0-3-502			
25.0 Other services .....	882	3,370	6,012
33.0 Investments and loans.....	57,420	60,000	
43.0 Interest and dividends.....	96,934	164,091	84,784
99.9 Total obligations.....	155,236	227,461	90,796

OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Federal Funds

General and special funds:

[EDUCATIONAL] EDUCATION RESEARCH AND STATISTICS

For necessary expenses to carry out sections 405 and 406 of the General Education Provisions Act, as amended, [\$63,578,000: Provid-

ed, That \$4,000,000 of the sums appropriated shall be used for carrying out a rural education program by the nine regional laboratories ] \$70,231,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 91-1100-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	57,514	63,578	70,231
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-115		
40.00 Budget authority (appropriation) .....	57,399	63,578	70,231
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	57,399	63,578	70,231
72.40 Obligated balance, start of year .....	41,189	73,317	34,770
74.40 Obligated balance, end of year .....	-73,317	-34,770	-34,535
77.00 Adjustments in expired accounts .....	43,712	-6,040	
90.00 Outlays .....	68,983	96,085	70,466

Note.—The end of year obligated balances include \$1,601 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$690 thousand; 1984, \$512 thousand; 1985, \$243 thousand; 1986, \$156 thousand.

This account funds activities authorized under sections 405 and 406 of the General Education Provisions Act. The budget includes the following amounts for these activities:

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
(a) Center for Education Statistics .....	12,304	14,135	21,586
(b) Office of Research .....	20,519	20,144	21,526
(c) Programs for Improvement of Practice .....	18,097	22,057	19,587
(d) Information Services .....	6,479	7,242	7,532
Total .....	57,399	63,578	70,231

Research, statistics, dissemination, and improvement activities aid students, teachers, administrators, and decisionmakers at all levels of education, as well as parents and other members of the public.

**Center for Education Statistics.**—Statistics are collected on educational institutions and on individuals to monitor trends in education. A coordinated program of statistical services is supported which provides assistance to States in developing comparable data bases and analyses of the implications of data. The National Assessment of Educational Progress surveys young Americans to provide reliable information about the nation's attainment in certain important skill areas.

**Office of Research.**—Research centers focus on topics of national concern in education. Additional individual projects and field-initiated research complement this work.

**Programs for Improvement of Practice.**—Regional laboratories determine and help meet the educational research and development needs in specified geographic regions. Study groups and national leadership conferences are also supported.

**Information Services.**—The Educational Resources Information Center system makes the education literature accessible through computerized abstracts and indexes. Dissemination activities provide timely information to the public and educational practitioners.

**Object Classification (in thousands of dollars)**

Identification code 91-1100-0-1-503	1986 actual	1987 est.	1988 est.
25.0 Other services .....	42,300	46,760	51,653
41.0 Grants, subsidies, and contributions .....	15,214	16,818	18,578
99.9 Total obligations .....	57,514	63,578	70,231

**[LIBRARIES] \***

\*See Part II for additional information.

[For carrying out, to the extent not otherwise provided, titles I, II, III, IV, and VI of the Library Services and Construction Act (20 U.S.C., ch. 16), and title II, part B except section 224, and part C of the Higher Education Act, notwithstanding the provisions of section 221, \$132,500,000: *Provided*, That \$22,500,000 of the sums appropriated shall be used to carry out the provisions of title II of the Library Services and Construction Act and shall remain available until expended.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 91-0104-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Public library services .....	71,774	80,000	
00.02 Public library construction .....	17,514	35,960	
00.03 Interlibrary cooperation .....	17,226	18,000	
00.04 Library literacy programs .....	4,785	5,000	
00.05 Training and demonstrations .....	957	1,000	
00.06 Research libraries .....	5,742	6,000	
10.00 Total obligations .....	117,998	145,960	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-9,459	-13,479	
24.40 Unobligated balance available, end of year .....	13,479		
25.00 Unobligated balance lapsing .....		19	
40.00 Budget authority (appropriation) .....	122,017	132,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	117,998	145,960	
72.40 Obligated balance, start of year .....	164,651	279,761	151,982
74.40 Obligated balance, end of year .....	-279,761	-151,982	-50,271
77.00 Adjustments in expired accounts .....	93,518	-73,494	
90.00 Outlays .....	96,406	200,245	101,711

NOTES

The end of year obligated balances include \$491 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$45 thousand; 1984, \$201 thousand; 1985, \$1 thousand; 1986, \$244 thousand.

The unobligated balances lapsing in 1987 reflect 1986 appropriations that became unavailable for obligation upon the effective dates of the Compact of Free Association for the Federated States of Micronesia and the Marshall Islands.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	122,017	132,500	
Outlays .....	96,406	200,245	101,711
Rescission proposal:			
Budget authority .....		-34,500	
Outlays .....		-3,960	-20,850
Total:			
Budget authority .....	122,017	98,000	
Outlays .....	96,406	196,285	80,861

Federal funds for public library systems, library programs at institutions of higher education, and major research libraries have been provided through project grants and grants to States.

General and special funds—Continued

LIBRARIES—Continued

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
91-0104-0-1-503			
25.0 Other services .....	345	333	
41.0 Grants, subsidies, and contributions .....	117,653	145,627	
99.9 Total obligations .....	117,998	145,960	

DEPARTMENTAL MANAGEMENT

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, **[\$234,692,000: Provided, That \$500,000 shall be available for carrying out the National Summit Conference on Education Act of 1984.] \$316,000,000: Provided, That not less than \$18,621,000 shall be available for expenses at the Office for the Inspector General: Provided further, That no funds appropriated under this heading shall be used for purposes of carrying out sections 483(e), 491, 1341, and 1361 of the Higher Education Act.**

OFFICE FOR CIVIL RIGHTS

**[For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, \$43,000,000.]**

OFFICE OF THE INSPECTOR GENERAL

**[For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, \$16,378,000.]**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Postsecondary education .....	71,795	77,184	92,350
00.02 Other education programs .....	55,076	65,442	64,437
00.03 Civil rights .....	41,759	43,000	42,975
00.04 Inspector General .....	14,654	16,378	18,621
00.05 Executive direction .....	89,308	92,066	97,617
00.91 Total direct program .....	272,592	294,070	316,000
01.01 Reimbursable program .....	25,805	24,034	17,214
10.00 Total obligations .....	298,397	318,104	333,214
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-25,665	-23,941	-17,214
14.00 Non-Federal sources .....	-140	-93	
21.40 Unobligated balance available, start of year .....	-29	-4	
24.40 Unobligated balance available, end of year .....	4		
25.00 Unobligated balance lapsing .....	945	4	
40.00 Budget authority .....	273,512	294,070	316,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	272,592	294,070	316,000
72.40 Obligated balance, start of year .....	81,725	91,177	85,010
74.40 Obligated balance, end of year .....	-91,177	-85,010	-88,750
77.00 Adjustments in expired accounts .....	75	-2,339	
90.00 Outlays .....	263,216	297,898	312,260
<b>Distribution of budget authority by account:</b>			
Salaries and expenses .....	216,154	234,692	316,000
Office for civil rights .....	42,704	43,000	

Office of the Inspector General .....	14,654	16,378	
<b>Distribution of outlays by account:</b>			
Salaries and expenses .....	209,053	237,804	312,260
Office for civil rights .....	39,851	44,566	
Office of the Inspector General .....	14,312	15,528	

NOTES

The activities financed in 1986 and 1987 under Department of Education, Departmental Management, Salaries and expenses, Department of Education, Departmental Management, Office for Civil Rights, and Department of Education, Departmental Management, Office of the Inspector General are presented in these schedules and are proposed to be financed in this account in 1988. Budget authority and outlays are distributed by account above.

The end of year obligated balances include \$20,328 thousand contingently obligated under court order. These obligations were made as follows: 1983, \$9,504 thousand; 1984, \$6,095 thousand; 1985, \$2,875 thousand; 1986, \$1,854 thousand. In 1983, these obligations were distributed by account as follows: Departmental Management, Salaries and expenses, \$7,924 thousand; Departmental Management, Office for Civil Rights, \$1,468 thousand; Departmental Management, Office of the Inspector General, \$112 thousand. In 1984, these obligations were distributed by account as follows: Departmental Management, Salaries and expenses, \$3,331 thousand; Departmental Management, Office for Civil Rights, \$2,694 thousand; Departmental Management, Office of the Inspector General, \$70 thousand. In 1985, those obligations were distributed by account as follows: Departmental Management, Salaries and expenses, \$380 thousand; Departmental Management, Office for Civil Rights, \$2,448 thousand; Departmental Management, Office of the Inspector General, \$47 thousand. In 1986, these obligations were distributed by account as follows: Departmental Management, Salaries and expenses, \$230 thousand; Departmental Management, Office for Civil Rights, \$1,569 thousand; Departmental Management, Office of the Inspector General, \$55 thousand.

Includes \$6,800 thousand for computer costs previously financed from Department of Education, Office of Postsecondary Education:

Guaranteed student loans .....	1986 actual	1987 estimate
	\$6,362	\$6,800

The request reflects savings due to management initiatives resulting from the implementation of the President's management reform initiatives.

**Postsecondary education.**—The postsecondary education activity includes direct costs of administering student aid and other higher education programs.

**Other education programs.**—This activity includes direct costs of administering elementary and secondary education, bilingual education, vocational and adult education, handicapped education, and rehabilitation services programs. This activity also supports educational research and improvement activities.

**Civil rights.**—The Office for Civil Rights carries out enforcement programs under title VI of the Civil Rights Act of 1964 (racial and ethnic discrimination), title IX of the Education Amendments of 1972 (sex discrimination), section 504 of the Rehabilitation Act of 1973 (discrimination against the handicapped), and the Age Discrimination Act of 1975.

**Inspector General.**—The Inspector General is responsible for the quality, coverage, and coordination of audit, investigation, and security functions relating to Federal education activities. The Inspector General has the authority to inquire into all activities of the Department including those performed under Federal education contracts, grants, or other agreements.

**Executive direction.**—This activity provides centralized support and administrative services and overall policy development and strategic planning for the Department. Included in these centralized activities are space and mail management, telecommunications, grants and contractual services, financial management and accounting, ADP services, personnel management, budget formulation and execution, program and management evaluation, legal services, congressional and public relations, and intergovernmental affairs.

**Reimbursable program.**—Beginning in 1986, reimbursements to this account include the costs of collecting defaulted student loans, primarily guaranteed student loans. The collections are made under contract with private agencies and the costs are financed from collections.

Object Classification (in thousands of dollars)

Identification code 91-0800-0-1-999	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	151,116	156,999	158,973
11.3 Other than full-time permanent .....	7,873	4,021	4,046
11.5 Other personnel compensation .....	2,016	2,236	2,291
11.8 Special personal services payments .....	82	101	.....
11.9 Total personnel compensation .....	161,087	163,357	165,310
12.1 Personnel benefits: Civilian .....	18,337	21,864	30,719
13.0 Benefits for former personnel .....	617	50	.....
21.0 Travel and transportation of persons .....	3,480	5,014	5,280
22.0 Transportation of things .....	107	107	112
23.1 Rental payments to GSA .....	17,744	20,504	22,667
23.3 Communications, utilities, and miscellaneous charges .....	12,810	15,235	14,730
24.0 Printing and reproduction .....	3,764	5,593	5,775
25.0 Other services .....	52,705	60,391	67,422
26.0 Supplies and materials .....	1,438	1,280	3,465
31.0 Equipment .....	503	675	520
99.0 Subtotal, direct obligations .....	272,592	294,070	316,000
99.0 Reimbursable obligations .....	25,805	24,034	17,214
99.9 Total obligations .....	298,397	318,104	333,214

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	4,080	4,337	4,337
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	4,478	4,450	4,450
Full-time equivalent of overtime and holiday hours .....	16	16	16
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	6	7	.....
Total compensable workyears: Full-time equivalent employment .....	18	4	.....

EDUCATION AND RESEARCH OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code 91-0802-0-1-500	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	.....	.....	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-951	-2,500	.....
21.40 Unobligated balance available, start of year .....	-3,178	.....	.....
25.00 Unobligated balance lapsing .....	4,130	2,500	.....
40.00 Budget authority (appropriation) .....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	.....	.....	.....
72.40 Obligated balance, start of year .....	2,954	3,416	37
74.40 Obligated balance, end of year .....	-3,416	-37	.....
78.00 Adjustments in unexpired accounts .....	-951	-2,500	.....
90.00 Outlays .....	-1,413	879	37

This account has supported rehabilitation research and education activities overseas in several foreign countries for which the United States holds excess currency. All remaining unobligated funds at the end of 1986 were returned to the Treasury.

Trust Funds

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code 91-8258-0-7-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	12	.....	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	.....	.....	.....
21.40 Unobligated balance available, start of year .....	-12	.....	.....
24.40 Unobligated balance available, end of year .....	.....	.....	.....
39.00 Budget authority .....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	12	.....	.....
72.40 Obligated balance, start of year .....	26	1	.....
74.40 Obligated balance, end of year .....	-1	.....	.....
78.00 Adjustments in unexpired accounts .....	.....	.....	.....
90.00 Outlays .....	37	1	.....

Spending in 1986 and 1987 derives from contributions from the public for the Mina Shaughnessy Scholars Program of the Fund for the Improvement of Postsecondary Education and for the National Advisory Council on Continuing Education Conference on adults in higher education.

No new contributions from any source are currently anticipated for 1987 or 1988.

GENERAL PROVISIONS

SEC. 301. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officer or employees.

SEC. 302. Funds appropriated in this Act to the American Printing House for the Blind, Howard University, the National Technical Institute for the Deaf, and Gallaudet College shall be subject to audit by the Secretary of Education.

SEC. 303. No part of the funds contained in this title may be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to force on account of race, creed or color the abolishment of any school so desegregated; or to force the transfer or assignment of any student attending any elementary or secondary school so desegregated to or from a particular school over the protest of his or her parents or parent.

SEC. 304. (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88-352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

(b) No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in

order to carry out a plan of racial desegregation of any school or school system.

SEC. 305. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or cluster-

ing. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 306. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

【SEC. 307. Section 402(c) of the Housing Act of 1950 is amended by striking out in clause (9) "October 1, 1986" and inserting in its place "October 1, 1987".】

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

## DEPARTMENT OF ENERGY

### ATOMIC ENERGY DEFENSE ACTIVITIES

#### *Federal Funds*

**General and special funds:**

#### ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities, \$8,050,000,000, to remain available until expended, including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles [(not to exceed 344 of which 320 are for replacement only) including 36 police-type vehicles; and purchase of five aircraft, three of which are for replacement only, \$7,477,750,000, to remain available until expended: *Provided*, That the Department is directed to provide the Committees on Appropriations within 120 days of enactment of this Act with a plan and schedule to discontinue disposal of contaminated liquids into the soil at the Hanford Reservation: *Provided further*, That (a) To provide for a security buffer zone for the United States Department of Energy's Savannah River Plant near Aiken, South Carolina, title, control, and custody to six thousand twenty-one acres, more or less, of United States Department of Agriculture, Forest Service, lands shown on a map entitled "Forest Service Property Transfer, Savannah River Plant, Aiken, South Carolina", dated June 1984, are transferred without cost or reimbursement to the United States Department of Energy. The map and legal description of the boundaries of these lands shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Department of Agriculture, the Director of Real Property and Facilities Management, United States Department of Energy, and appropriate field offices of those agencies. (b) This joint resolution does not affect valid existing rights, or interests in existing land use authorizations, except that any right or authorization shall be administered by the Department of Energy after the enactment of this joint resolution. Reissuance of any authorization shall be in accordance with applicable law and the regulations of the Department of Energy, except that the change of administrative jurisdiction shall not in itself constitute a ground to deny the renewal or reissuance of any authorization: *Provided further*, That if the Department of Defense Authorization Act, 1987, is enacted into law by December 31, 1986, the funds provided in this paragraph for the Strategic Defense Initiative shall be limited to the amount and in the manner provided for in that legislation] (not to exceed 292 for replacement only) including 43 police-type vehicles; and purchase of two aircraft, one of which is for replacement only.

For the foregoing purposes in fiscal year 1989, \$8,500,000,000, to remain available until expended, including purchase of motor vehicles (not to exceed 321, of which 311 are for replacement only) including 24 police-type vehicles; and purchase of three aircraft, two of which are for replacement only. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

#### Program and Financing (in thousands of dollars)

Identification code 89-0220-0-1-053	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Naval reactors development....	535,833	575,380	612,000	647,600
00.02 Weapons activities.....	4,118,791	4,178,228	4,534,731	4,606,200
00.03 Verification and control technology.....	92,024	93,698	100,600	131,600
00.04 Materials production.....	1,896,917	1,862,382	1,881,620	2,220,000
00.05 Defense waste and transportation management.....	684,325	672,887	811,249	771,000
00.06 Nuclear safeguards and security.....	57,371	62,400	77,800	83,400

00.07 Security investigations.....	30,500	32,775	32,000	40,200
00.91 Total direct program.....	7,415,761	7,477,750	8,050,000	8,500,000
01.01 Reimbursable program.....	1,651,332	3,000,000	3,000,000	3,000,000
10.00 Total obligations.....	9,067,093	10,477,750	11,050,000	11,500,000
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds.....	-1,648,468	-2,556,793	-3,000,000	-3,000,000
17.00 Recovery of prior year obligations.....	-5,019			
21.40 Unobligated balance available, start of year.....	-575,699	-443,207		
22.40 Unobligated balance transferred, net.....	5,718			
24.40 Unobligated balance available, end of year.....	443,207			
40.00 Budget authority (appropriation).....	7,286,832	7,477,750	8,050,000	8,500,000
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	7,418,625	7,920,957	8,050,000	8,500,000
72.40 Obligated balance, start of year..	3,312,383	3,280,732	3,761,689	3,994,689
74.40 Obligated balance, end of year....	-3,280,732	-3,761,689	-3,994,689	-4,204,689
78.00 Adjustments in unexpired accounts.....	-5,019			
90.00 Outlays.....	7,445,257	7,440,000	7,817,000	8,290,000

**Naval reactors development.**—This program provides for the design, development, and testing of improved naval nuclear propulsion plants and reactor cores having longer core life, increased reliability, improved performance, and simplified operating and maintenance requirements. These reactors are necessary to meet a variety of military requirements. During 1988 and 1989 work will continue to improve existing submarine and surface ship reactors and plant components and to develop advanced reactor concepts and propulsion plants. This program also continues test facility upgrading and provides equipment to support ongoing reactor design research and testing activities.

**Weapons activities.**—This program provides for the research, development, engineering, testing, and production of all U.S. nuclear weapons; maintenance of these weapons for their stockpile life, and retirement and disposal of nuclear weapons from the stockpile. In 1988 and 1989, the weapons program will continue to provide new technology to maintain a modern nuclear force, along with the design and development of new weapon systems in response to defense requirements. This program also provides for the certification of safety, reliability, and performance of new weapon systems and surveillance of the existing stockpile. Increases are provided for continued production of weapon systems and for stockpile improvements consistent with the Presidential Nuclear Weapons Stockpile Memorandum. In addition, this program provides for facility construction, maintenance, and restoration for the weapons research and development, testing, and production activities.

**Verification and control technology.**—This program provides for research activities directed toward the advancement of verification technology related to nuclear

## General and special funds—Continued

## ATOMIC ENERGY DEFENSE ACTIVITIES—Continued

treaties and arms control measures. In 1988 and 1989, the program provides for continued technical and scientific efforts to support nuclear test limitation treaties and nuclear arms reduction negotiations. Other activities provide analytical support to export control requirements, nonproliferation policy, and weapon analysis issues. This program also provides capital equipment for nuclear detection technology efforts and analytical support activities.

**Materials production.**—This program provides nuclear materials to meet near-term national defense and nondefense requirements and sustain a base production program capable of meeting long-term nuclear materials production requirements consistent with the annual Presidential Nuclear Weapons Stockpile Memorandum and the annual Materials Management Plan. In 1988 and 1989, this program will operate a reactor feed material production complex, four production reactors, chemical processing plants at three major sites, and support facilities integral to the operation of these facilities. The program will also conduct R&D efforts on long-range alternatives for production of nuclear materials. A program to maintain existing production capabilities at Savannah River, Richland, and Oak Ridge will be continued.

**Defense waste and transportation management.**—This program provides for safe interim storage, transportation, disposal, and/or utilization of radioactive and hazardous wastes generated primarily from nuclear materials production and naval propulsion. The 1988 and 1989 program provides funds for continuation of the waste operations program including preoperational activities for the vitrification plant, and operation of the saltstone plant of the Defense Waste Processing Facility at Savannah River, SC, and design of the Hanford Waste Vitrification Plant at Richland, WA. The Waste Isolation Pilot Plant near Carlsbad, NM, will complete the transition from a construction project to an operating facility. The hazardous waste and remedial actions program includes meeting RCRA and CERCLA requirements, and terms of compliance agreements and consent orders. This program is also responsible for the planning, design, development, and testing of integrated transport systems which meet Department-wide nuclear material transportation requirements.

**Nuclear safeguards and security.**—This program provides for the development of measures for the protection of nuclear weapons in the agency's custody, special nuclear materials, classified materials and information, and agency property. In 1988 and 1989 this program will continue development of procedures that preclude the unauthorized disclosure, theft, or loss of classified material; management of a research and development program to safeguard nuclear weapons and nuclear materials and protect agency facilities against sabotage; providing for assistance to site managers in designing effective safeguards systems; and support of international safeguards technology.

**Security investigations.**—This activity covers the costs of security investigations for personnel who, in performance of their official duties, must have access to re-

stricted data, national security information or special nuclear material, or who occupy a designated critical sensitive position.

Object Classification (in thousands of dollars)				
Identification code 89-0220-0-1-053	1986 actual	1987 est.	1988 est.	1989 est.
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent.....	89,984	102,115	108,527	111,783
11.3 Other than full-time permanent.....	941	1,042	1,248	1,285
11.5 Other personnel compensation.....	7,140	8,145	9,072	9,344
11.9 Total personnel compensation.....	98,065	111,302	118,847	122,412
12.1 Personnel benefits: Civilian.....	12,471	14,339	15,501	15,966
21.0 Travel and transportation of persons.....	9,963	11,919	13,002	13,392
22.0 Transportation of things.....	186	311	345	355
23.2 Rental payments to others.....	3,028	3,007	4,282	4,410
24.0 Printing and reproduction.....	36	96	98	100
25.0 Other services.....	5,801,647	5,866,751	6,244,352	6,726,807
26.0 Supplies and materials.....	182	700	735	758
31.0 Equipment.....	391,363	494,176	527,305	564,356
32.0 Land and structures.....	1,098,820	975,149	1,125,533	1,051,444
99.0 Subtotal, direct obligations.....	7,415,761	7,477,750	8,050,000	8,500,000
99.0 Reimbursable obligations.....	1,651,332	3,000,000	3,000,000	3,000,000
99.9 Total obligations.....	9,067,093	10,477,750	11,050,000	11,500,000

Personnel Summary				
Total number of full-time permanent positions.....	2,721	2,853	2,875	2,875
Total compensable workyears:				
Full-time equivalent employment.....	2,722	2,860	2,890	2,890
Full-time equivalent of overtime and holiday hours.....	147	140	140	140

## ENERGY PROGRAMS

## Federal Funds

## General and special funds:

## GENERAL SCIENCE AND RESEARCH ACTIVITIES

## (INCLUDING TRANSFER OF FUNDS)

For expenses of the Department of Energy, activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed [12] %, of which 18 are for replacement only); [\$708,400,000] \$814,498,000 to remain available until expended. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)				
Identification code 89-0222-0-1-251	1986 actual	1987 est.	1988 est.	
Program by activities:				
00.01 High energy physics.....	490,544	500,051	566,598	
00.02 Nuclear physics.....	162,781	206,120	245,100	
00.03 General science program direction.....	2,129	2,907	2,800	
10.00 Total obligations.....	655,454	709,078	814,498	
Financing:				
17.00 Recovery of prior year obligations.....	—276			
21.40 Unobligated balance available, start of year.....	—656	—678		
22.40 Unobligated balance transferred, net.....	—5,685			
24.40 Unobligated balance available, end of year.....	678			
40.00 Budget authority (appropriation).....	649,515	708,400	814,498	
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	655,454	709,078	814,498	
72.40 Obligated balance, start of year.....	219,811	204,033	216,211	
74.40 Obligated balance, end of year.....	—204,033	—216,211	—249,209	

78.00	Adjustments in unexpired accounts .....	-276		
90.00	Outlays .....	670,956	696,900	781,500

**High energy physics.**—Research in this program focuses on the fundamental constituents of matter, the fundamental forces in nature and the transformations between matter and energy at the most elemental level. The program includes experimental and theoretical particle physics research and related advanced accelerator and detector technology R&D. The primary mode of experimental research involves the study of collisions of energetic particles using large particle accelerators or colliding beam facilities by means of advanced multi-particle detector systems and associated electronics. Research in 1988 will continue studies of known fundamental constituents of particles, initiate searches for new particle constituents, and continue to pursue a unified description of the four fundamental forces in nature.

The 1988 high energy physics budget request provides funding for a full year of operation of the Tevatron I and Stanford Linear Collider (SLC); continuation of the Central Computing Facility project at Fermilab and the Alternating Gradient Synchrotron (AGS) Accumulator/Booster Ring at Brookhaven National Laboratory; and further advanced accelerator and detector R&D related to the next generation high energy particle accelerator. The operation of the Tevatron I will provide the capability for utilizing Fermilab's superconducting synchrotron as a 900 GeV on 900 GeV proton anti-proton collider, while Stanford Linear Accelerator Center's SLC will produce 50 GeV on 50 GeV electron-positron collisions. Both facilities will allow access into previously unexplored areas of high energy physics. The request also provides continuing support for effective participation by university based groups in experimental research including accelerator user group efforts and non-accelerator experiments, and for theoretical research efforts. The 1988 high energy physics capital equipment request provides for meeting the highest priority needs associated with the detectors required to implement the research programs using the new capabilities being provided by the Tevatron I proton anti-proton collider at Fermilab and by the SLC electron-positron collider at SLAC.

**Nuclear physics.**—Research in this program strives to attain a deeper understanding of the interactions, properties, and structures of atomic nuclei and nuclear matter at a fundamental level through interdependent accelerator experiments and theoretical investigations of atomic nuclei. The program supports the operation of seven national accelerator facilities whose beams are available to all qualified scientists, and four dedicated university accelerator facilities.

The 1988 nuclear physics budget request provides for a heavy ion nuclear research and accelerator program at the Alternating Gradient Synchrotron at Brookhaven and for continued construction of the Continuous Electron Beam Accelerator Facility at Newport News, VA. Program emphasis in 1988 centers on the role that quarks play in the makeup and interactions of nuclei, nuclei as proving grounds for understanding the basic strong and electroweak forces of nature, possible exist-

ence of new forms of nuclear matter, and, the mechanisms by which colliding nuclei exchange mass, energy, and angular momentum.

**General science program direction.**—Provides direction, management, and administrative support to all programs within general science.

Object Classification (in thousands of dollars)

Identification code 89-0222-0-1-251	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent positions .....	1,553	2,237	1,975
11.3 Positions other than full-time permanent .....	56	26	30
11.5 Other personnel compensation .....	29	67	75
11.9 Total personnel compensation .....	1,638	2,330	2,080
12.1 Personnel benefits: Civilian .....	175	276	395
21.0 Travel and transportation of persons .....	256	244	275
23.2 Rental payments to others .....	100	20	20
24.0 Printing and reproduction .....	20	10	10
25.0 Other services .....	503,199	557,559	633,663
26.0 Supplies and materials .....		5	5
31.0 Equipment .....	83,456	85,272	93,500
32.0 Lands and structures .....	61,796	55,562	76,600
41.0 Grants, subsidies, and contributions .....	4,814	7,800	7,950
99.9 Total obligations .....	655,454	709,078	814,498

Personnel Summary

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions .....	37	38	38
Total compensable workyears: Full-time equivalent employment .....	38	39	39

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES\*  
(INCLUDING TRANSFER OF FUNDS)

\*See Part II for additional information.

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities, and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed [18] 21 for replacement only), [\$1,347,048,000] \$1,909,710,000, to remain available until expended; [in addition \$684,158,000 shall be derived by transfer from Uranium Supply and Enrichment Activities provided in prior years and shall be available until expended; and of which \$84,100,000 which shall be available only for the Center for New Industrial Materials; the Center for Nuclear Imaging Research; the Energy Research Complex; Saint Christopher's Hospital for Children—Energy Demonstration Project; Center for Excellence in Education—Energy Utilization Performance Project; the Institute of Nuclear Medicine; the Advanced Science Center; the Center for Science and Engineering; and funds provided for byproducts utilization activities shall be available only for the following regional projects: Florida Department of Agriculture and Consumer Services; Hawaii Department of Planning and Economic Development; Iowa State University; Oklahoma, Red-Ark Development Authority; Washington, Port of Pasco; State of Alaska] and in addition, as authorized by section 201 of Public Law 95-238, and notwithstanding 31 U.S.C. 3302, revenues received as user fees for use of the Liquefied Gaseous Fuels Spill Test Facility in fiscal year 1988 shall be retained and used to provide toxic and flammable spill test facilities and activities. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 89-0224-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Solar and renewable energy tech base .....	201,547	185,868	101,110
00.02 Nuclear fission .....	616,843	631,058	590,670

**General and special funds—Continued**  
**ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES—**  
**Continued**  
 (INCLUDING TRANSFER OF FUNDS)—Continued  
**Program and Financing (in thousands of dollars)—Continued**

Identification code 89-0224-0-1-271	1986 actual	1987 est.	1988 est.
00.03 Environmental safety and health .....	43,481	62,014	70,000
00.04 Biological and environmental research .....	175,003	195,504	217,500
00.05 Spill test facility .....	1,732	2,000	500
00.06 Magnetic fusion .....	361,547	345,591	345,600
00.07 Supporting research and technical analysis .....	451,123	563,173	504,375
00.08 Multiprogram facilities .....	38,656	57,978	56,600
00.09 Small business initiative research program .....	28,589		
00.10 In-house energy management .....	13,328	16,500	18,880
00.11 Technical information services .....	13,724	13,698	14,000
00.12 Strategic facilities utilization program .....			2,175
00.13 Policy and management .....	4,039	3,964	4,300
00.91 Total direct obligations .....	1,949,612	2,077,448	1,925,710
01.01 Reimbursable program .....	239,246	320,000	320,000
10.00 Total obligations .....	2,188,858	2,397,448	2,245,710
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-258,316	-263,971	-318,000
14.00 Non-Federal sources .....	-300	-300	-18,000
17.00 Recovery of prior year obligations .....	-6,342		
21.40 Unobligated balance available, start of year .....	-93,940	-90,808	
22.40 Unobligated balance transferred, net .....	-213,031	-695,321	
24.40 Unobligated balance available, end of year .....	90,808		
40.00 Budget authority (appropriation) .....	1,707,737	1,347,048	1,909,710
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,930,242	2,133,177	1,909,710
72.40 Obligated balance, start of year .....	1,219,379	1,128,003	1,258,307
74.40 Obligated balance, end of year .....	-1,128,003	-1,258,307	-1,202,052
78.00 Adjustments in unexpired accounts .....	-6,342		
90.00 Outlays .....	2,015,276	2,002,873	1,965,965

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	1,707,737	1,347,048	1,909,710
Outlays .....	2,015,276	2,002,873	1,965,965
Proposed for later transmittal under existing legislation:			
Budget authority .....			5,000
Outlays .....			2,000
Rescission proposal:			
Budget authority .....		-81,800	
Outlays .....		-27,860	-53,940
Total:			
Budget authority .....	1,707,737	1,265,248	1,914,710
Outlays .....	2,015,276	1,975,013	1,914,025

**Status of Direct Loans (in thousands of dollars)**

Identification code 89-0224-0-1-271	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	3,000	2,700	2,200
1251 Repayments: Repayments and prepayments .....	-300	-300	-300
1262 Adjustments: Write-offs for default .....		-200	-200
1290 Outstanding, end of year .....	2,700	2,200	1,700

The purpose of energy supply, research and development is to develop new energy technologies and improve existing energy technologies. Included in this mission are basic and applied research, with selected technology development.

This account provides funds for operating expenses, capital equipment and construction projects for the research and technological development of the various

energy technologies under examination in the energy supply, research and development mission.

**Solar and renewable energy tech base.**—The solar and renewable programs support research and development that will strengthen the technology base on which industry can draw in developing future new products and processes for the commercial market. The programs support activities ranging from basic research in universities and national laboratories to applied R&D and proof-of-concept projects in industrial firms.

Reductions in the renewable energy R&D programs are proposed in the 1988 budget consistent with budgetary constraints. In addition, a budget amendment is anticipated for transmittal at a later date, to support DOE participation in renewable energy industry cooperative R&D ventures.

The 1988 solar energy program will support generic and long-range research in a wide variety of alternative energy technologies, structured to provide a sound base from which industry can draw particular applications. The major areas being investigated, as in past years, are moderate and high-temperature solar heat, photovoltaics, biofuels, wind, and solar building technologies. The main research topics being pursued at universities and national laboratories within these application areas are materials sciences, aerodynamic/fluid-dynamic modeling, and thermodynamic cycles. Industry will be involved in applied research in these areas. In addition, funds are provided for technology transfer and international cooperative activities, generic resource assessments, and capital improvements at the Solar Energy Research Institute.

The 1988 geothermal program will support basic engineering research in hydrothermal and magma energy extraction technologies for geothermal energy and technical information and technology transfer. The program effort will also include research on geothermal resources such as engineering development in geopressed and hot dry rock resources.

The 1988 electric energy systems program will support research in EMP effects and new materials for efficient electrical power transmission, biomedical research on the effects of electric fields, and future electric system reliability and control concepts. The 1988 energy storage program will continue its generic research into electrochemistry for a variety of battery types, and in thermal and hydrogen chemical energy storage. The research includes electrochemical materials, sodium/sulphur and zinc bromine battery development and metal-air cells, and solid polymer fuel cells.

**Nuclear fission.**—In 1988 the Civilian Reactor Development program continues on two parallel and complementary paths to ensure that nuclear energy continues to make a vital contribution to national energy security. The Light Water Reactor (LWR) program will focus on institutional and regulatory reform through supporting technology efforts and legislative initiatives. Cooperative programs with industry have the objective of providing certified advanced LWR designs by 1990 that could be ordered by utilities. The Advanced Reactor R&D program will focus on selecting a single concept for enhanced development and detailed design. The space and defense advanced nuclear power systems pro-

gram will continue development work on space power system for use in U.S. space missions and in support of the Strategic Defense Initiatives Office and other military applications.

The remedial actions program includes efforts to treat or stabilize radioactive wastes and perform required decontamination and decommissioning at contaminated DOE and legislatively dictated non-government facilities and sites. The major program areas are the Formerly Utilized Sites Remedial Action program, the Grand Junction Remedial Action program, the Uranium Mill Tailings Remedial Action program for inactive uranium mill tailings sites, the Surplus Facilities program for DOE contaminated facilities declared surplus and resulting principally from civilian nuclear energy programs, such as decommissioning the Shippingport reactor, and the West Valley Demonstration project; which will demonstrate the solidification of high-level radioactive waste.

*Environment, safety and health.*—1988 will be the first full year of consolidation of oversight responsibilities for environment, safety, and health functions under the Assistant Secretary for Environment, Safety and Health. These functions constitute independent assurance of environmental protection, safety and health protection throughout the Department. In 1988 an environmental survey of DOE facilities will be conducted to identify existing areas of environmental risk and prioritize and plan corrective actions. Technical safety appraisals of DOE's high- and moderate-hazard nuclear facilities will determine compliance with safety requirements, industry lessons learned, and licensed facility requirements, as appropriate. In addition to these primary activities, this program will perform departmental coordination on environmental compliance issues; analyze environmental policy issues; maintain radiological emergency response resources; perform quality assurance activities; continue operational safety and health protection functions; and conduct National Environmental Policy Act (NEPA) assurance functions.

*Biological and environmental research.*—This program develops the knowledge base necessary to identify, understand and anticipate the long-term health and environmental consequences of energy use and development and utilizes the Department's unique scientific and technological capabilities to solve major scientific problems in medicine and biology. Planned 1988 activities include programs in atmospheric processes as they relate to acid rain and carbon dioxide climatic effects; terrestrial and oceanographic processes; molecular, cellular and systemic studies on the biological effects of radiation, including radon emissions; nuclear medicine, structural biology, molecular epidemiology, and long-term biotechnology related projects.

*Spill test facility.*—The overall goal is to conduct user-sponsored spill tests in support of safety research associated with the handling, shipping and storage of liquefied gaseous fuels and other hazardous fluids. The 1988 efforts will be directed to assuring program continuity and facility responsiveness to user sponsored testing activities.

*Magnetic fusion.*—The goal of this program is to establish the scientific and technological base required for fusion energy. The 1988 budget request has been devel-

oped to take advantage of the technical position that has already been established in fusion research. It will allow a continuation of cost-effective progress toward the development of fusion power as a future energy option and supports effective utilization of international collaboration. The program emphasis is focused on the nearer-term benefits of increasing the understanding of plasma physics and other related scientific fields as well as the training of scientists and engineers. The longer-term program goal of fusion energy continues to be pursued but at a pace more consistent with our national energy needs.

*Supporting research and technical analysis.*—The role of these programs is to expand the scientific and engineering base for future energy technology development and to provide independent, objective evaluations of energy research activities. Support is also provided for university related research and manpower training including the use of facilities at the national laboratories for student research and education.

*Basic energy sciences.*—This program funds basic research in the physical, biological, and engineering sciences in support of both the nuclear and non-nuclear technology programs. The principal focus of the program is energy; however, a number of other important national goals are also supported including U.S. leadership in science and technology and the training of scientists and engineers. In 1988, work will continue in materials sciences, chemical sciences, nuclear sciences, advanced energy projects, biological energy research, and research in engineering systems, applied mathematics, and the geosciences. Research related to advanced materials development, combustion, chemistry of coal, catalysts, photochemistry, nondestructive evaluation techniques and support for existing as well as proposed new unique national user research facilities will be continued. In 1988, construction will continue on the Center for Advanced Materials at Lawrence Berkeley Laboratory, the Neutron Scattering Experimental Hall at Los Alamos National Laboratory, and the 1-2 GeV Synchrotron at Lawrence Berkeley Laboratory. In addition, construction funds are provided for the 3 GeV injector at the Stanford Synchrotron Radiation Laboratory.

*University research instrumentation.*—This program supports the purchase of state-of-the-art scientific instrumentation used in energy-related research areas such as geological sciences, materials characterization, catalysis, and health effects research.

*University research support.*—This program helps maintain strong scientific/technical research capabilities in support of the Department's long-range energy R&D mission in the university and private sector and the national laboratories. Specific activities supported include: university reactor fuel assistance; university laboratory cooperative research; energy manpower development; and related education and training activities.

*Energy research analysis.*—This activity involves the independent assessment of existing or proposed technological initiatives, including examination of the base of research that underlies energy supply and utilization technologies.

General and special funds—Continued

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES—  
Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

**Multiprogram energy laboratories facilities support.**—The goal of the multiprogram facilities program is to provide funds for rehabilitating and replacing deficient common-use utilities, roads, and buildings at the multiprogram laboratories and to provide support for environmental compliance activities at Oak Ridge National Laboratory. The environmental compliance program will continue to fund several major environmental projects in 1988. These can be expected to correct deficiencies in the following categories: process waste systems, hazardous and toxic material management, and watershed and storm sewer discharge projects.

**In-house energy management.**—This program funds energy conservation retrofit projects at Department facilities. These projects are designed to improve the efficiency of DOE energy use and set an example for other Federal agencies and the private sector. Surveys are conducted to identify cost-effective candidate projects and projects are then selected on a competitive basis using as the primary criterion the greatest economic return.

**Technical information/management program.**—This program contributes to DOE's missions in advancing energy and nuclear defense technologies and protecting U.S. economic and military security through the effective management and control of the Department's scientific and technical knowledge which is contained in its information resources. Major objectives which are structured to meet the overall purpose are the effective management, control, and use of the results of DOE's multibillion dollar research program, and the acquisition and management of results of worldwide investment in energy R&D.

**Strategic facilities utilization program.**—This program supports a departmental initiative to reduce unnecessary expenditures of operations and maintenance funds. The Department has conducted a review and targeted 257 facilities for shutdown which were considered underutilized, with a resultant cost avoidance.

**Policy and management.**—Provides executive direction, management assistance and administrative support to all programs within energy supply activities.

Object Classification (in thousands of dollars)

Identification code 89-0224-0-1-271		1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	40,502	40,831	42,055
11.3	Other than full-time permanent .....	1,652	1,700	1,750
11.5	Other personnel compensation .....	1,261	1,300	1,340
11.8	Special personal services payments .....	120		
11.9	Total personnel compensation .....	43,535	43,831	45,145
12.1	Personnel benefits: Civilian .....	4,891	5,041	5,420
21.0	Travel and transportation of persons .....	3,206	3,320	3,490
22.0	Transportation of things .....	349		
23.1	Rental payments to GSA .....	3,986	4,125	4,270
23.2	Rental payments to others .....	43,595	45,121	46,699
24.0	Printing and reproduction .....	34		
25.0	Other services .....	1,540,063	1,655,213	1,488,661
26.0	Supplies and materials .....	1,154	1,194	1,236
31.0	Equipment .....	92,735	95,981	99,340
32.0	Lands and structures .....	130,330	134,891	139,612

41.0	Grants, subsidies, and contributions .....	85,731	88,731	91,837
99.0	Subtotal, direct obligations .....	1,949,609	2,077,448	1,925,710
99.0	Reimbursable obligations .....	239,249	320,000	320,000
99.9	Total obligations .....	2,188,858	2,397,448	2,245,710

Personnel Summary

Total number of full-time permanent positions .....	863	870	870
Total compensable workyears:			
Full-time equivalent employment .....	912	926	926
Full-time equivalent of overtime and holiday hours .....	6	7	4

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

(Proposed for later transmittal, existing legislation)

Program and Financing (in thousands of dollars)

Identification code 89-0224-3-1-271		1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations (object class 25.0) .....			5,000
Financing:				
40.00	Budget authority (appropriation) .....			5,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			5,000
74.40	Obligated balance, end of year .....			-3,000
90.00	Outlays .....			2,000

An innovative cooperative R&D approach has been carefully reviewed and expressions of interest are being solicited from industry. Partnerships in industry cooperative R&D ventures to support longer-term, high-risk, applied technology development of a generic or precompetitive nature can offer an effective method to leverage Federal moneys and increase program impact. This is intended to promote more effective technology transfer and to allow broader research support within current fiscal constraints. There appear to be good opportunities for cooperative R&D ventures in window coatings, power conditioning and storage, photovoltaics, thermal and geothermal energy. The precise choice of activities and allocations of funds will be influenced by formal industry proposals.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed [33] 26 for replacement only); [1,210,400,000] \$1,070,000,000, to remain available until expended; Provided, That revenues received by the Department for the enrichment of uranium and estimated to total \$1,286,400,000 in fiscal year 1987, shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302(b) of section 484, of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1987 so as to result in a final fiscal year 1987 appropriation estimated at not more than \$0]. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

Program and Financing (in thousands of dollars)

Identification code 89-0226-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses	1,015,450	1,087,430	1,018,500
01.01 Capital investment		23,537	51,500
10.00 Total obligations	1,015,450	1,110,967	1,070,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-160,891		
21.40 Unobligated balance available, start of year	-221,003	-700,325	
22.40 Unobligated balance transferred, net	216,057	695,758	
24.40 Unobligated balance available, end of year	700,325		
27.00 Capital transfer to general fund		180,000	
39.00 <b>Budget authority</b>	<b>1,549,938</b>	<b>1,286,400</b>	<b>1,070,000</b>
<b>Budget authority:</b>			
40.00 Appropriation (indefinite)	200,228		
40.00 Appropriation (special fund)	1,351,081	1,286,400	1,070,000
41.00 Transferred to other accounts	-1,371		
43.00 <b>Appropriation (adjusted)</b>	<b>1,549,938</b>	<b>1,286,400</b>	<b>1,070,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	1,015,450	1,110,967	1,070,000
72.40 Obligated balance, start of year	859,047	453,191	477,758
74.40 Obligated balance, end of year	-453,191	-477,758	-477,758
78.00 Adjustments in unexpired accounts	-160,891		
90.00 <b>Outlays</b>	<b>1,260,415</b>	<b>1,086,400</b>	<b>1,070,000</b>

**Uranium enrichment operating expenses.**—The goal of this program is to meet domestic, foreign and U.S. Government requirements for uranium enrichment services (enrichment of uranium and uranium compounds in the isotope U-235) in the most economical, reliable, safe, secure and environmentally acceptable manner possible. This program is comprised of four subprograms: (a) gaseous diffusion operations and support; (b) Atomic Vapor Laser Isotope Separation (AVLIS) closeout activities; (c) gas centrifuge program closeout activities; and, (d) program direction.

The gaseous diffusion operations and support program provides for all activities related to operation and maintenance of the gaseous diffusion enrichment plants located at Paducah, KY and Portsmouth, OH. The gaseous diffusion plant at Oak Ridge will be maintained in a standby condition.

In 1988 the Department will complete the closeout of the AVLIS program begun in 1987.

The gas centrifuge program provides for closeout of the advanced gas centrifuge enrichment process and for the termination of the Gas Centrifuge Enrichment Plant located at Portsmouth, OH.

In 1988, the Uranium Enrichment program will collect revenues and return to the Treasury \$231,000,000 in partial repayment of prior Government investment.

Object Classification (in thousands of dollars)

Identification code 89-0226-0-1-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	2,831	3,482	3,533
11.3 Other than full-time permanent	55		
11.5 Other personnel compensation	26	174	183
11.9 Total personnel compensation	2,912	3,656	3,716
12.1 Personnel benefits: Civilian	306	417	613
21.0 Travel and transportation of persons	544	710	746
25.0 Other services	985,712	1,082,647	1,013,425
31.0 Equipment	25,976	1,088	
32.0 Lands and structures		22,449	51,500
99.9 <b>Total obligations</b>	<b>1,015,450</b>	<b>1,110,967</b>	<b>1,070,000</b>

Personnel Summary

Total number of full-time permanent positions	63	61	61
Total compensable workyears:			
Full-time equivalent employment	67	67	67
Full-time equivalent of overtime and holiday hours	1	1	1

Fossil Energy Research and Development\*

(INCLUDING TRANSFER OF FUNDS)

\*See Part II for additional information.

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, **[\$295,866,000]** **\$162,400,000**, to remain available until expended, of which **[\$221,000]** **\$230,000** is for the functions of the **[Office of the]** Federal Inspector for the Alaska Natural Gas Transportation System established pursuant to the authority of Public Law 94-586 (90 Stat. 2908-2909), **[\$411,000]** to be derived by transfer from unobligated balances in the "Permitting and enforcement" account of the Federal Inspector for the Alaska Gas Pipeline, and **\$2,074,000** to be derived by transfer from unobligated balances in the "Fossil energy construction" account, and in addition, **\$437,000]** of which **\$500,000** is to be derived by transfer from amounts derived from fees for guarantees of obligations collected pursuant to section 19 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5919), and deposited in the "Energy security reserve" established by Public Law 96-126: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

**[Of the funds herein provided, \$26,500,000 is for implementation of the June 1984 multiyear, cost-shared magnetohydrodynamics program targeted on proof-of-concept testing: *Provided further*, That 20 per centum private sector cash or in-kind contributions shall be required for obligations in fiscal year 1987, and for each subsequent fiscal year's obligations private sector contributions shall increase by 5 per centum over the life of the proof-of-concept plan: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That cost-sharing shall not be required for the costs of constructing or operating government-owned facilities or for the costs of Government organizations, National Laboratories, or universities and such costs shall not be used in calculating the required percentage for private sector contributions: *Provided, further*, That private sector contribution percentages need not be met on each contract but must be met in total for each fiscal year.]** (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

Program and Financing (in thousands of dollars)

Identification code 89-0213-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Coal R&D	252,819	236,719	109,880
00.02 Oil, gas, and shale R&D	37,732	35,673	13,855
00.03 Program direction and management support	49,680	62,909	38,435
00.04 Federal inspector for the Alaska natural gas pipeline	333	365	230
10.00 Total obligations	340,565	335,666	162,400
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-6,446	-3,000	
21.40 Unobligated balance available, start of year	-56,904	-36,921	
22.40 Unobligated balance transferred, net	-4,785	121	-500
24.40 Unobligated balance available, end of year	36,921		
25.00 Unobligated balance lapsing	38		
39.00 <b>Budget authority</b>	<b>309,389</b>	<b>295,866</b>	<b>161,900</b>
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation	296,954	295,866	161,900
41.00 Transferred to other accounts	-2,565		
43.00 <b>Appropriation (adjusted)</b>	<b>294,389</b>	<b>295,866</b>	<b>161,900</b>

General and special funds—Continued

Fossil Energy Research and Development—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	89-0213-0-1-271	1986 actual	1987 est.	1988 est.
<b>Permanent:</b>				
60.00	Appropriation .....	15,000		
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	340,565	335,666	162,400
72.40	Obligated balance, start of year .....	262,183	260,370	244,840
74.40	Obligated balance, end of year .....	-260,370	-244,840	-165,808
78.00	Adjustments in unexpired accounts .....	-6,446	-3,000	
90.00	Outlays .....	335,932	348,196	241,432

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	309,389	295,866	161,900
Outlays .....	335,932	348,196	241,432
Proposed for later transmittal under existing legislation:			
Budget authority .....			7,000
Outlays .....			2,100
Rescission proposal:			
Budget authority .....		-44,464	
Outlays .....		-13,339	-22,232
<b>Total:</b>			
Budget authority .....	309,389	251,402	168,900
Outlays .....	335,932	334,857	221,300

The Fossil Energy programs support research and development that will strengthen the technology base on which industry can draw in developing future new products and processes for the commercial market. The programs support activities ranging from basic research in universities and national laboratories to applied R&D and proof-of-concept projects in private sector firms.

Reductions in the Fossil Energy R&D programs are proposed in the 1988 budget to eliminate Federal support of company-specific technology development and demonstration activities. The remaining funds are to be utilized for technology base research conducted in the same manner as it has been at universities, national laboratories and with the private sector. In addition, it is anticipated that a budget amendment will be transmitted at a later date to support DOE participation in industry-formed cooperative R&D ventures.

**Coal R&D.**—The objectives of this program will be to continue generic, technology base and environmental research to provide an adequate scientific and engineering knowledge base to foster technological advances by the private sector. The 1988 research program provides for a continued, limited Federal role in support of longer-term high-risk R&D that supports technology development by the private sector. These efforts will include the Advanced Research and Technology Development program with additional advanced research efforts conducted in the Advanced Research portions of the Coal Liquefaction and Surface Gasification programs. Another main thrust of the 1988 program will focus upon acid rain-related technologies. Therefore, the Control Technology and Coal Preparation programs will also contain a major portion of the funding request, as will Combustion Systems and, to a lesser degree, Surface Coal Gasification and Heat Engines. Efforts will

also continue to more effectively utilize our coal resources by continuing our programs in the areas of Coal Liquefaction and Fuel Cells.

**Oil, gas and shale.**—The 1988 program will focus primarily on developing Enhanced Oil Recovery techniques, with these efforts devoted entirely to heavy and light oil research. Funding for Tar Sands research is not requested for 1988. Advanced Process Technology research will be continued in 1988 as will a reduced Oil Shale and a reduced Unconventional Gas Recovery program.

**Program direction and management support.**—This provides the funding for both Headquarters and field personnel and overhead expenses in Fossil Energy. In addition, it provides support for the day-to-day project management functions.

**Federal Inspector for the Alaska natural gas pipeline.**—Activities formerly included under the Office of the Federal Inspector for the Alaska natural gas pipeline are now funded in this line item, in accordance with the 1986 appropriation.

Object Classification (in thousands of dollars)

Identification code	89-0213-0-1-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	26,973	29,726	25,722
11.3	Other than full-time permanent .....	558		
11.5	Other personnel compensation .....	675	715	617
11.8	Special personal services payments .....	27	28	25
11.9	Total personnel compensation .....	28,233	30,469	26,364
12.1	Personnel benefits: Civilian .....	3,453	3,386	3,985
13.0	Benefits for former personnel .....	56	59	60
21.0	Travel and transportation of persons .....	1,636	1,861	1,507
22.0	Transportation of things .....	204	28	25
23.2	Rental payments to others .....	2,443	2,374	1,085
24.0	Printing and reproduction .....	160	584	71
25.0	Other services .....	283,226	278,516	124,570
26.0	Supplies and materials .....	3,672	4,529	1,632
31.0	Equipment .....	6,403	2,087	
32.0	Lands and structures .....	5,181	4,273	480
41.0	Grants, subsidies, and contributions .....	5,898	7,500	2,621
99.9	Total obligations .....	340,565	335,666	162,400

Personnel Summary

Total number of full-time permanent positions .....	683	680	560
Total compensable workyears:			
Full-time equivalent employment .....	707	703	570
Full-time equivalent of overtime and holiday hours .....	8	5	5

Fossil Energy Research and Development  
(Proposed for later transmittal, existing legislation)

Program and Financing (in thousands of dollars)

Identification code	89-0213-3-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....			7,000
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			7,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			7,000
74.40	Obligated balance, end of year .....			-4,900
90.00	Outlays .....			2,100

In 1988, the Fossil Energy program plans to initiate a new mechanism for conducting applied R&D: participation in industry-formed cooperative R&D ventures. This

new delivery mechanism will provide for increased cost sharing with industry as well as encouraging potential beneficiaries of the research to become direct participants from project inception. \$7,000,000 is planned to initiate this program. The funding will be requested when the Department has developed a plan or solicitation for effectively using these funds. There appear to be good opportunities for cooperative R&D ventures in extraction technologies (unconventional gas, enhanced oil recovery, oil-shale, underground gasification) and in coal preparation.

24.0	Printing and reproduction.....	3	4	1
25.0	Other services.....	160,972	157,265	172,612
26.0	Supplies and materials.....	53	75	50
31.0	Equipment.....	3		
99.9	Total obligations.....	165,969	162,244	177,700

Personnel Summary

Total number of full-time permanent positions.....	94	90	90
Total compensable workyears:			
Full-time equivalent employment.....	100	95	95
Full-time equivalent of overtime and holiday hours.....	2		

ENERGY CONSERVATION\*

\*See Part II for additional information.

For necessary expenses in carrying out energy conservation activities, [\$280,129,000] \$81,090,000, to remain available until expended, of which \$10,000,000 shall be available for a grant for an energy demonstration and research facility at Tufts University when authorized by an Act of Congress: *Provided*, That award of such grant may be made only upon approval of an appropriate technical review panel convened by the Department of Energy for the specific purpose of reviewing such grant application and subject to conditions, if any, contained in legislation authorizing such project, and of which \$112,450,000 for the Weatherization Assistance Program authorized by Part A of the Energy Conservation in Existing Buildings Act of 1976 (42 U.S.C. 6861 et seq.) and the Institutional Conservation Program authorized by Part G of title III of the Energy Policy and Conservation Act (42 U.S.C. 6371 et seq.) shall be available effective March 1, 1987, only in such sums (up to a total of \$112,450,000) as are equal to the difference between \$200,000,000 and the excess amount for fiscal year 1987 disbursed by the Secretary of Energy for use in energy conservation programs under the provisions of section 3003(d) of subtitle A of title III of the conference agreement on H.R. 5300, the Omnibus Budget Reconciliation Act of 1986, or equivalent legislation enacted into law by March 1, 1987: *Provided further*, That if no such legislation is enacted into law by March 1, 1987, effective such date, such sums (\$112,450,000) shall be immediately available to be derived from amounts held administratively in escrow by the Secretary of Energy pending restitution for actual or alleged petroleum product violations under the Emergency Petroleum Allocation Act of 1973 or the Economic Stabilization Act of 1970 (and the regulations issued thereunder): *Provided further*, That \$2,000,000 of the amount provided under this heading shall be available for continuing a research and development initiative with the National Laboratories for new technologies up to proof-of-concept testing to increase significantly the energy efficiency of processes that produce steel: *Provided further*, That obligation of funds for these activities shall be contingent on an agreement to provide cash or in-kind contributions to the initiative or to other collaborative research and development activities related to the purpose of the initiative equal to 30 percent of the amount of Federal Government obligations: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not acceptable as contributions for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That the total Federal expenditure under this proviso shall be repaid up to one and one-half times from the proceeds of the commercial sale, lease, manufacture, or use of technologies developed under this proviso, at a rate of one-fourth of all net proceeds. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, [including the purchase of not to exceed 1 passenger motor vehicle, for replacement only, \$122,177,000] \$159,700,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 89-0219-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	165,969	162,244	177,700
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-2,379		
21.40 Unobligated balance available, start of year.....	-209,000	-58,067	-18,000
24.40 Unobligated balance available, end of year.....	58,067	18,000	
25.00 Unobligated balance lapsing.....	345		
40.00 Budget authority (appropriation).....	13,002	122,177	159,700
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	165,969	162,244	177,700
72.40 Obligated balance, start of year.....	63,010	66,975	63,219
74.40 Obligated balance, end of year.....	-66,975	-63,219	-79,919
78.00 Adjustments in unexpired accounts.....	-2,379		
90.00 Outlays.....	159,625	166,000	161,000

This program includes those activities necessary to operate, explore, conserve, develop, and produce the naval petroleum reserves at the maximum efficient rate and to conserve the oil shale reserves. This includes routine operation and maintenance, development and exploration drilling, environmental and conservation work, and construction and installation of on-reserve facilities and related systems required for the collection, storage, and distribution of produced petroleum and related products. The budget proposes the sale of the Government's ownership interest in the oil fields at Elk Hills, near Bakersfield, CA and at Teapot Dome near Casper, WY at the end of 1988.

Object Classification (in thousands of dollars)

Identification code 89-0219-0-1-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,590	3,455	3,709
11.3 Other than full-time permanent.....	59	36	36
11.5 Other personnel compensation.....	98	115	97
11.8 Special personal services payments.....	469	540	503
11.9 Total personnel compensation.....	4,216	4,146	4,345
12.1 Personnel benefits: Civilian.....	471	419	455
13.0 Benefits for former personnel.....	2		
21.0 Travel and transportation of persons.....	189	221	222
22.0 Transportation of things.....	27	21	5
23.2 Rental payments to others.....	3	10	10
23.3 Communications, utilities, and miscellaneous charges.....	30	83	

Program and Financing (in thousands of dollars)

Identification code 89-0215-0-1-272	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Buildings and community systems.....	36,886	33,521	14,578
00.03 Industrial.....	33,695	43,812	16,035
00.05 Transportation.....	55,052	57,289	22,409
00.07 State and local assistance.....	268,107	234,041	6,000
00.08 Multisector.....	25,905	32,549	20,406
00.09 Policy and management.....	1,626	2,087	1,662
00.10 Facilities.....	12,405	10,004	
10.00 Total obligations.....	433,676	413,303	81,090

General and special funds—Continued

ENERGY CONSERVATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	89-0215-0-1-272	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....	-1,325	-134,067	.....
17.00	Recovery of prior year obligations .....	-1,994	-7,518	.....
21.40	Unobligated balance available, start of year .....	-42,276	-38,106	.....
24.40	Unobligated balance available, end of year .....	38,106	.....	.....
39.00	<b>Budget authority</b> .....	<b>426,187</b>	<b>233,612</b>	<b>81,090</b>
Budget authority:				
40.00	Appropriation (definite) .....	426,187	167,679	81,090
40.00	Appropriation (indefinite) .....	.....	65,933	.....
43.00	<b>Appropriation (adjusted)</b> .....	<b>426,187</b>	<b>233,612</b>	<b>81,090</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	432,352	279,236	81,090
72.40	Obligated balance, start of year .....	517,117	464,363	287,437
74.40	Obligated balance, end of year .....	-464,363	-287,437	-167,463
77.00	Adjustments in expired accounts .....	-47	.....	.....
78.00	Adjustments in unexpired accounts .....	-1,994	-7,518	.....
90.00	<b>Outlays</b> .....	<b>483,065</b>	<b>448,644</b>	<b>201,064</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	426,187	233,612	81,090
Outlays .....	483,065	448,644	201,064
Proposed for later transmittal under existing legislation:			
Budget authority .....	.....	.....	5,000
Outlays .....	.....	.....	2,500
Rescission proposal:			
Budget authority .....	.....	-83,933	.....
Outlays .....	.....	-22,187	-51,553
Total:			
Budget authority .....	426,187	149,679	86,090
Outlays .....	483,065	426,457	152,011

The energy conservation programs support research and development that will strengthen the technology base on which industry can draw in developing future new products and processes for the commercial market. The programs support activities ranging from basic research in universities and national laboratories to applied R&D and proof-of-concept projects in industrial firms.

Reductions in the energy conservation R&D programs are proposed in the 1988 Budget consistent with budgetary constraints. In addition, an innovative cooperative R&D venture funding mechanism has been carefully reviewed and expressions of interest are being solicited from industry. It is anticipated that a budget amendment will be transmitted at a later date to support DOE participation in industry-formed cooperative R&D ventures.

**Buildings and community systems.**—The 1988 buildings and community systems program for universities and national labs will support generic research in building sub-systems, technology and consumer products, appliance standards, the Federal energy management program, and technology transfer activities to assist the private sector in adopting new energy-conserving technologies.

**Industrial.**—Industrial conservation will continue the research and development of generic technologies in waste energy reduction and improved process efficiency.

These programs involve combustion technology, advanced heat exchangers and heat pumps, innovative concepts for the utilization of industrial waste materials, and the development of new energy efficient processes for the production of materials and products. These activities provide a broad technology base which contributes to more efficient industrial operations and more effective utilization of energy.

**Transportation.**—The 1988 transportation program will support cross-cutting R&D in advanced high-temperature materials (primarily at the High-Temperature Materials Lab), and in alternative vehicle propulsion concepts (automotive gas turbine, adiabatic diesel, and technology transfer). It will also support work in areas such as alternative fuels, transportation systems utilization, electric and hybrid vehicles, and industry-based activities complementing the technology base activities in advanced materials and alternative vehicle propulsion.

**Multisector.**—The 1988 multisector program will support cross-cutting R&D at universities and national labs in such areas as combustion and thermal sciences, materials sciences, biocatalysis, and tribology. The multisector program also supports the Energy-Related Inventions Program which assists independent inventors.

**State and local assistance program.**—The 1988 State and local assistance program provides no new Federal grants for the State energy conservation (EPCA), energy extension service, schools and hospitals, and weatherization assistance programs. Responsibility for providing these services most appropriately resides with the States. Funds have been made available to the States through the settlement of petroleum pricing violation cases, and these funds can be used to finance weatherization and other energy-related activities. The program provides money for the oversight and monitoring of Exxon and Stripper Well funds distributed to the States.

**Policy and management.**—Provides for overall management guidance and program evaluation for Energy Conservation programs to ensure effective program delivery.

**Facilities.**—No funds are requested for any facilities activities in 1988.

Object Classification (in thousands of dollars)

Identification code	89-0215-0-1-272	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent .....	12,337	15,530	10,439
11.5	Other personnel compensation .....	487	777	522
11.9	Total personnel compensation .....	12,824	16,307	10,961
12.1	Personnel benefits: Civilian .....	1,420	1,708	1,165
21.0	Travel and transportation of persons .....	1,031	1,095	819
25.0	Other services .....	147,124	164,435	67,737
31.0	Equipment .....	3,161	2,976	408
32.0	Land and structures .....	12,405	11,004	.....
41.0	Grants, subsidies, and contributions .....	255,711	215,778	.....
99.9	<b>Total obligations</b> .....	<b>433,676</b>	<b>413,303</b>	<b>81,090</b>

Personnel Summary

Total number of full-time permanent positions .....	314	352	243
Total compensable workyears:			
Full-time equivalent employment .....	322	352	243
Full-time equivalent of overtime and holiday hours .....	1	.....	1

ENERGY CONSERVATION

(Proposed for later transmittal, existing legislation)

Program and Financing (in thousands of dollars)

Identification code	89-0215-3-1-272	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)			5,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)			5,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net			5,000
74.40	Obligated balance, end of year			-2,500
90.00	Outlays			2,500

An innovative cooperative R&D approach has been carefully reviewed and expressions of interest are being solicited from industry. Partnerships in industry cooperative R&D ventures to support longer-term, high-risk, applied technology development of a generic or precompetitive nature can offer an effective method to leverage Federal moneys and increase program impact. This is intended to promote more effective technology transfer and to allow broader research support within current fiscal constraints. There appear to be good opportunities for cooperative R&D ventures in steel and papermaking, in roofing and other building materials, and in high-temperature ceramics for industrial or transportation use. The precise choice of activities and allocations of funds will be influenced by formal industry proposals.

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), [\$147,433,000] \$142,437,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	89-0218-0-1-274	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Storage facility development	287,029	223,590	150,995
00.02	Management	13,321	15,826	14,243
10.00	Total obligations	300,351	239,416	165,238
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-933		
21.40	Unobligated balance available, start of year	-307,101	-114,784	-22,801
24.40	Unobligated balance available, end of year	114,784	22,801	
25.00	Unobligated balance lapsing	432		
40.00	Budget authority (appropriation)	107,533	147,433	142,437
Relation of obligations to outlays:				
71.00	Obligations incurred, net	300,351	239,416	165,238
72.40	Obligated balance, start of year	145,750	250,757	165,173
74.40	Obligated balance, end of year	-250,757	-165,173	-121,306
78.00	Adjustments in unexpired accounts	-933		
90.00	Outlays	194,410	325,000	209,105

The objective of this program is to decrease the vulnerability of the United States to disruptions in world petroleum markets by creating a crude oil stockpile to be used in the event such disruptions occur.

The account provides for petroleum reserve storage facility construction, ongoing operations and maintenance

activities, planning studies, and program administration.

Object Classification (in thousands of dollars)

Identification code	89-0218-0-1-274	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	5,902	6,902	6,997
11.3	Other than full-time permanent	264	221	229
11.5	Other personnel compensation	115	128	132
11.9	Total personnel compensation	6,281	7,251	7,358
12.1	Personnel benefits: Civilian	731	1,055	933
21.0	Travel and transportation of persons	468	752	813
22.0	Transportation of things	17	47	49
23.3	Communications, utilities, and miscellaneous charges		690	1,026
24.0	Printing and reproduction	1	10	11
25.0	Other services	292,853	229,600	155,011
26.0	Supplies and materials		11	37
99.9	Total obligations	300,351	239,416	165,238

Personnel Summary

Total number of full-time permanent positions	138	130	130
Total compensable workyears:			
Full-time equivalent employment	152	147	142
Full-time equivalent of overtime and holiday hours	1		

SPR PETROLEUM ACCOUNT

For the acquisition and transportation of petroleum and for other necessary expenses under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), \$127,744,000, to remain available until expended. Provided, That notwithstanding 42 U.S.C. 6240(c), as amended by Public Law 99-509, the minimum average annual required fill rate during fiscal year 1988 shall be not less than 35,000 barrels per day: Provided further, That notwithstanding 42 U.S.C. 6240(d), portions of the United States share of crude oil in Naval Petroleum Reserve Numbered 1 (Elk Hills) may be sold or otherwise disposed of to other than the Strategic Petroleum Reserve during the fiscal year.

Program and Financing (in thousands of dollars)

Identification code	89-0233-0-1-274	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	199,440	432,441	220,891
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-27,949		
21.40	Unobligated balance available, start of year	-697,079	-525,588	-93,147
24.40	Unobligated balance available, end of year	525,588	93,147	
40.00	Budget authority (appropriation)			127,744
Relation of obligations to outlays:				
71.00	Obligations incurred, net	171,491	432,441	220,891
72.40	Obligated balance, start of year	287,484	61,614	91,933
74.40	Obligated balance, end of year	-61,614	-91,933	-79,684
90.00	Outlays	397,361	402,122	233,140

This account provides for the acquisition, transportation, and injection of petroleum into the Strategic Petroleum Reserve and for its potential drawdown and distribution. In 1988, the budget proposes to continue filling the Reserves at a minimum annual average rate of not less than 35,000 barrels per day.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, [\$60,301,000] \$61,599,000, of which \$2,000,000 shall remain available until expended. (Department of the

General and special funds—Continued

ENERGY INFORMATION ADMINISTRATION—Continued

Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
89-0216-0-1-276			
<b>Program by activities:</b>			
Direct program:			
00.01 National energy information system.....	49,520	50,247	51,374
00.02 Policy and management.....	7,481	10,523	10,225
00.91 Total direct program.....	57,001	60,770	61,599
01.01 Reimbursable program.....	7,545	7,405	7,570
10.00 Total obligations.....	64,546	68,175	69,169
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-7,545	-7,405	-7,570
22.40 Unobligated balance transferred, net.....		-469	
25.00 Unobligated balance lapsing.....	723		
40.00 Budget authority (appropriation).....	57,724	60,301	61,599
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	57,001	60,770	61,599
72.40 Obligated balance, start of year.....	32,057	25,165	25,170
74.40 Obligated balance, end of year.....	-25,165	-25,170	-27,769
90.00 Outlays.....	63,893	60,765	59,000

This program supports energy information activities which are designed to provide timely, accurate and relevant energy information for use by the Administration, the Congress, and the general public.

**National energy information system.**—The activities funded in this program include the design, development and maintenance of information systems on petroleum, natural gas, coal, nuclear electricity, alternate fuel sources, and energy consumption. This includes collecting data and ensuring its accuracy; preparing limited short-term forecasts; and preparing reports on energy sources, end-uses, prices, supply and demand, and associated economic, international, and financial matters. This program also includes the operation of the Energy Information Administration (EIA) computer facility, telecommunications support, customer services, and ADP software support to the Department of Energy and others. In addition, the National Energy Information Center disseminates publications, analytic reports, information directives, and public use tapes, and responds to public inquiries. Finally, this activity provides survey and statistical design standards, documentation standards, and energy data public-use forms clearance and burden control services.

**Policy and management.**—This program provides direction to EIA through the Office of the Administrator; provides funding for administrative services; and provides administrative support to EIA program offices in the area of planning, budgeting, contract administration, personnel, and administrative services.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
89-0216-0-1-276			
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	17,268	17,811	18,359
11.3 Other than full-time permanent.....	386	396	352
11.5 Other personnel compensation.....	275	284	283

11.9 Total personnel compensation.....	17,929	18,491	18,994
12.1 Personnel benefits: Civilian.....	1,879	2,438	3,098
21.0 Travel and transportation of persons.....	191	238	247
22.0 Transportation of things.....	87	129	124
23.1 Rental payments to GSA.....	1,988	3,337	4,044
23.2 Rental payments to others.....	1,571	2,575	2,283
24.0 Printing and reproduction.....	647	1,035	983
25.0 Other services.....	31,783	31,684	31,113
26.0 Supplies and materials.....	926	843	713
99.0 Subtotal, direct obligations.....	57,001	60,770	61,599
99.0 Reimbursable obligations.....	7,545	7,405	7,570
99.9 Total obligations.....	64,546	68,175	69,169

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	416	444	444
Total compensable workyears:			
Full-time equivalent employment.....	428	448	448
Full-time equivalent of overtime and holiday hours.....	2	3	3
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	18	18	18
Total compensable workyears: Full-time equivalent employment.....	18	18	18

EMERGENCY PREPAREDNESS

For necessary expenses in carrying out emergency preparedness activities, **[\$6,044,000] \$6,206,000, to remain available until expended.** (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
89-0234-0-1-274			
<b>Program by activities:</b>			
10.00 Total obligations.....	5,605	6,133	6,206
<b>Financing:</b>			
22.40 Unobligated balance transferred, net.....		-89	
25.00 Unobligated balance lapsing.....	145		
40.00 Budget authority (appropriation).....	5,750	6,044	6,206
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,605	6,133	6,206
72.40 Obligated balance, start of year.....	1,190	1,762	2,146
74.40 Obligated balance, end of year.....	-1,762	-2,146	-2,146
90.00 Outlays.....	5,033	5,749	6,206

This program provides for various planning and analysis, coordinating and operating activities to help reduce the Nation's vulnerability to energy supply disruptions and to help mitigate any adverse impacts on the Nation that may result from such a disruption.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
89-0234-0-1-274			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,063	3,531	3,442
11.3 Other than full-time permanent.....	149	70	70
11.5 Other personnel compensation.....	28	40	40
11.9 Total personnel compensation.....	3,240	3,641	3,552
12.1 Personnel benefits: Civilian.....	322	345	345
21.0 Travel and transportation of persons.....	47	150	150
25.0 Other services.....	1,996	1,997	2,159
99.9 Total obligations.....	5,605	6,133	6,206

Personnel Summary

Total number of full-time permanent positions.....	57	71	71
Total compensable workyears: Full-time equivalent employment.....	64	71	71

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Economic Regulatory Administration and the Office of Hearings and Appeals, **[\$23,400,000] \$21,680,000.** (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	89-0217-0-1-276	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Economic regulation	17,945	18,400	16,485
00.02	Hearings and appeals	4,898	5,000	5,195
10.00	Total obligations	22,843	23,400	21,680
<b>Financing:</b>				
25.00	Unobligated balance lapsing	580		
40.00	Budget authority (appropriation)	23,423	23,400	21,680
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	22,843	23,400	21,680
72.40	Obligated balance, start of year	11,006	8,113	6,625
74.40	Obligated balance, end of year	-8,113	-6,625	-8,305
77.00	Adjustments in expired accounts	-2,216		
90.00	Outlays	23,520	24,888	20,000

**Economic regulation.**—The Economic Regulatory Administration (ERA) is responsible for pursuing and finalizing any remaining enforcement actions to assure that oil companies complied with petroleum regulations in effect prior to decontrol of oil in January 1981. The funding level is reduced from prior years as enforcement cases are completed. In addition, ERA authorizes the import and export of natural gas and export of electricity, licenses international electricity transmission facilities, and provides regulatory relief to utilities so they can convert existing oil and gas-fired facilities to coal.

**Hearings and appeals.**—The Office of Hearings and Appeals issues all final orders of an adjudicatory nature other than those over which the Federal Energy Regulatory Commission has jurisdiction. It decides appeals of such orders, examines requests for exception relief, and administers refund proceedings involving consent order funds obtained as a result of petroleum enforcement actions.

Object Classification (in thousands of dollars)

Identification code	89-0217-0-1-276	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	13,817	12,993	11,519
11.3	Other than full-time permanent	304	248	258
11.5	Other personnel compensation	228	153	111
11.9	Total personnel compensation	14,349	13,394	11,888
12.1	Personnel benefits: Civilian	1,536	1,483	1,322
13.0	Benefits for former personnel	190	300	250
21.0	Travel and transportation of persons	251	460	351
22.0	Transportation of things	59	90	81
23.3	Communications, utilities, and miscellaneous charges	2,573	3,858	3,933
24.0	Printing and reproduction	744	527	517
25.0	Other services	2,681	3,001	3,042
26.0	Supplies and materials	460	287	296
99.9	Total obligations	22,843	23,400	21,680

Personnel Summary

Total number of full-time permanent positions	278	269	249
<b>Total compensable workyears:</b>			
Full-time equivalent employment	348	295	275
Full-time equivalent of overtime and holiday hours	2	2	2

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (Public Law 95-91), including services as authorized by 5 U.S.C. 3109, including the hire of passenger motor vehicles; official reception and representation expenses (not to exceed **[\$1,500] \$2,000**; **[\$99,079,000] \$104,000,000**, of which \$3,000,000 shall remain available until expended and be available only for contractual activities: *Provided*, That hereafter and notwithstanding any other provision of law, *not to exceed \$104,000,000* of revenues from licensing fees, inspection services, and other services and collections **[estimated at \$78,754,000]** in fiscal year **[1987] 1988**, may be retained and used for necessary expenses in this account, and may remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as revenues are received during fiscal year **[1987] 1988**, so as to result in a final fiscal year **[1987] 1988** appropriation estimated at not more than **[\$20,325,000] \$0.** (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code	89-0212-0-1-276	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Natural gas regulation	44,358	46,945	47,519
00.02	Hydropower licensing regulation	25,235	28,946	29,670
00.03	Oil pipeline regulation	4,150	5,800	5,778
00.04	Electric power regulation	19,846	20,853	21,033
10.00	Total obligations	93,589	102,544	104,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations	29		
21.40	Unobligated balance available, start of year	-1,615	-2,714	
22.40	Unobligated balance transferred, net	-3,258	-751	
24.40	Unobligated balance available, end of year	2,714		
39.00	Budget authority	91,459	99,079	104,000
<b>Budget authority:</b>				
40.00	Appropriation (indefinite)	45,133		
40.00	Appropriation (special fund, indefinite)	46,326	99,079	104,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	93,589	102,544	104,000
72.40	Obligated balance, start of year	12,902	11,901	11,245
74.40	Obligated balance, end of year	-11,901	-11,245	-11,045
77.00	Adjustments in expired accounts	-382		
78.00	Adjustments in unexpired accounts	29		
90.00	Outlays	94,237	103,200	104,200

The Federal Energy Regulatory Commission (FERC) is charged with regulating certain interstate aspects of the natural gas, hydroelectric, oil pipeline, and electric industries. Such regulation includes issuing licenses, approving rates, inspecting dams and enforcement activities and providing other services to regulated businesses. In 1988, these businesses will pay an estimated \$104.9 million in fees and charges to cover the Commission's cost of providing licenses, inspections and other services.

**Natural gas regulation.**—The Commission regulates 150 natural gas pipeline companies and more than 9,500 natural gas producers. Responsibilities include issuing certificates of public convenience and necessity for natural gas pipelines, determining rates for the transportation and sale of natural gas, administering wellhead pricing provisions in accordance with the Natural Gas Policy Act, and establishing curtailment and other provisions. Producer certificates and rates are also reviewed by the Commission.

General and special funds—Continued

FEDERAL ENERGY REGULATORY COMMISSION—Continued  
SALARIES AND EXPENSES—Continued

**Hydropower licensing regulation.**—The Commission issues preliminary permits and exemption licenses for hydroelectric projects, enforces the terms and conditions, and performs dam safety inspections. There are currently 867 hydroelectric projects under license, representing more than 1,218 hydroelectric developments, which supply 13 percent of the electric energy generated in the United States. The Commission also performs investigations of headwater benefits that are derived from Federally-owned or licensed headwater improvements.

**Oil pipeline regulation.**—The Commission's responsibilities include the establishment of just and reasonable transportation rates. Approximately 150 common carrier oil pipeline companies, including the Trans Alaska Pipeline System (TAPS), are currently under the jurisdiction of the FERC. The valuation of these regulated companies approximates \$21 billion. During 1986, the Commission implemented a new methodology for determining oil pipeline rates based on trended original cost.

**Electric power regulation.**—The Commission is responsible for determining rates for the interstate sale or transmission of wholesale electric energy for 214 electric utilities and for overseeing electric utility corporate transactions. The Commission approves rates for all Federal power marketing agencies except TVA. The Commission also certifies cogenerators and small power producers.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent	56,331	57,196	57,031
11.3 Other than full-time permanent	1,382	3,454	3,486
11.5 Other personnel compensation	1,282	1,436	1,334
11.9 Total personnel compensation	58,995	62,086	61,851
12.1 Personnel benefits: Civilian	6,898	7,030	10,564
13.0 Benefits for former personnel	89	20	20
21.0 Travel and transportation of persons	1,886	1,968	2,153
22.0 Transportation of things	153	33	37
23.1 Rental payments to GSA	6,169	6,265	7,432
23.2 Rental payments to others	108	111	115
23.3 Communications, utilities, and miscellaneous charges	3,428	4,027	3,666
24.0 Printing and reproduction	2,294	2,353	2,162
25.0 Other services	12,044	17,189	14,695
26.0 Supplies and materials	1,000	1,194	1,110
31.0 Equipment	440	265	192
42.0 Insurance claims and indemnities	85		
43.0 Interest and dividends		3	3
99.9 Total obligations	93,589	102,544	104,000

Personnel Summary

Total number of full-time permanent positions	1,486	1,573	1,573
Total compensable workyears:			
Full-time equivalent employment	1,597	1,659	1,659
Full-time equivalent of overtime and holiday hours	8	8	8

GEOTHERMAL RESOURCES DEVELOPMENT FUND

For carrying out the Loan Guarantee and Interest Assistance Program as authorized by the Geothermal Energy Research, Development and Demonstration Act of 1974, as amended, \$72,000, to remain available until expended: *Provided*, That the indebtedness guaranteed

or committed to be guaranteed through funds provided by this or any other appropriation Act shall not exceed the aggregate of \$500,000,000. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations	4,412	1,317	169
Financing:			
21.40 Unobligated balance available, start of year	-1,894	-12,551	-11,306
22.40 Unobligated balance transferred, net	-15,000		
24.40 Unobligated balance available, end of year	12,551	11,306	11,209
40.00 Budget authority (appropriation)	69	72	72
Relation of obligations to outlays:			
71.00 Obligations incurred, net	4,412	1,317	169
72.40 Obligated balance, start of year	901	889	889
74.40 Obligated balance, end of year	-889	-889	
90.00 Outlays	4,424	1,317	1,058

Status of Direct Loans (in thousands of dollars)

Position with respect to appropriations act limitation on obligations:	1986 actual	1987 est.	1988 est.
1111 Limitation on direct loans to the public			
1132 Obligations exempt from limitation: Defaulted guaranteed loan claims	3,500		
1150 Total direct loan obligations	3,500		
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	12,400	15,900	15,900
1232 Disbursements: Disbursements for guaranteed loan claims	3,500		
1290 Outstanding, end of year	15,900	15,900	15,900

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:	1986 actual	1987 est.	1988 est.
2210 Outstanding, start of year	53,227	49,727	49,727
2261 Adjustments: Terminations for default that result in direct loans	-3,500		
2290 Outstanding, end of year	49,727	49,727	49,727
MEMORANDUM			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year	49,727	49,727	49,727

The objectives of the loan guarantee program are: (1) to encourage and assist the private sector in developing geothermal resources by sharing the lenders' financial risk associated with the introduction of new technology; and (2) to develop normal borrower-lender relationships that will in time encourage the flow of credit without the need for Federal assistance.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent	66	47	49
12.1 Personnel benefits: Civilian	5	7	7
21.0 Travel and transportation of persons	8	18	
25.0 Other services	4,333	1,245	113
99.9 Total obligations	4,412	1,317	169

Personnel Summary

Total number of full-time permanent positions	1	1	1
Total compensable workyears: Full-time equivalent employment	1	1	1

CLEAN COAL TECHNOLOGY

[The Secretary of Energy pursuant to the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577), shall—

(1) no later than thirty days after the date of the enactment of this Act, publish in the Federal Register a notice soliciting statements of interest in, and informational proposals for, projects meeting the cost-sharing criteria contained under this head in Public Law 99-190 and employing emerging clean coal technologies which are capable of retrofitting, repowering, or modernizing existing facilities, which statements and informational proposals are to be submitted to the Secretary within sixty days after the publication of such notice; and

(2) no later than March 6, 1987, submit to Congress a summary report of statements of interest and informational proposals received and no later than one hundred and twenty days after the receipt of such statements and proposals submit to Congress a report that analyzes the information contained in such statements of interest and informational proposals and assesses the potential usefulness and commercial viability of each emerging clean coal technology for which a statement of interest or informational proposal has been received.

Notwithstanding guidance provided by the Department in the February 17, 1986 Clean Coal Technology Program Opportunity Notice, funds expended by a private sector participant during the period of Congressional review or approval of the projects selected by the Department for agreements may be eligible for cost-sharing, as appropriate, commencing immediately after a full and comprehensive report on the project in question is submitted to the Congress for a 30-day review pursuant to the Administrative Provisions of the Department of Energy in this Act: *Provided*, That such cost-sharing may only be reimbursed after the Congress has approved the project or the 30-day review period has elapsed and the agreement executed by the Department: *Provided further*, That in no case shall funds expended by the private sector during the review period be eligible for cost-sharing reimbursement of any project disapproved by the Congress.]

*For necessary expenses, \$50,000,000 to be derived from the Clean Coal Technology Reserve established pursuant to Public Law 98-473, to remain available until expended, for the Secretary of Energy to issue, pursuant to the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577), a general request for proposals for clean coal technology projects and, upon review of such proposals, to provide financial assistance awards for projects that (1) meet the cost-sharing criteria contained under this head in Public Law 99-190; (2) employ emerging clean coal technologies capable of retrofitting, repowering or modernizing existing facilities; and (3) satisfy the criteria provided in the "Joint Report of the Special Envoys on Acid Rain", dated January 1986, which is described in the Clean Coal Technology Program Announcement published in the Federal Register on November 12, 1986.*

*Further, to provide financial assistance awards for projects which meet said requirements, in fiscal year 1989, \$100,000,000, to be derived from the Clean Coal Technology Reserve, to remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balances, start of year	750,000	350,000	350,000
Reduction pursuant to Public Law 99-190	-400,000		
Total available for appropriation	350,000	350,000	350,000
Appropriation			-50,000
Unappropriated balance, end of year	350,000	350,000	300,000

Program and Financing (In thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-0117-0-1-271			
<b>Program by activities:</b>			
10.00 Total obligations	404	61,700	355,602
<b>Financing:</b>			
Unobligated balance, start of year:			
21.40 Available		-246,872	-334,272

21.40	Unavailable			-149,100
22.40	Unobligated balance transferred, net		-398,776	
	Unobligated balance, end of year:			
24.40	Available	246,872	334,272	28,670
24.40	Unavailable	149,100		
25.00	Unobligated balance lapsing	2,400		
40.00	<b>Budget authority (appropriation) (special fund)</b>			<b>50,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	404	61,700	355,602
72.40	Obligated balance, start of year		145	35,530
74.40	Obligated balance, end of year	-145	-35,530	-245,382
90.00	Outlays	259	26,315	145,750

Public Law 99-190, making continuing appropriations for 1986, provided \$400 million from funds in the Energy Security Reserve in the Department of the Treasury for a new Clean Coal Technology Program in the Department of Energy. This program was authorized under the Clean Coal Technology Reserve proviso of Public Law 98-473 to subsidize the construction and operation of facilities to demonstrate the potential commercial feasibility of such technologies.

Of the \$400 million, \$100 million was made available for obligation beginning in 1986, \$150 million in 1987, and \$150 million in 1988. These amounts were reduced by .6 percent pursuant to section 325 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as included in section 101(d) of Public Law 99-190.

Public Law 99-190 also reduced the amount of the Clean Coal Technology Reserve to \$350 million. With the provision of funds to initiate the new program, the Reserve was merged with the program account.

The 1988 budget anticipates additional appropriations of \$350 million over 5 years for new clean coal technology demonstration projects, including \$50 million in 1988 and \$100 million as a 1989 advance appropriation. The remaining \$200 million is anticipated to be used during 1990-92.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-0117-0-1-271			
11.1	Personnel compensation: Full-time permanent		1,031
12.1	Personnel benefits: Civilian		156
21.0	Travel and transportation of persons		67
25.0	Other services	404	61,700
99.9	Total obligations	404	61,700
			355,602

Personnel Summary

Total number of full-time permanent positions	20
Total compensable workyears: Full-time equivalent employment	20

ALTERNATIVE FUELS PRODUCTION

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
89-5180-0-2-271			
<b>Program by activities:</b>			
10.00	Total obligations	72,404	1,926
<b>Financing:</b>			
14.00	Offsetting collections from: Non-Federal sources		-92,000
17.00	Recovery of prior year obligations	-223,774	-49,778
21.40	Unobligated balance, start of year	-2,101	-1,926
22.40	Unobligated balance transferred, net	154,320	
24.40	Unobligated balance, end of year	1,926	49,778

General and special funds—Continued

ALTERNATIVE FUELS PRODUCTION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 89-5180-0-2-271	1986 actual	1987 est.	1988 est.
27.00 Capital transfer to general fund.....			82,000
39.00 Budget authority.....	2,775		
Budget authority:			
40.00 Appropriation.....	1,020,360		
40.47 Portion applied to debt reduction.....	-1,020,360		
42.00 Transferred from other accounts.....	2,775		
43.00 Appropriation (adjusted).....	2,775		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	72,404	1,926	-82,000
72.40 Obligated balance, start of year.....	272,276	49,778	49,904
74.40 Obligated balance, end of year.....	-49,778	-49,904	-10,000
78.00 Adjustments in unexpired accounts.....	-223,774		-49,778
90.00 Outlays.....	71,128	1,800	-91,874

This program was established in 1980 for the purpose of expediting the development and production of alternative fuels.

When the Synthetic Fuels Corporation was declared to be operational in 1982, the uncommitted and unobligated funds remaining in the program were transferred to the Energy Security Reserve for use by the Synthetic Fuels Corporation, with the exception of the loan guarantee for the Great Plains Gasification Project, which remained under the jurisdiction of the Department of Energy. The Department exercised its authority to borrow from the Treasury to repay the Federal Financing Bank upon default of the borrower in 1985. This loan was repaid, along with accrued interest, by a Supplemental appropriation in 1986. The Department acquired ownership of the Great Plains plant by foreclosure, which was completed on July 14, 1986, and has continued operation of the plant. Plant operations have been accomplished without the expenditure of appropriated funds. The Department is initiating steps for the sale of this property to the private sector. No estimates are included at this time for proceeds from the sale. The budget reflects the transfer to Treasury of revenues from plant operations through the end of fiscal year 1988.

Object Classification (in thousands of dollars)

Identification code 89-5180-0-2-271	1986 actual	1987 est.	1988 est.
25.0 Other services.....	21	1,926	10,000
43.0 Interest and dividends.....	72,383		
99.9 Total obligations.....	72,404	1,926	10,000

PAYMENTS TO STATES UNDER FEDERAL POWER ACT

Program and Financing (in thousands of dollars)

Identification code 89-5105-0-2-852	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligation (object class 41.0).....	1,007	674	705
Financing:			
21.40 Unobligated balance available, start of year.....	-1,052	-674	-705

24.40 Unobligated balance available, end of year.....	674	705	727
60.00 Budget authority (appropriation) (permanent, indefinite, special fund).....	629	705	727
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,007	674	705
72.40 Obligated balance, start of year.....	2	606	
74.40 Obligated balance, end of year.....	-606		
90.00 Outlays.....	403	1,280	705

The States are paid 37.5 percent of the receipts from licenses for occupancy and use of national forests and public lands within their boundaries issued by the Federal Energy Regulatory Commission (16 U.S.C. 810).

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, including the acquisition of real property or facility construction or expansion, **[\$499,000,000]** \$500,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury [Provided, That of the funds available, \$2,500,000 shall be provided to the State of Oregon for the purpose of researching, with respect to nuclear activities carried out at the Hanford Federal Reservation in Richland, Washington, the effects of such nuclear activities on the health of the people of Oregon and on the environment of Oregon]. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	1,212,821	1,155,020	1,230,120
Receipts from nuclear powered electric utilities.....	367,802	440,600	512,500
Net earnings on investments.....	73,434	133,500	136,300
Total available for appropriation.....	1,654,057	1,729,120	1,878,920
Appropriation.....	-499,037	-499,000	-500,000
Unappropriated balance, end of year.....	1,155,020	1,230,120	1,378,920

Program and Financing (in thousands of dollars)

Identification code 89-5227-0-2-271	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Operating expenses: Terminal isolation nuclear waste repository R&D and site investigations.....	487,467	508,844	463,967
Capital investment:			
01.01 Purchase of equipment.....	7,283	12,039	28,833
02.01 Construction.....			7,200
10.00 Total obligations.....	494,750	520,883	500,000
Financing:			
21.40 Unobligated balance, start of year.....	-17,596	-21,883	
24.40 Unobligated balance available, end of year.....	21,883		
40.00 Budget authority (appropriation).....	499,037	499,000	500,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	494,750	520,883	500,000
72.40 Obligated balance, start of year.....	136,804	246,428	324,929
74.40 Obligated balance, end of year.....	-246,428	-324,929	-324,929
90.00 Outlays.....	385,126	442,382	500,000

The nuclear waste activities program consists of efforts related to the development, acquisition and operation of facilities for the disposal of civilian and defense high level nuclear waste. These activities are funded by appropriations from the nuclear waste fund which is paid for by the users of the disposal service.

Object Classification (in thousands of dollars)

Identification code 89-5227-0-2-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,183	13,246	15,323
11.3 Positions other than full-time permanent.....	209	222	251
11.5 Other personnel compensation.....	353	360	380
11.9 Total personnel compensation.....	12,745	13,828	15,954
12.1 Personnel benefits: Civilian.....	1,561	1,616	1,869
13.0 Benefits for former personnel.....	10		
21.0 Travel and transportation of persons.....	1,670	1,779	2,042
22.0 Transportation of things.....	98	105	119
23.1 Rental payments to GSA.....	571	611	702
23.3 Communications, utilities, and miscellaneous charges.....	705	740	777
24.0 Printing and reproduction.....	993	725	725
25.0 Other services.....	453,121	464,179	412,990
26.0 Supplies and materials.....	355	373	428
31.0 Equipment.....	7,283	12,126	33,733
32.0 Lands and structures.....			7,200
41.0 Grants, subsidies, and contributions.....	13,990	24,801	23,461
43.0 Interest and dividends.....	1,648		
99.9 Total obligations.....	494,750	520,883	500,000

Personnel Summary

Total number of full-time permanent positions.....	273	288	348
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	291	311	357
Full-time equivalent of overtime and holiday hours.....	1	1	2

Trust Funds

ADVANCES FOR COOPERATIVE WORK

Program and Financing (in thousands of dollars)

Identification code 89-8575-0-7-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Conservation, renewal, evaluation and development of energy resources.....	1,402		
00.02 Civilian reactor safety and testing.....	11,409	8,050	7,059
00.03 Remedial action and nuclear waste technology.....	1,825	4,250	
00.04 Magnetic fusion program.....	2,410	2,750	1,511
00.05 Basic energy sciences.....	397	400	400
00.06 Fossil energy.....	1,848	755	115
00.07 Richland operations office.....	1,170	1,418	1,490
00.08 Defense programs.....	125,504	132,000	127,000
00.09 Technical information management program.....		150	600
10.00 Total obligations (object class 25.0).....	145,965	149,773	138,175
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-805	-693	-722
24.40 Unobligated balance available, end of year.....	693	722	747
60.00 Budget authority (appropriation) (permanent, indefinite).....	145,853	149,802	138,200
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	145,965	149,773	138,175
72.40 Obligated balance, start of year.....	94,071	81,153	81,124
74.40 Obligated balance, end of year.....	-81,153	-81,124	-81,099
90.00 Outlays.....	158,883	149,802	138,200

**Conservation, renewal, evaluation, and development of energy resources.**—Advances from foreign private industry is used to fund basic electric energy research and experimentation.

**Civilian reactor safety and testing.**—Advances contributed by domestic and foreign sources fund research and development activities involving advanced reactors and related processes and sponsor international light water reactor safety testing at the Loss-of-Fluid Testing Facility.

**Remedial action and nuclear waste technology.**—Advances from domestic and foreign sources sponsor joint nuclear waste processing research projects.

**Magnetic fusion program.**—Advances received under international cooperative agreements provide for joint research, operation and upgrading of magnetic fusion and reactor facilities.

**Basic energy sciences.**—Advances contributed by foreign countries under cost-sharing agreements are for neutron scattering experiments and research.

**Fossil energy.**—Advances from private domestic and foreign government sources provide funds for enhanced oil recovery research and advancement of coal technology.

**Richland operations office.**—Advances from public utilities fund the cost of essential support services provided at a jointly operated reactor facility.

**Defense programs.**—Information concerning these activities is classified.

**Technical information management program.**—Advances received under international cooperative agreements provide funds for operating the International Energy Agency (IEA) and Energy Technology Data Exchange (ETDE).

POWER MARKETING ADMINISTRATIONS

Federal Funds

General and special funds:

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, **[\$2,881,000]** \$3,026,000, to remain available until expended. (Energy and Water Development Appropriations Act 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 89-0304-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	3,063	3,618	3,191
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-17		
21.40 Unobligated balance available, start of year.....	-903	-1,102	-365
24.40 Unobligated balance available, end of year.....	1,102	365	200
40.00 Budget authority (appropriation).....	3,245	2,881	3,026
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,063	3,618	3,191
72.40 Obligated balance, start of year.....	1,065	1,199	1,431
74.40 Obligated balance, end of year.....	-1,199	-1,431	-1,431
78.00 Adjustments in unexpired accounts.....	-17		
90.00 Outlays.....	2,912	3,386	3,191

The Alaska Power Administration (APA) is responsible for operation and maintenance and power marketing for the Eklutna and Snettisham hydroelectric projects in accordance with the authorizing legislation for each project.

The agency's normal activities will continue in 1988. The appropriation request anticipates that \$165,000 deferred from prior years will be used in 1988. Proprietary receipts are estimated to be \$8,469,000 in 1988.

Study efforts will continue on a possible Alaska Power Administration divestiture. Administration ac-

General and special funds—Continued

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION—  
Continued

tivities will be coordinated with the Congress and existing power customers, and implementation will not proceed until there are necessary legislative approvals. To the extent feasible, divestiture will be accomplished with no significant power rate increases for ratepayers. The budget assumes that divestiture of the Alaska Power Administration will be authorized and implemented at the end of 1989.

Object Classification (in thousands of dollars)

Identification code 89-0304-0-1-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,425	1,520	1,304
11.3 Other than full-time permanent.....	117	100	83
11.5 Other personnel compensation.....	62	64	51
11.9 Total personnel compensation.....	1,604	1,684	1,438
12.1 Personnel benefits: Civilian.....	381	356	325
13.0 Benefits for former personnel.....	1		
21.0 Travel and transportation of persons.....	126	191	189
22.0 Transportation of things.....	15	60	65
23.1 Rental payments to GSA.....	87	82	94
23.3 Communications, utilities, and miscellaneous charges.....	47	64	66
24.0 Printing and reproduction.....	14	16	21
25.0 Other services.....	237	306	211
26.0 Supplies and materials.....	116	149	201
31.0 Equipment.....	387	599	581
32.0 Lands and structures.....	48	111	
99.9 Total obligations.....	3,063	3,618	3,191

Personnel Summary

Total number of full-time permanent positions.....	33	34	31
Total compensable workyears:			
Full-time employment equivalent.....	36	38	35
Full-time equivalent of overtime and holiday hours.....		1	1

Public enterprise funds:

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for [Enloe Dam Fish Passage Facilities] fish passage improvements at the *Umatilla River Diversion and for the Ellensburg Screen Fish Passage Facilities*. Expenditures are also approved for official reception and representation expenses in an amount not to exceed \$2,500.

During fiscal year [1987, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$10,000,000] 1988, no new direct loan obligations may be made. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 89-4045-0-3-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Resource planning, acquisition, and oversight.....	879,922	978,600	1,002,000
00.02 Residential exchange.....	1,046,380	1,072,700	1,172,300
00.03 Energy conservation.....	5,550	20,700	33,300
00.04 System planning and construction.....	29,278	16,200	14,500
<b>Operation and maintenance:</b>			
00.05 System operation.....	24,860	30,700	30,300
00.06 System maintenance.....	70,406	73,400	71,200
00.07 Power marketing.....	10,361	14,500	13,800
00.08 Power scheduling.....	3,176	4,200	4,200
00.09 Fish and wildlife.....	19,588	27,300	26,000
00.10 Planning Council.....	5,988	6,700	6,600

00.11 Interest expense (net).....	167,603	137,400	152,100
<b>Associated project costs:</b>			
00.20 Bureau of Reclamation.....	53,639	52,700	51,700
00.21 Corps of Engineers (operation and maintenance).....	60,363	67,700	71,700
00.22 Federal Energy Regulatory Commission (coordination agreement).....	2,922	3,300	3,300
00.91 Total operating expenses.....	2,380,036	2,506,100	2,653,000
<b>Capital investment:</b>			
01.01 Energy conservation.....	90,583	69,400	59,700
01.02 System planning and construction.....	166,017	167,859	123,100
01.03 Capital equipment.....	12,506	17,300	9,600
01.04 Fish and wildlife.....	8,015	10,200	13,400
02.01 Reimbursable program.....	51,531	103,500	109,600
10.00 Total obligations.....	2,708,688	2,874,359	2,968,400

Financing:

<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-23,922	-24,500	-24,500
14.00 Non-Federal sources.....	-2,636,838	-2,849,500	-3,140,900
27.00 Capital transfer to general fund.....	175,200	230,900	178,800
31.00 Redemption of debt.....	181,201	96,400	157,500
32.47 Balance of recorded authority to borrow withdrawn.....			66,500
67.10 <b>Budget authority (authority to borrow: 16 U.S.C. 838(k)) (permanent, indefinite).....</b>	<b>404,329</b>	<b>327,659</b>	<b>205,800</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	47,928	359	-197,000
<b>Obligated balance, start of year:</b>			
72.47 Authority to borrow.....	71,842	165,051	177,108
72.98 Treasury balance: Fund balance.....	106,153	88,198	100,000
<b>Obligated balance, end of year:</b>			
74.47 Authority to borrow.....	-165,051	-177,108	-135,608
74.98 Fund balance.....	-88,198	-100,000	-100,000
90.00 Outlays.....	-27,326	-23,500	-155,500

Note.—Authority to borrow available to the Bonneville Power Administration continues to be available on a permanent, indefinite basis. This authority is limited only in that the amount of borrowing outstanding at any time cannot exceed \$3.75 billion.

Status of Direct Loans (in thousands of dollars)

Identification code 89-4045-0-3-271	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	20,000	10,000	
1112 Unused balance of direct loan limitation expiring.....	-20,000	-10,000	
1150 Total direct loan obligations.....			
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	5,836	4,869	4,600
1251 Repayments: Repayments and prepayments.....	-967	-269	-200
1290 Outstanding, end of year.....	4,869	4,600	4,400

Bonneville Power Administration (BPA) is the Federal electric power marketing agency in the Pacific Northwest. BPA markets hydroelectric power from 21 multipurpose water resource projects of the U.S. Army Corps of Engineers and 9 projects of the U.S. Bureau of Reclamation, plus some energy from non-Federal generating projects in the region. These generating resources and BPA's transmission system, planned by the end of 1988 to consist of an estimated 14,552 circuit miles of high-voltage transmission lines and 387 substations, are operated as an integrated power system with operating and financial results combined and reported as the Federal Columbia River Power System. BPA is the largest power wholesaler in the Northwest and provides about four-fifths of the region's electric power transmission capacity.

BPA is responsible for meeting the net firm power requirements of its requesting customers through a variety of means, including energy conservation programs, acquisition of renewable and other resources, and power exchanges with utilities both in and outside the region.

BPA will finance its operations on the basis of the self-financing authority provided by Federal Columbia River Transmission System Act of 1974 (Transmission Act) (Public Law 93-454) and the new borrowing authority provided by the Pacific Northwest Electric Power Planning and Conservation Act (Pacific Northwest Power Act) (Public Law 96-501) for energy conservation, and renewable energy resources, and capital fish facilities. Authority to borrow available to the BPA is available on a permanent, indefinite basis. This authority is limited only in that the amount of borrowing outstanding at any time cannot exceed \$3,750,000,000.

*Debt repayment reform.*—The budget assumes near-term actions, to be effective October 1, 1988, to improve business management of the power marketing programs while under Federal ownership and control. Debt repayment will be strengthened legislatively by such measures as: (1) making equal annual principal payments for each investment financed by appropriations including irrigation investments assigned to power for repayment, and (2) requiring that repayment for irrigation investments assigned to power be completed within a maximum of 40 years.

*Budget programs—Resource planning, acquisition, and oversight.*—Provides for the orderly planning, acquisition, and oversight of reliable, cost-effective, environmentally acceptable resources, including resources purchased prior to the Pacific Northwest Power Act, needed to serve BPA's portion of the region's forecasted net electric load requirements that cannot be met through cost-effective conservation.

*Residential exchange.*—Provides for extending the benefits of low-cost Federal power to the residential and small farm customers of investor-owned and publicly-owned utilities, in accordance with the Pacific Northwest Power Act.

*Energy conservation.*—Provides limited funding from revenues in support of the capital investment program described below for energy conservation.

*System planning and construction.*—Provides limited funding from revenues in support of the capital investment program described below for system planning and construction.

*Operating programs—System operation.*—Provides for operating an estimated 14,550 miles of line and 388 substations of the BPA transmission system during 1988.

*System maintenance.*—Provides for maintaining the facilities and equipment of the BPA transmission system in 1988.

*Power marketing.*—Provides for forecasting regional demand; negotiating power sales and wheeling, billing, and servicing these contracts; reviewing and establishing wholesale power and wheeling rates; and encouraging public participation in the formation of BPA policies and programs.

*Power scheduling.*—Provides for the scheduling of power.

*Fish and wildlife.*—Provides limited funding from revenues in support of the capital investment program described below for fish and wildlife.

*Planning Council.*—Provides for activities of the Pacific Northwest Electric Power and Conservation Planning Council required by the Pacific Northwest Power Act.

*Net interest on borrowings.*—Provides for payments to the U.S. Treasury for interest on borrowings to finance BPA's construction, energy conservation, and fish and wildlife programs under \$3,750,000,000 borrowing authority provided by the Transmission Act as amended by the Pacific Northwest Power Act and replenished by Public Law 98-50.

*Associated project costs.*—Provides for repayment of the operation and maintenance (O&M) costs of the 30 U.S. Army Corps of Engineers and U.S. Bureau of Reclamation power generating projects, interest and amortization on the U.S. Bureau of Reclamation capital investment in power generating facilities and coordination agreement payments to the Federal Energy Regulatory Commission.

*Reimbursable.*—Provides for that portion of Hanford Generating Project operating expenses paid by two investor-owned utilities through trust fund arrangements. Also provides for services such as construction, operation and maintenance of transmission facilities when requested and financed by other entities.

*Capital investment—Energy conservation.*—Provides for funding conservation measures, including home energy efficiency, commercial energy efficiency, street lighting, utility distribution system loss reduction, industrial technological transfers, passive solar energy applications, and conservation measures for new home and commercial building construction.

*System planning and construction.*—Provides for continuation of construction work on transmission lines substations and related facilities initiated in prior years, initiation of construction on system additions, and planning and research and development for a reliable, efficient and cost-effective regional transmission system. During 1988, BPA plans to construct and energize approximately 105 miles of line and 3 substations.

*Capital equipment.*—Provides for general purpose ADP equipment, office furniture and equipment, and software development in support of all BPA programs. This activity was previously included as part of the system planning and construction program.

*Fish and wildlife.*—Provides for protection, mitigation and enhancement of fish and wildlife affected by hydroelectric facilities on the Columbia River and its tributaries, in accordance with the Pacific Northwest Power Act.

*Contingencies.*—Although contingencies are not specifically funded, the need may arise to provide for purchase of power in low-water years; for repair and/or replacement of facilities affected by natural and man-made emergencies, including the resulting additional cost for contracting, construction, and operation and maintenance work; for unavoidable increased costs for the planned program due to necessary but unforeseen adjustments, including engineering and design changes, contractor and other claims and relocations, or for pay-

Public enterprise funds—Continued

BONNEVILLE POWER ADMINISTRATION FUND—Continued

ment of a retrospective premium adjustment in excess nuclear property insurance policy, in the event one of the participating utilities has an accident with property damage in excess of \$500 million.

**Financing.**—The Transmission Act provides for the use by BPA of all receipts, collections, and recoveries in cash from all sources, including the sale of bonds, to finance the annual budget programs of BPA. These receipts result primarily from the sale of power and wheeling. The Transmission Act also provides for authority to borrow from the U.S. Treasury at rates comparable to borrowings at open market rates for similar issues. As amended by the Pacific Northwest Power Act and replenished by Public Law 98-50, it allows for \$3,750,000,000 of borrowing to be outstanding at any time. Borrowing authority estimated for use in 1988 is \$205,800,000.

In 1986 BPA made Treasury payments of \$640.9 million and expects to make payments of \$588.4 million in 1987 and \$615.1 million in 1988. The 1988 payment will be distributed as follows: U.S. Army Corps of Engineers and U.S. Bureau of Reclamation O&M and FERC payments (\$97.8 million), interest on bonds and appropriations (\$359.8 million), and amortization (\$157.5 million).

**Direct loans.**—There will be no direct loans in 1988.

**Operating results.**—Total revenues and receipts are forecast at approximately \$3,165,400,000 in 1988.

It should be noted that BPA's revenue forecasts are based on several critical assumptions about both the supply of and demand for Federal energy. Deviation from the assumed conditions may result in variation in actual revenues of several hundred million dollars from the forecast. Estimated retained income for 1988, based on BPA's current revenue and expense estimates, is \$414,839,000, an increase of \$185,200,000 from 1987.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	2,650,417	2,770,500	3,055,800
Expense.....	-2,503,614	-2,353,205	-2,710,200
Net operating income or loss (-).....	146,803	417,295	345,600

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	106,805	88,198	100,000	100,000
Accounts receivable (net).....	99,215	106,698	94,900	104,400
Advances made.....	1,885		2,100	2,300
Loans receivable (net).....	5,836	4,869	4,600	4,400
Inventories.....	33,023	35,087	35,800	39,400
Real property and equipment (net).....	1,867,733	2,361,829	2,425,400	2,667,900
Other assets (net).....	888,663	538,248	918,400	1,010,200
Total assets.....	3,003,160	3,134,929	3,581,200	3,928,600
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	122,920	154,332	130,000	135,000
Advances received.....	10,643	3,100	10,000	10,000
Deposit fund liability.....	509	-111	300	300
Debt issued under borrowing authority: Borrowing from Treasury.....	1,340,000	1,458,799	1,678,599	1,794,099

Other liabilities.....	306	1,503	200	200
Total liabilities.....	1,474,378	1,617,623	1,819,099	1,939,599
<b>Government equity:</b>				
Selected equities: Invested capital.....	1,528,782	1,517,306	1,762,101	1,989,001
Total Government equity.....	1,528,782	1,517,306	1,762,101	1,989,001
Total liabilities and Government equity.....	3,003,160	3,134,929	3,581,200	3,928,600
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	1,493,884	1,490,762	1,532,462	
Transactions: net transfer.....	-3,122	41,700	41,700	
Closing balance.....	1,490,762	1,532,462	1,574,162	
Retained income:				
Opening balance.....	34,898	26,544	229,639	
Prior year adjustment.....	5,887			
Transactions:				
Net operating income.....	146,803	417,295	345,600	
Capital transfers.....	-175,200	-230,900	-178,800	
Interest capitalized.....	14,156	16,700	18,400	
Closing balance.....	26,544	229,639	414,839	
Total Government equity (end of year).....	1,517,306	1,762,101	1,989,001	

Object Classification (in thousands of dollars)

Identification code	89-4045-0-3-271	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1 Full-time permanent.....		107,507	110,700	112,300
11.3 Other than full-time permanent.....		5,407	4,100	4,200
11.5 Other personnel compensation.....		6,325	6,900	7,100
11.8 Special personal services payments.....		863	200	200
Total personnel compensation.....		120,102	121,900	123,800
12.1 Personnel benefits: Civilian.....		17,560	17,900	18,200
13.0 Benefits to former personnel.....		2		
21.0 Travel and transportation of persons.....		6,938	7,200	7,600
22.0 Transportation of things.....		4,745	4,600	4,800
23.1 Rental payments to GSA.....		5,474	8,000	13,000
23.3 Communications, utilities, and miscellaneous charges.....		5,714	7,500	7,800
24.0 Printing and reproduction.....		1,786	1,200	1,300
25.0 Other services.....		2,179,530	2,280,159	2,373,300
26.0 Supplies and materials.....		18,754	41,100	42,800
31.0 Equipment.....		58,364	71,300	40,700
32.0 Lands and structures.....		48,517	55,000	55,000
41.0 Grants, subsidies, and contributions.....		21,910	17,500	18,300
42.0 Insurance claims and indemnities.....		158	100	100
43.0 Interest and dividends.....		167,603	137,400	152,100
99.0 Subtotal, direct obligations.....		2,657,157	2,770,859	2,858,800
99.0 Reimbursable obligations.....		51,531	103,500	109,600
99.9 Total obligations.....		2,708,688	2,874,359	2,968,400

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	3,246	3,219	3,184
Total compensable workyears:			
Full-time equivalent employment.....	3,473	3,405	3,355
Full-time equivalent of overtime and holiday hours.....	80	80	80
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	17	24	24
Total compensable workyears: Full-time equivalent employment.....	18	25	25

General and special funds:

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, **[\$19,647,000] \$27,400,000**, to remain available until expended.

(Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

**Program and Financing** (in thousands of dollars)

Identification code 89-0302-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Systems operations and maintenance.....	1,801	2,096	2,104
00.02 Purchase power and wheeling.....	30,487	32,575	40,584
10.00 Total obligations.....	32,288	34,671	42,688
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-17,556	-12,868	-15,288
21.40 Unobligated balance available, start of year.....	-40,307	-2,156	
22.40 Unobligated balance transferred, net.....	23,419		
24.40 Unobligated balance available, end of year.....	2,156		
40.00 Budget authority (appropriation).....		19,647	27,400
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	14,732	21,801	27,400
72.40 Obligated balance, start of year.....	1,200	2,770	1,842
74.40 Obligated balance, end of year.....	-2,770	-1,842	-2,332
90.00 Outlays.....	13,162	22,729	26,910

The Southeastern Power Administration (SEPA) markets power generated at Corps of Engineers hydroelectric generating plants in a 10-State area of the Southeast. Deliveries are made by means of transmission facilities owned by others. There are 22 projects now in operation. A schedule of kilowatt capacity of projects in operation or under construction follows:

Projects in operation.....	3,092,375
Project under construction: Russell B. Russell (pumping units).....	300,000
Total.....	3,392,375

SEPA sells power at wholesale primarily to publicly and cooperatively owned electric distribution utilities using wheeling and pooling agreements with the region's large private utilities to provide firm power to its customers. SEPA does not own or operate any transmission facilities. Its long-term contracts provide for periodic electric rate adjustments to insure that the Federal Government recovers all costs of operation and all capital invested in power, with interest, in keeping with statutory requirements.

Legislation will be proposed to study a possible divestiture of the Southeastern Power Administration. Administration activities will be coordinated with the Congress and existing power customers, and implementation will not proceed until there are necessary legislative approvals. To the extent feasible, divestiture will be accomplished with no significant power rate increases for ratepayers. The budget assumes that divestiture of the Southeastern Power Administration will be authorized and implemented at the end of 1989.

The SEPA program includes the following activities:

**System operation and maintenance.**—Provision is made for negotiation and administration of power contracts, collection of revenues, development of wholesale power rates, the amortization of power investment, investigation and planning of proposed water resources projects, scheduling and dispatch of power generation, scheduling storage and release of water, administration of contractual operation requirements, and determination of methods of operating generating plants individually and in coordination with others to obtain maximum utilization of resources. Proprietary receipts deposited in the Treasury were \$82,778,000 for 1986 and

are estimated to be \$114,000,000 for 1987. Proprietary receipts are expected to be \$120,789,000 during 1988.

**Purchase power and wheeling.**—Provision is made for the payment of wheeling fees and for the purchase of electricity in connection with disposal of power under contracts with utility companies.

**Object Classification** (in thousands of dollars)

Identification code 89-0302-0-1-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,184	1,316	1,325
11.3 Other than full-time permanent.....	17	20	25
11.5 Other personnel compensation.....	2	14	15
11.9 Total personnel compensation.....	1,203	1,350	1,365
12.1 Personnel benefits: Civilian.....	151	197	85
21.0 Travel and transportation of persons.....	79	80	85
22.0 Transportation of things.....	1	15	15
23.1 Rental payments to GSA.....	32	50	58
23.3 Communications, utilities, and miscellaneous charges.....	56	52	52
24.0 Printing and reproduction.....	2	7	9
25.0 Other services.....	30,618	32,815	40,909
26.0 Supplies and materials.....	47	40	40
31.0 Equipment.....	99	65	70
99.9 Total obligations.....	32,288	34,671	42,688

**Personnel Summary**

Total number of full-time permanent positions.....	38	40	40
Total compensable workyears: Full-time equivalent employment.....	38	40	40

**CONTINUING FUND, SOUTHEASTERN POWER ADMINISTRATION**

**Program and Financing** (in thousands of dollars)

Identification code 89-5653-0-2-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	4,028		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-50	-50	-50
24.40 Unobligated balance available, end of year.....	50	50	50
60.00 Budget authority (appropriation) (permanent, indefinite, special fund).....	4,028		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,028		
72.40 Obligated balance, start of year.....		4,028	
74.40 Obligated balance, end of year.....	-4,028		
90.00 Outlays.....		4,028	

A continuing fund of \$50 thousand, maintained from receipts from the transmission and sale of electric power in the southeastern area, is available to defray expenses necessary to insure continuity of service (16 U.S.C. 825s-2).

**OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION**

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, [\$25,337,000] \$16,648,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed \$4,625,000 in collections from the Department of Defense from power purchases and not to exceed \$1,721,000 in collections from non-Federal entities for construction projects in fiscal year 1988, to

General and special funds—Continued

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER  
ADMINISTRATION—Continued

remain available until expended. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 89-0303-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Systems operation and maintenance.....	8,853	12,387	13,132
00.02 Purchase power and wheeling.....	11,409	20,959	11,188
00.03 Construction.....	4,205	5,981	5,988
00.91 Total direct program.....	24,467	39,327	30,308
01.01 Reimbursable program.....			6,346
10.00 Total obligations.....	24,467	39,327	36,654
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....			-4,625
14.00 Non-Federal sources.....			-1,721
17.00 Recovery of prior year obligations.....	-97		
21.40 Unobligated balance available, start of year.....	-23,368	-27,650	-13,660
22.40 Unobligated balance transferred, net.....	539		
24.40 Unobligated balance available, end of year.....	27,650	13,660	
40.00 Budget authority (appropriation).....	29,191	25,337	16,648
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	24,467	39,327	30,308
72.40 Obligated balance, start of year.....	8,157	5,882	6,649
74.40 Obligated balance, end of year.....	-5,882	-6,649	-6,649
78.00 Adjustments in unexpired accounts.....	-97		
90.00 Outlays.....	26,645	38,560	30,308

The Southwestern Power Administration (SWPA) operates as a marketing agent for hydroelectric power produced at Corps of Engineers dams in a six-State area. It also operates and maintains some 1,388 miles of high voltage transmission lines, 26 substations and switching stations and 35 radio and microwave stations. SWPA sells its power at wholesale primarily to publicly and cooperatively owned electric distribution utilities. Its long-term contracts provide for periodic rate adjustments to insure that the Federal Government recovers all costs of operation and all capital invested in power, with interest, in keeping with statutory requirements.

SWPA also is responsible for scheduling and dispatching power, negotiating power sales contracts, and constructing facilities required to meet changing customer load requirements.

**Systems operation and maintenance.**—Provision is made for investigating and planning proposed water resources projects, scheduling and dispatching power generation, scheduling storage and release of water, administering contractual operation requirements, and determining methods of operating generating plants individually and in coordination with others to obtain maximum utilization of resources. Provision also is made for maintenance of the transmission system and related facilities to assure reliable service, negotiation and administration of power contracts, collection of revenue, development of wholesale power rates and the amortization of the power investment. Estimated proprietary receipts which are deposited in the Treasury are \$102,950,000 in 1986, and are estimated to be \$92,490,000 in 1987. Proprietary receipts are expected to be \$88,906,000 in 1988.

**Purchase power and wheeling.**—Provision is made for the payment of wheeling fees and for the purchase of energy in connection with the marketing of power under contracts with utility companies.

**Construction.**—The construction program provides transmission, substation and switching facilities to transmit power generated at Corps of Engineers' hydroelectric projects in the Southwest. This program is coordinated with the Corps of Engineers' construction program and customer requirements in order that transmission and related facilities will be in place when these power projects are completed and available for marketing. This program also provides for the purchase of capital electrical equipment used for upgrading the established system to meet changing customer load requirements.

**Reimbursable program.**—This program involves services provided by Southwestern Power Administration to others under various types of reimbursable arrangements. In 1988, the reimbursable program will provide power and energy services to three government agencies: Ft. Sill, Vance Air Force Base and McAlester Army Ammunition Plant. Construction services will be provided to various customers for the SEMO-NEARK transmission and substation additions, modifications of transmission lines, substations, and electronic facilities.

Object Classification (in thousands of dollars)

Identification code 89-0303-0-1-271	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	4,881	5,583	5,198
11.3 Other than full-time permanent.....	624	439	333
11.5 Other personnel compensation.....	170	176	200
11.9 Total personnel compensation.....	5,675	6,198	5,731
12.1 Personnel benefits: Civilian.....	786	722	1,186
21.0 Travel and transportation of persons.....	601	991	994
22.0 Transportation of things.....	20	91	106
23.1 Rental payments to GSA.....	263	399	399
23.2 Rental payments to others.....	33	135	138
23.3 Communications, utilities, and miscellaneous charges.....	563	560	652
24.0 Printing and reproduction.....	29	103	114
25.0 Other services.....	13,407	26,831	18,493
26.0 Supplies and materials.....	658	968	1,009
31.0 Equipment.....	2,405	2,323	1,482
32.0 Lands and structures.....	27	4	3
42.0 Insurance claims and indemnities.....		2	1
99.0 Subtotal, direct obligations.....	24,467	39,327	30,308
99.0 Reimbursable obligations.....			6,346
99.9 Total obligations.....	24,467	39,327	36,654

Personnel Summary

Total number of full-time permanent positions.....	163	168	168
Total compensable workyears: Full-time equivalent employment.....	193	186	186

CONTINUING FUND, SOUTHWESTERN POWER ADMINISTRATION

Program and Financing (in thousands of dollars)

Identification code 89-5649-0-2-271	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-300	-300	-300
24.40 Unobligated balance available, end of year.....	300	300	300
39.00 Budget authority.....			

Relation of obligations to outlays:	
71.00	Obligations incurred, net.....
90.00	Outlays.....

This fund, replenished from power receipts, is available permanently for emergency expenses that would be necessary to insure continuity of service (16 U.S.C. 825s-1; 63 Stat. 767; 65 Stat. 249).

**CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,  
WESTERN AREA POWER ADMINISTRATION**  
(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (Public Law 95-91), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed \$1,500, the purchase of passenger motor vehicles (not to exceed [4] 3 for replacement only), **[\$236,846,000] \$288,512,000**, to remain available until expended, of which **[\$214,835,000] \$265,268,000**, shall be derived from the Department of the Interior Reclamation fund[: *Provided, That*]; in addition, the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration **[\$3,463,000] \$7,003,000**, to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

**Program and Financing** (in thousands of dollars)

Identification code	89-5068-0-2-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Systems operation and maintenance.....	77,296	89,203	93,000
00.02	Purchase of power and wheeling.....	160,212	227,646	233,934
00.91	Total operating expenses.....	237,508	316,849	326,934
01.01	Capital investment.....	74,478	90,265	85,000
01.92	Total direct program.....	311,986	407,114	411,934
02.01	Reimbursable program.....	9,141	17,818	55,000
10.00	Total obligations.....	321,127	424,932	466,934
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-7,038	-13,900	-14,028
14.00	Non-Federal sources.....	-102,060	-117,164	-152,906
17.00	Recovery of prior year obligations.....	-5,571		
21.40	Unobligated balance available, start of year.....	-67,660	-58,044	-4,485
22.40	Unobligated balance transferred, net.....	-1,822		
24.40	Unobligated balance available, end of year.....	58,044	4,485	
39.00	<b>Budget authority.....</b>	<b>195,020</b>	<b>240,309</b>	<b>295,515</b>
Budget authority:				
Current:				
40.00	Reclamation fund (special fund).....	188,797	214,835	265,268
40.00	Appropriation.....	5,333	22,011	23,244
43.00	<b>Appropriation (adjusted).....</b>	<b>194,130</b>	<b>236,846</b>	<b>288,512</b>
Permanent:				
62.00	Transferred from other accounts.....	890	3,463	7,003
63.00	<b>Appropriation (adjusted).....</b>	<b>890</b>	<b>3,463</b>	<b>7,003</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	212,029	293,868	300,000
72.40	Obligated balance, start of year.....	186,924	131,727	210,487
74.40	Obligated balance, end of year.....	-131,727	-210,487	-225,287
78.00	Adjustments in unexpired accounts.....	-5,571		
90.00	Outlays.....	261,655	215,108	285,200

The Western Area Power Administration (Western) markets electric power in 15 western States from feder-

ally-owned power plants operated by the Bureau of Reclamation, Corps of Engineers and the International Boundary and Water Commission. Western operates and maintains about 16,000 miles of high-voltage transmission lines and over 200 associated substation/switchyards and constructs transmission facilities, including new transmission lines, substations and essential additions and modifications to existing facilities.

Western sells power at wholesale to electric distribution utilities. In keeping with statutory requirements, Western's long-term contracts provide for periodic rate adjustments to ensure that the Federal Government recovers all costs of operation and all capital invested in power facilities, with interest.

*Systems operation and maintenance.*—A total of 12 power systems will be operated and maintained. Additional revenue will be available from Boulder Canyon project operations for Western's power marketing and transmission expenses, without further appropriation, as provided in the Hoover Power Plant Act of 1984 (Public Law 98-381). Western will continue to participate in conservation and renewable energy programs in 1988.

Power is sold to wholesale customers such as municipalities, cooperatives, irrigation districts, public utility districts, State and Federal government agencies, and private utilities. Receipts are deposited in the Reclamation fund, the General fund, the Colorado River Dam fund, and the Lower Colorado River Basin Development fund.

Energy sales and revenues resulting from these Western power systems operations, excluding the Colorado River Storage project, the Navajo generating plant, and the Central Arizona project, are as follows:

	1986 actual	1987 est.	1988 est.
Energy sales (millions of kilowatt hours).....	31,442	30,007	28,496
Revenues from energy sales (in thousands of dollars).....	438,271	501,461	533,742

*Purchase of power and wheeling.*—The program provides for purchase of power, wheeling, and fuel displacement. Financing of this program consists of \$122,000,000 of new budget authority, \$27,252,000 associated with net billing procedures, \$49,609,000 associated with customer bill crediting and \$35,073,000 associated with Bonneville Power Administration power transfers for a total program cost of \$233,934,000.

*System construction.*—Construction of transmission facilities is necessary to maintain system reliability and for marketing electric power produced from generating plants of others. Funding is provided in 1988 for system interties, joint construction participation, replacement of deteriorated wood poles and damaged wood or steel structures, reconductoring and upgrading transmission lines to increase system capacity and reliability, construction of operation and maintenance facilities, and system security additions.

*Reimbursable program.*—This program involves services provided by Western to others under various types of reimbursable arrangements. In 1988, the reimbursable program primarily provides for construction and operation and maintenance services for the Bureau of Reclamation and for construction services associated with the California-Oregon Transmission project being built for non-Federal entities.

General and special funds—Continued

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE,  
WESTERN AREA POWER ADMINISTRATION—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

Object Classification (in thousands of dollars)

Identification code 89-5068-0-2-271	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent positions.....	34,973	35,391	36,010
11.3 Positions other than full-time permanent.....	744	722	734
11.5 Other personnel compensation.....	1,488	1,506	1,521
11.9 Total personnel compensation.....	37,205	37,619	38,265
12.1 Personnel benefits: Civilian.....	4,789	6,042	8,171
13.0 Benefits for former personnel.....	37	40	41
21.0 Travel and transportation of persons.....	3,437	3,947	4,342
22.0 Transportation of things.....	769	800	832
23.1 Rental payments to GSA.....	594	618	643
23.2 Rental payments to others.....	804	1,500	1,560
23.3 Communications, utilities, and miscellaneous charges.....	2,950	2,710	2,818
24.0 Printing and reproduction.....	147	240	249
25.0 Other services.....	196,849	268,337	268,205
26.0 Supplies and materials.....	6,930	7,207	7,496
31.0 Equipment.....	36,714	31,664	32,772
32.0 Lands and structures.....	20,725	46,355	46,505
42.0 Insurance claims and indemnities.....	36	35	35
99.0 Subtotal, direct obligations.....	311,986	407,114	411,934
99.0 Reimbursable obligations.....	9,141	17,818	55,000
99.9 Total obligations.....	321,127	424,932	466,934

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,122	1,106	1,106
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,139	1,121	1,121
Full-time equivalent of overtime and holiday hours.....	12	30	30
<b>Reimbursable:</b>			
Total compensable workyears: Full-time equivalent employment.....	31	39	39

**[EMERGENCY] CONTINUING FUND, WESTERN AREA POWER ADMINISTRATION**

Program and Financing (in thousands of dollars)

Identification code 89-5069-0-2-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	485		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-613	-275	-500
24.40 Unobligated balance available, end of year.....	275	500	500
60.00 <b>Budget authority (appropriation) (permanent, indefinite, special fund).....</b>	<b>147</b>	<b>225</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	485		
72.40 Obligated balance, start of year.....		103	
74.40 Obligated balance, end of year.....	-103		
90.00 Outlays.....	382	103	

A continuing fund of \$500,000, maintained from deposits to the Reclamation Fund, is available to insure continuous operation of power systems in the event of equipment failure or other damage caused by acts of God, flood, drought, strikes, embargoes or other conditions which might cause interruptions in service.

Object Classification (in thousands of dollars)

Identification code 89-5069-0-2-271	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	170		
11.3 Other than full-time permanent.....	3		
11.5 Other personnel compensation.....	81		
11.9 Total personnel compensation.....	254		
12.1 Personnel benefits: Civilian.....	24		
21.0 Travel and transportation of persons.....	27		
22.0 Transportation of things.....	26		
23.2 Rental payments to others.....	33		
24.0 Printing and reproduction.....	1		
26.0 Supplies and materials.....	20		
31.0 Equipment.....	6		
32.0 Lands and structures.....	90		
42.0 Insurance claims and indemnities.....	4		
99.9 Total obligations.....	485		

Personnel Summary

<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	6		
Full-time equivalent of overtime and holiday hours.....	2		

Public enterprise funds:

COLORADO RIVER BASINS POWER MARKETING FUND, WESTERN AREA POWER ADMINISTRATION

Program and Financing (in thousands of dollars)

Identification code 89-4452-0-3-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Colorado River storage project.....	29,413	74,577	79,218
00.02 Colorado River Basin project.....	808	540	599
00.03 Fort Peck project.....	6,965	6,883	7,183
00.04 System construction.....	34		
10.00 Total obligations.....	37,220	82,000	87,000
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-3,016	-4,000	-5,000
14.00 Non-Federal sources.....	-100,459	-119,720	-137,600
21.98 Unobligated balance available, start of year: Fund balance.....	-46,814	-52,696	-38,416
24.98 Unobligated balance available, end of year: Fund balance.....	52,696	38,416	39,016
27.00 Capital transfer to general fund.....	60,000	56,000	55,000
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	373		
39.00 <b>Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-66,255	-41,720	-55,600
72.10 Receivables in excess of obligations, start of year.....	-10,315	-17,759	-15,000
74.10 Receivables in excess of obligations, end of year.....	17,759	15,000	15,000
90.00 Outlays.....	-58,811	-44,479	-55,600

Western's operation and maintenance and power marketing expenses for the Colorado River storage project, the Colorado River Basin project and the Fort Peck project will be financed from power revenues.

Western operates and maintains approximately 3,000 miles of transmission lines and over 40 substations associated with these projects. Wholesale power is provided to utilities over the interconnected high-voltage transmission systems. In keeping with statutory requirements, long-term contracts provide for periodic rate adjustments to ensure that the Federal Government recovers all costs of operation and all capital invested in power, with interest.

Energy sales and revenue from power operations associated with the Colorado River Basin project will end in 1987 due to energy requirements for pumping purposes of the Central Arizona project.

The revenue from the Fort Peck project is integrated with Pick-Sloan Missouri Basin project revenue and is included in the construction, rehabilitation, operation and maintenance account.

**Colorado River storage project.**—Western markets power and operates and maintains the power transmission facilities of units of the Colorado River storage project and the Seedskaadee participating project. Western also purchases electricity and pays wheeling fees to meet contractual obligations and to execute the fuel displacement program.

**Colorado River Basin project.**—The 1988 program provides for Western's expenses associated with the Central Arizona project. Financing will be from the Lower Colorado River Basin development fund.

**Fort Peck project.**—Revenue collected by Western is used to defray construction, operation and maintenance and power marketing expenses associated with the power generation and transmission facilities of the Fort Peck project, Corps of Engineers—Civil, and emergency expenses to ensure continuous operation. The Corps operates and maintains the power generating facilities, and Western operates and maintains the transmission system and performs power marketing functions.

	1986 actual	1987 est.	1988 est.
Energy sales (millions of kilowatt hours).....	13,533	8,340	6,937
Revenue from energy sales (in thousands of dollars).....	204,082	129,237	96,676

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Operating income or loss (—):			
Power program:			
Revenue.....	103,475	123,720	142,600
Expense.....	37,220	82,000	87,000
Net operating income, power program.....	66,255	41,720	55,600

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	36,423	35,310	36,000	37,000
Accounts receivable (net).....	24,606	25,377	26,000	25,000
Inventories (net).....		1,639	2,000	2,000
Real property and equipment.....	201,985	303,443	304,000	303,000
Other assets (net).....	108,135	42,712	41,000	43,000
Total assets.....	371,149	408,481	409,000	410,000
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	4,604	761	1,000	1,000
Other liabilities.....	594	2,630	3,000	3,000
Total liabilities.....	5,198	3,391	4,000	4,000
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	46,814	52,696	38,416	39,016
Undelivered orders.....	9,729	6,210	20,584	19,984
Invested capital and earnings.....	309,408	346,184	346,000	347,000
Total Government equity.....	365,951	405,090	405,000	406,000
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	205,073	229,998	244,188	

Interest during construction (capitalized).....	8,320	8,669	400
Interest accrued on investment.....	2,268	2,650	2,750
Contributions.....			
Funds returned to U.S. Treasury.....	-2,268	-2,650	-2,750
Transfer of cost of property.....	16,605	5,521	
Closing balance.....	229,998	244,188	244,588
Retained income or deficit (—):			
Opening balance.....	168,837	175,092	160,812
Transactions:			
Operating income (net).....	66,255	41,720	55,600
Capital transfer.....	-60,000	-56,000	-55,000
Closing balance.....	175,092	160,812	161,412
Total Government equity (end of year).....	405,090	405,000	406,000

**Object Classification (in thousands of dollars)**

Identification code 89-4452-0-3-271	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	7,650	7,910	8,212
11.3 Other than full-time permanent.....	163	161	164
11.5 Other personnel compensation.....	326	337	349
11.9 Total personnel compensation.....	8,139	8,408	8,725
12.1 Personnel benefits: Civilian.....	1,061	1,291	1,628
21.0 Travel and transportation of persons.....	634	789	828
22.0 Transportation of things.....	55	57	59
23.1 Rental payments to GSA.....	197	205	213
23.3 Communications, utilities, and miscellaneous charges.....	895	931	968
24.0 Printing and reproduction.....	24	25	26
25.0 Other services.....	18,493	62,263	66,201
26.0 Supplies and materials.....	1,924	2,001	2,081
31.0 Equipment.....	2,598	2,702	2,810
32.0 Lands and structures.....	1,033	1,074	1,117
42.0 Insurance claims and indemnities.....	19	20	21
43.0 Interest and dividends.....	2,148	2,234	2,323
99.9 Total obligations.....	37,220	82,000	87,000

**Personnel Summary**

Total number of full-time permanent positions.....	210	210	210
Total compensable workyears:			
Full-time equivalent employment.....	219	219	219
Full-time equivalent of overtime and holiday hours.....		6	6

**DEPARTMENTAL ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**DEPARTMENTAL ADMINISTRATION**

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed **[\$17,500]** **[\$35,000]** **[\$395,558,000]** **\$166,133,000**, to remain available until expended, **[plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.):** *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended; *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total \$251,947,000 in fiscal year 1987 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302 of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1987 so as to result in a final year 1987 appropriation estimated at not more than \$143,611,000] and in addition, not to exceed **\$233,896,000**, to be derived from collections received as authorized by section 201 of Public Law 95-238, which may be credited to this account, notwithstanding

## General and special funds—Continued

## DEPARTMENTAL ADMINISTRATION—Continued

31 U.S.C. 3302. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

## Program and Financing (in thousands of dollars)

Identification code 89-0228-0-1-276	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Planning and analysis.....	6,313	5,226	8,045
00.02 International affairs.....	4,633	4,990	5,685
00.03 Management and administration.....	137,453	157,240	149,607
00.04 Congressional, intergovernmental and public affairs.....	5,209	6,060	5,591
00.05 Operations offices.....	96,325	104,803	107,307
00.06 General Counsel.....	9,545	10,926	10,944
00.07 Inspector General.....	18,326	21,164	20,773
00.08 Office of the Secretary.....	1,872	1,914	1,928
00.09 Board of Contract Appeals.....	408	424	442
00.10 Office of Minority Economic Impact.....	2,176	3,807	3,319
00.11 Work for others.....	113,879	115,050	110,570
10.00 Total obligations.....	396,139	431,604	424,211
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....			-41,700
14.00 Non-Federal sources.....			-192,196
17.00 Recovery of prior year obligations.....	-12,466		
21.40 Unobligated balance available, start of year.....	-40,590	-60,228	-24,182
22.40 Unobligated balance transferred, net.....	-9,051		
24.40 Unobligated balance available, end of year.....	60,228	24,182	
39.00 <b>Budget authority</b> .....	<b>394,260</b>	<b>395,558</b>	<b>166,133</b>
<b>Budget authority:</b>			
40.00 Appropriation (special fund).....	394,260	395,558	
40.00 Appropriation (general fund).....			166,133
43.00 <b>Appropriation (adjusted)</b> .....	<b>394,260</b>	<b>395,558</b>	<b>166,133</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	396,139	431,604	190,315
72.40 Obligated balance, start of year.....	136,153	133,449	173,053
74.40 Obligated balance, end of year.....	-133,449	-173,053	-186,760
77.00 Adjustments in expired accounts.....	-8		
78.00 Adjustments in unexpired accounts.....	-12,466		
90.00 <b>Outlays</b> .....	<b>386,369</b>	<b>392,000</b>	<b>176,608</b>

**Departmental administration.**—This account includes funds for a wide array of policy development and analysis activities, institutional and public liaison functions, and other program support requirements necessary to insure effective operation and management. Specific activities provided for are:

**Policy, planning and analysis.**—The Office of Policy, Planning and Analysis identifies major energy policy issues and develops an agenda for their resolution. It creates a foundation for better energy policy and programs through analysis and evaluation.

**International affairs.**—This organization supports the formulation of international energy policy, analyses and assessments of the current world energy situation, international cooperation in energy matters, and the Department's participation in the Administration's nuclear nonproliferation program.

**Management and administration.**—This office provides a wide range of institutional support services to the headquarters organizations and to the Department as a whole. Areas of responsibility include: organization and management systems; personnel management; contractor industrial relations; equal employment opportunity; automated data processing management and acquisition; telecommunications management; program/project construction and facility management; procurement and assistance management; and budget, account-

ing and finance; as well as performing and supplying administrative services.

**Congressional, intergovernmental and public affairs.**—This office is responsible for coordinating and directing legislative liaison with the Congress and coordinating and managing the Department's information dissemination activities. It gathers information on issues under departmental jurisdiction; counsels and advises DOE staff on relationships with the Congress; serves as liaison between relevant DOE elements and Congressional authorization and/or oversight committees and other Members; and coordinates the designation and scheduling of DOE witnesses to testify at hearings. For intergovernmental activities, the office provides guidance to ensure consistency in program activities with constituents and oversight on relations between Federal energy activities and external groups excluding those on an international level.

**Operations offices.**—The operations offices perform a wide variety of functions in support of energy activities throughout the country. Among these functions are field procurement, engineering and construction management, health and safety monitoring, property management, labor relations and maintenance of personnel and financial systems.

**General Counsel.**—This office is responsible for providing legal services with respect to all energy activities except for those functions belonging exclusively to the Federal Energy Regulatory Commission, which is served by its own General Counsel and litigation arising from the Emergency Petroleum Allocation Act. Its responsibilities entail the provision of legal opinion, advice and services to administrative and program offices, and the conduct of both administrative and judicial litigation, as well as legal advice and support for enforcement activities. Further, the General Counsel appears before State and Federal agencies in defense of national energy policies and activities. The office is responsible for the coordination and clearance of proposed legislation affecting energy activities and testimony before Congress. The General Counsel is also responsible for oversight of intelligence activities; assuring consistency and legal sufficiency of all energy regulations; administering and monitoring standards of conduct requirements; and conducting the Patents program.

**Inspector General.**—The responsibilities of this office are to supervise, coordinate, and provide policy direction for audit and investigative activities relating to the promotion of economy and efficiency in the administration or the prevention or detection of fraud or abuse in programs and operations.

**Office of the Secretary.**—Directs and supervises the staff and provides policy guidance to line and staff organizations in the accomplishment of agency objectives.

**Board of Contract Appeals.**—Hears and resolves contractual disputes arising from the Administration's financial assistance programs, including guaranteed loans, loan agreements, grants and cooperative agreements.

**Office of Minority Economic Impact.**—Is responsible for: (1) advising the Secretary on the effects of the Department's policies, regulations and actions on minorities and minority business enterprises; (2) conduct-

ing research to determine energy consumption and use patterns of minorities; (3) providing technical assistance to minority educational institutions and minority business enterprises to enable them to participate more fully in Departmental research activities; and, (4) providing loans to minority bank and thrift institutions under the minority bank development program. The office also is responsible for the White House Initiatives on Historically Black Colleges and Universities for the Department.

*Work for others.*—This activity covers the cost of work performed under orders placed with the Department by non-DOE entities. Reimbursement for these costs is made through deposits of offsetting collections to this account.

**Object Classification** (in thousands of dollars)

Identification code	89-0228-0-1-276	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	120,738	129,674	130,016
11.3	Other than full-time permanent.....	4,069	4,201	4,272
11.5	Other personnel compensation.....	3,696	3,561	3,527
11.9	Total personnel compensation.....	128,503	137,436	137,815
12.1	Personnel benefits: Civilian.....	16,243	19,752	26,242
13.0	Benefits for former personnel.....	60		
21.0	Travel and transportation of persons.....	4,457	5,170	5,170
22.0	Transportation of things.....	1,400	1,465	1,535
23.1	Rental payments to GSA.....	25,897	26,933	27,951
23.2	Rental payments to others.....	28,707	29,855	30,810
24.0	Printing and reproduction.....	5,306	5,518	5,727
25.0	Other services.....	168,901	188,967	174,443
26.0	Supplies and materials.....	8,000	8,320	8,645
31.0	Equipment.....	8,665	8,188	5,873
99.9	Total obligations.....	396,139	431,604	424,211

**Personnel Summary**

Total number of full-time permanent positions.....	3,125	3,224	3,239
Total compensable workyears:			
Full-time equivalent employment.....	3,271	3,350	3,370
Full-time equivalent of overtime and holiday hours.....	31	33	33

**SPECIAL FOREIGN CURRENCY PROGRAM**

**Program and Financing** (in thousands of dollars)

Identification code	89-0205-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	7		
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-1,117	-1,110	
24.40	Unobligated balance available, end of year.....	1,110		
25.00	Unobligated balance lapsing.....		1,110	
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	7		
72.40	Obligated balance, start of year.....	7		
90.00	Outlays.....	14		

**ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY**

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles, hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days [not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain] from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project] *after notice thereof is transmitted to the House and Senate.*

The Secretary of Energy may transfer to the Emergency Preparedness appropriation such funds as are necessary to meet any unforeseen emergency needs from any funds available to the Department of Energy from this Act.

*Section 303 of the Supplemental Appropriations Act, 1982 (Public Law 97-257), as amended, is repealed. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

**GENERAL PROVISIONS—DEPARTMENT OF ENERGY**

**SEC. 301.** Appropriations for the Department of Energy under this title for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may be made to other agencies of the United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act. The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.

**(TRANSFERS OF UNEXPENDED BALANCES)**

**SEC. 302.** Not to exceed 5 per centum of any appropriation made available for the current fiscal year for Department of Energy activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.

**SEC. 303.** The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

**SEC. 304.** The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided

under existing law, or under existing Executive order issued pursuant to existing law.

【Sec. 305. None of the funds provided in this joint resolution or in any other law may be used to implement the following provisions of the uranium enrichment criteria submitted to Congress on July 24, 1986:

(i) section 762.3, which specifies the permitted enrichment of source material of foreign origin for use in domestic utilization facilities;

(ii) the third sentence of section 762.11, to the extent that it provides limitations on free choice of transaction tails assays from 0.2 percent to 0.3 percent U-235 or imposition of an additional charge for selections in that range;

(iii) section 762.15, to the extent it might be construed to validate contract provisions permitting unrestricted delivery and enrichment of foreign-origin feed material after a final court decision requiring restriction of enrichment of foreign-origin source material for domestic use or permitting imposition of additional charges for customer selections of transaction tails assays within the range of 0.2 percent to 0.3 percent U-235;

(iv) any portion of the criteria or provision in any contract which permits or results in reduction of the amount of feed material otherwise required to be delivered to DOE by commercial customers as a result of use of source material or special nuclear material from the government stockpiles in providing toll enrichment services for commercial customers;

(v) section 762.6 hereafter, insofar as it may convey a determination of the level of unrecovered costs that must be returned to the Treasury by the enrichment program, which determination shall be made by the Congress in future legislation.

The funds provided in this joint resolution shall be used to operate the enrichment program, consistent with the spending limitations imposed by this section, on the basis that the uranium enrichment criteria submitted to Congress on July 24, 1986 (except section 762.3 thereof) are in force and effect as modified above: *Provided*, That notwithstanding the effectiveness of the criteria as described above until amended or superseded in accordance with the Atomic Energy Act, except as is otherwise specifically provided by law, foreign-origin uranium may be enriched for domestic use only until a final judgment or dismissal in the pending litigation that determines whether section 161(v) of the Atomic Energy Act requires restriction of enrichment of foreign-origin source material, in which case the criteria shall be amended to impose such restrictions, or such unrestricted enrichment may continue, whichever is consistent with the decision of this question in the pending litigation: *Provided further*, That in expending funds hereunder, the Department shall be required to offer each customer, free of additional charge and irrespective of percentage of requirements contracted for, a transaction tails assays from 0.2 percent to 0.3 percent U-235: *Provided further*, That no provision of this joint resolution or the July 24, 1986, criteria shall affect the merits of the legal position of any of the parties concerning the questions whether section 161(v) of the Atomic Energy Act requires restriction of enrichment of foreign-origin source material destined for use in domestic utilization facilities, and whether distribution may be made of source material or special nuclear material from the government stockpile for commercial customers, in the pending litigation in the United States Court of Appeals for the Tenth Circuit and in the United States District Court for the District of Colorado.】 (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

## TITLE V—GENERAL PROVISIONS

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in this Act.

【SEC. 503. None of the programs, projects or activities as defined in the report accompanying this Act, may be eliminated or disproportionately reduced due to the application of "Savings and Slippage", "general reduction", or the provision of Public Law 99-177.】

SEC. 【504】 503. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

【SEC. 505. None of the funds appropriated in this Act shall be used to implement a program of retention contracts for senior employees of the Tennessee Valley Authority.】

【SEC. 506. Notwithstanding any other provision of this Act or any other provision of law, none of the funds made available under this Act or any other law shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required "at cost" to a "market rate" or any other noncost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.】

【SEC. 507. None of the funds appropriated in this Act shall be used to pay the salary of the Administrator of a Power Marketing Administration or the Board of Directors of the Tennessee Valley Authority, and none of the funds authorized to be expended by this or any previous Act from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, may be used to pay the salary of the Administrator of the Bonneville Power Administration, unless such Administrators or Directors award contracts for the procurement of extra high voltage (EHV) power equipment manufactured in the United States when such agencies determine that there are one or more manufacturers of domestic end product offering a product that meets the technical requirements of such agencies at a price not exceeding 130 per centum of the bid or offering price of the most competitive foreign bidder: *Provided*, That such agencies shall determine the incremental costs associated with implementing this section and defer or offset such incremental costs against otherwise existing repayment obligations: *Provided further*, That this section shall not apply to any procurement initiated prior to October 1, 1985, or to the acquisition of spare parts or accessory equipment necessary for the efficient operation and maintenance of existing equipment and available only from the manufacturer of the original equipment: *Provided further*, That this section shall not apply to procurement of domestic end product as defined in 48 C.F.R. sec. 25.101: *Provided further*, That this section shall not apply to EHV power equipment produced or manufactured in a country whose government has completed negotiations with the United States to extend the GATT Government Procurement Code, or a bilateral equivalent, to EHV power equipment, or which otherwise offers fair competitive opportunities in public procurements to United States manufacturers of such equipment.】

【SEC. 508. None of the funds in this Act may be used to construct or enter into an agreement to construct additional hydropower units at Denison Dam—Lake Texoma.】 (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

# DEPARTMENT OF HEALTH AND HUMAN SERVICES

## FOOD AND DRUG ADMINISTRATION

### Federal Funds

#### General and special funds:

#### [SALARIES AND] PROGRAM EXPENSES

For necessary expenses of the Food and Drug Administration; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed \$25,000; [\$411,803,000: *Provided*, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: *Provided further*, That of the sums provided herein, not to exceed \$1,000,000 shall remain available until expended, and shall become available only to the extent necessary to meet unanticipated costs of emergency activities not provided for in budget estimates and after maximum absorption of such costs within the remainder of the account has been achieved] \$449,731,000, of which \$34,495,000 shall be for payment of space rental and related costs pursuant to Public Law 92-313: *Provided*, That in the event the Food and Drug Administration should require modification of space needs, the sums provided herein for rental and related costs may be increased or decreased by not more than 10 per centum, and any such increase or decrease shall not alter the total amount available for this account; and of which \$1,450,000 shall remain available until expended for construction and renovation of facilities: *Provided*, That collections from user fees specifically authorized by law may be credited to appropriations available to the Food and Drug Administration, and shall remain available until expended: *Provided further*, That funds provided under this heading may be used for one-year contracts which are to be performed in two fiscal years so long as the total amount for such contracts is obligated in the year for which the funds are appropriated: *Provided further*, That amounts appropriated under this heading for Acquired Immune Deficiency Syndrome may remain available until expended. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

#### [RENTAL PAYMENTS (FDA)]

#### [(INCLUDING TRANSFERS OF FUNDS)]

[For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act, \$24,627,000: *Provided*, That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 10 per centum of the funds made available for Rental Payments (FDA) to or from this account.] (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

#### Program and Financing (in thousands of dollars)

Identification code 75-0600-0-1-554		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Foods.....	109,726	121,035	128,289
00.02	Drugs.....	152,386	175,366	160,816
00.03	Devices and radiological products.....	65,561	71,317	67,573
00.04	National Center for Toxicological Research.....	21,317	23,076	24,923
00.05	Program management.....	52,955	54,636	66,680
00.06	Buildings and facilities.....			1,450
00.07	Contingency fund.....	843		
00.91	Total direct program.....	402,789	445,430	449,731
01.01	Reimbursable program.....	5,473	6,000	39,800
10.00	Total obligations.....	408,261	451,430	489,531

#### Financing:

Offsetting collections from:				
11.00	Federal funds.....	-5,473	-6,000	-6,000
14.00	Non-Federal sources.....			-33,800
21.40	Unobligated balance available, start of year.....	-1,000	-157	-1,157
24.40	Unobligated balance available, end of year.....	157	1,157	1,157
25.00	Unobligated balance lapsing.....	287		
39.00	<b>Budget authority.....</b>	<b>402,233</b>	<b>446,430</b>	<b>449,731</b>
<b>Budget authority:</b>				
40.00	<b>Appropriation.....</b>	<b>402,233</b>	<b>436,430</b>	<b>449,731</b>
46.20	Transfers in for Civilian pay raises.....		5,892	
46.40	Retirement contributions (P.L. 99-335).....		4,108	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	402,789	445,430	449,731
72.40	Obligated balance, start of year.....	71,970	71,959	78,774
74.40	Obligated balance, end of year.....	-71,959	-78,774	-81,309
77.00	Adjustments in expired accounts.....	-1,421		
89.00	<b>Outlays.....</b>	<b>401,378</b>	<b>438,615</b>	<b>447,196</b>
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals.....	401,378	429,115	446,696
91.20	Outlays from civilian pay raise supplemental.....		5,597	295
91.40	Outlays from retirement contribution supplemental.....		3,903	205
<b>Distribution of budget authority by account:</b>				
	Program expenses.....	377,606	421,803	449,731
	Rental payments (FDA).....	24,627	24,627	
<b>Distribution of outlays by account:</b>				
	Program expenses.....	377,965	412,718	447,196
	Rental payments (FDA).....	23,413	25,897	

#### NOTES

Includes \$1,450 thousand for 1988 for activities previously financed from Department of Health and Human Services, Food and Drug Administration, Buildings and facilities.  
The activities financed in rental payments (FDA) in 1987 are presented in these schedules and are proposed to be financed in this account in 1988. Budget authority and outlays are distributed by account above.

**The Food and Drug Administration (FDA) administers laws concerning misbranded and adulterated foods, drugs, human biologics, medical devices, cosmetics, and man-made sources of radiation.**

#### Object Classification (in thousands of dollars)

Identification code 75-0600-0-1-554		1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	224,596	230,018	218,558
11.3	Other than full-time permanent.....	9,850	10,102	9,476
11.5	Other personnel compensation.....	3,959	4,060	3,808
11.8	Special personal services payments.....	362	371	348
11.9	Total personnel compensation.....	238,767	244,551	232,191
12.1	Personnel benefits: Civilian.....	31,479	38,717	46,770
13.0	Benefits for former personnel.....	2	200	10
21.0	Travel and transportation of persons.....	7,411	9,749	9,403
22.0	Transportation of things.....	971	1,388	1,339
23.1	Rental payments to GSA.....	24,627	24,627	34,495
23.2	Rental payments to others.....	980	2,025	2,911
23.3	Communications, utilities, and miscellaneous charges.....	13,852	15,261	14,581
24.0	Printing and reproduction.....	2,311	2,695	2,599
25.0	Other services.....	54,444	71,319	70,994
26.0	Supplies and materials.....	10,905	13,000	12,538
31.0	Equipment.....	11,629	15,432	14,883
41.0	Grants, subsidies, and contributions.....	4,575	5,327	5,559
42.0	Insurance claims and indemnities.....	835	1,139	1,459
99.0	<b>Subtotal, direct obligations.....</b>	<b>402,789</b>	<b>445,430</b>	<b>449,731</b>

General and special funds—Continued

【SALARIES AND】 PROGRAM EXPENSES—Continued  
【RENTAL PAYMENTS (FDA)】—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 75-0600-0-1-554	1986 actual	1987 est.	1988 est.
99.0 Reimbursable obligations .....	5,473	6,000	39,800
99.9 Total obligations .....	408,261	451,430	489,531

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	6,741	6,769	6,853
Total compensable workyears:			
Full-time equivalent employment .....	6,904	6,855	6,439
Full-time equivalent of overtime and holiday hours .....	60	60	60
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	20	20	520
Total compensable workyears: Full-time equivalent employment .....	20	20	520

【BUILDINGS AND FACILITIES】\*

\*See Part II for additional information.

【For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, \$1,879,000.】 (Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)

Program and Financing (in thousands of dollars)

Identification code 75-0603-0-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	4,270	9,022	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-10,034	-7,143	.....
24.40 Unobligated balance available, end of year .....	7,143	.....	.....
40.00 Budget authority (appropriation) .....	1,379	1,879	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	4,270	9,022	.....
72.40 Obligated balance, start of year .....	16,664	5,129	6,021
74.40 Obligated balance, end of year .....	-5,129	-6,021	-2,649
90.00 Outlays .....	15,805	8,130	3,372

Note.—In 1988 this activity will be financed in Department of Health and Human Services, Food and Drug Administration, Program expenses.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	1,379	1,879	.....
Outlays .....	15,805	8,130	3,372
Rescission proposal:			
Budget authority .....	.....	-500	.....
Outlays .....	.....	-150	-350
<b>Total:</b>			
Budget authority .....	1,379	1,379	.....
Outlays .....	15,805	7,980	3,022

The buildings and facilities appropriation provides funds for projects related to the repair, construction, alteration, and improvement of all buildings and facilities of FDA.

Object Classification (in thousands of dollars)

Identification code 75-0603-0-1-554	1986 actual	1987 est.	1988 est.
22.0 Transportation of things .....	5	.....	.....
25.0 Other services .....	765	1,520	.....
32.0 Lands and structures .....	3,500	7,502	.....
99.9 Total obligations .....	4,270	9,022	.....

Public enterprise funds:

REVOLVING FUND FOR CERTIFICATION AND OTHER SERVICES

Program and Financing (in thousands of dollars)

Identification code 75-4309-0-3-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses: Certification services:			
00.01 Color additives .....	1,392	1,540	1,718
00.02 Insulin .....	541	665	724
00.91 Total operating expenses .....	1,933	2,205	2,442
01.01 Capital investment: Purchase of equipment .....	594	594	600
10.00 Total obligations .....	2,527	2,799	3,042
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-2,862	-2,799	-3,042
17.00 Recovery of prior year obligations .....	-88	.....	.....
21.98 Unobligated balance available, start of year: Fund balance .....	-2,244	-2,553	-2,553
24.98 Unobligated balance available, end of year: Fund balance .....	2,553	2,553	2,553
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	113	.....	.....
39.00 Budget authority .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-335	.....	.....
72.98 Obligated balance, start of year: Fund balance .....	432	476	476
74.98 Obligated balance, end of year: Fund balance .....	-476	-476	-476
78.00 Adjustments in unexpired accounts .....	-88	.....	.....
90.00 Outlays .....	-466	.....	.....

FDA certifies batches of insulin and color additives for use in foods, drugs, and cosmetics. It also lists color additives for use in foods, drugs, medical devices, and cosmetics (21 U.S.C. 346a, 356, 357, 376). These services are financed wholly by fees paid by the industries affected.

Object Classification (in thousands of dollars)

Identification code 75-4309-0-3-554	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,132	1,226	1,241
11.3 Other than full-time permanent .....	31	31	31
11.5 Other personnel compensation .....	5	5	5
11.9 Total personnel compensation .....	1,168	1,262	1,277
12.1 Personnel benefits: Civilian .....	149	212	293
21.0 Travel and transportation of persons .....	17	18	19
22.0 Transportation of things .....	6	7	8
23.1 Rental payments to GSA .....	214	327	376
23.3 Communications, utilities, and miscellaneous charges .....	40	40	42
24.0 Printing and reproduction .....	2	3	2
25.0 Other services .....	198	198	276
26.0 Supplies and materials .....	139	139	149
31.0 Equipment .....	594	594	600
99.9 Total obligations .....	2,527	2,799	3,042

Personnel Summary

Total number of full-time permanent positions .....	45	45	45
Total compensable workyears: Full-time equivalent employment .....	42	45	45

**HEALTH RESOURCES AND SERVICES  
ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**HEALTH RESOURCES AND SERVICES\***

\*See Part II for additional information.

**PROGRAM OPERATIONS**

For carrying out titles III, [IV,] VII, [VIII, X, XIII, XIX,] and XXI of the Public Health Service Act, for monitoring loan collections and the payment of interest subsidies of previously committed loans under titles VII, VIII, and XVI of said Acts, for carrying out section 427(a) of the Federal Coal Mine Health and Safety Act, and title V of the Social Security Act, [[\$1,470,763,000 of which \$5,000,000 shall be made available until expended to make grants under section 1610(b) of the Public Health Service Act to private nonprofit entities which are receiving support under section 329 or 330 of that Act;] of which not to exceed \$750,000 to remain available until expended, shall be available for renovating the Gillis W. Long Hansen's Disease Center, 42 U.S.C. 247e, as amended by Public Law 99-117: \$1,106,977,000, and of which \$100,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act: Provided, That amounts received pursuant to these provisions of law in accordance with 31 U.S.C. 9701 may be credited to this appropriation: Provided further, That notwithstanding section 17002(b) of Public Law 99-272, any employee of the United States Government, other than a Public Health Service Commissioned Officer paid from this appropriation, is subject to the provisions of 42 CFR 22.1 as published at 42 FR 43144-43146 on 24 October 1985: Provided further, That funds appropriated for Family Medicine and General Practice of Dentistry for fiscal year 1988 be awarded without regard to the limitation regarding dentistry grants in section 786(d) of the Public Health Service Act: Provided further, That funds appropriated for Geriatric/Long Term Care Initiatives for fiscal year 1988 be awarded without regard to the provisions in section 788(h)(2) of said Act.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**ADMINISTRATIVE PROVISIONS**

[Provided, That this appropriation shall be available for payment of the costs of medical care, related expenses, and burial expenses hereafter incurred by or on behalf of any person who has participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health and Human Services and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: Provided further, That when] When the Department of Health and Human Services administers or operates an employee health program for any Federal department or agency, payment for the full estimated cost shall be made by way of reimbursement or in advances to this appropriation:

**DIRECT LOANS AND LOAN GUARANTEES**

[Provided further, That during the] During fiscal year 1988, and within the resources and authority available under section 338 of the Public Health Service Act, gross obligations for the principal amount of direct loans under sections 335(c), 338C(e)(1), and 338E of that Act shall not exceed \$1,000,000: [Provided further, That the total principal amount of Federal loan insurance available under section 728 of the Public Health Service Act during fiscal year 1987 shall be granted by the Secretary of Health and Human Services without regard to any apportionment or other similar limitation.] Provided, That the provisions of section 741(i) of the Public Health Service Act shall also apply to schools participating in the Nursing Student Loan Program or lenders participating in the Health Education Assistance Loan Program: Provided further, That during fiscal year 1988, the Secretary of Health and Human Services may enter into commitments totaling \$100,000,000 to guarantee up to 80 per centum of the value of Health Education Assistance Loans under subpart 1 of part C of title VII of the Public Health Service Act, so long as the Student Loan Insurance Fund has a positive balance: Provided further, That notwithstanding

any other law or regulation, the Secretary of Health and Human Services may adjust the insurance premium applied to a Health Education Assistance Loan based on the differential default rates on these loans that are associated with specific lenders, schools or graduate health professions disciplines.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-0350-0-1-550	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
Health care delivery and assistance:				
00.01	Maternal and child health block grant .....	457,424	478,000	478,000
Primary care:				
00.03	Primary care block grant .....	594	.....	.....
00.04	Community health centers .....	395,391	400,000	400,000
00.05	Black lung clinics .....	3,254	3,400	3,400
00.06	Migrant health .....	44,938	45,400	45,400
00.07	Family planning .....	136,370	142,500	.....
00.10	Home health .....	1,432	.....	.....
00.11	National health service corps .....	53,165	60,000	43,163
00.12	National health service corps scholarships .....	2,130	2,300	.....
00.13	Hansen's disease center .....	18,279	19,103	19,057
00.15	Payment to Hawaii for treatment of Hansen's disease .....	3,158	3,300	3,300
00.16	Pediatric EMS .....	2,000	2,000	.....
00.17	Native Hawaiian children health care needs .....	.....	1,000	.....
00.19	Health professions: Health professions training .....	188,731	203,714	30,500
Health resources development:				
00.21	Health planning .....	19,968	.....	.....
00.22	Outpatient facilities construction .....	4,785	5,000	.....
00.23	Health teaching facilities .....	14,927	2,626	100
00.24	AIDS education training centers .....	.....	1,900	6,600
00.25	Organ transplantation .....	2,269	7,400	.....
00.27	Buildings and facilities .....	1,220	1,569	750
00.28	Program management .....	100,517	95,000	76,707
00.91	Total direct program .....	1,450,552	1,474,212	1,106,977
01.01	Reimbursable program .....	28,235	28,187	28,458
10.00	Total obligations .....	1,478,787	1,502,399	1,135,435
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-41,296	-27,812	-28,083
14.00	Non-Federal sources .....	-375	-375	-375
17.00	Recovery of prior year obligations .....	-14	.....	.....
21.40	Unobligated balance available, start of year .....	-42,424	-34,091	-25,197
22.40	Unobligated balance transferred .....	5,000	.....	.....
24.40	Unobligated balance available, end of year .....	34,091	25,197	25,197
25.00	Unobligated balance lapsing .....	4,499	.....	.....
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	6	.....	.....
39.00	<b>Budget authority .....</b>	<b>1,438,274</b>	<b>1,465,318</b>	<b>1,106,977</b>
Budget authority:				
40.00	Appropriation .....	1,450,221	1,470,763	1,106,977
41.00	Transferred to other accounts .....	-11,947	-5,445	.....
43.00	<b>Appropriation (adjusted) .....</b>	<b>1,438,274</b>	<b>1,465,318</b>	<b>1,106,977</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,437,116	1,474,212	1,106,977
72.40	Obligated balance, start of year .....	959,404	906,246	879,819
74.40	Obligated balance, end of year .....	-906,246	-879,819	-732,501
77.00	Adjustments in expired accounts .....	-6,526	.....	.....
78.00	Adjustments in unexpired accounts .....	-14	.....	.....
90.00	Outlays .....	1,483,734	1,500,639	1,254,295

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	1,438,274	1,465,318	1,106,977
Outlays .....	1,483,734	1,500,639	1,254,295
Rescission proposal:			
Budget authority .....	.....	-161,210	.....
Outlays .....	.....	-80,605	-80,605
Total:			
Budget authority .....	1,438,274	1,304,108	1,106,977

General and special funds—Continued

HEALTH RESOURCES AND SERVICES—Continued  
DIRECT LOANS AND LOAN GUARANTEES—Continued  
SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

[In thousands of dollars]

Outlays.....	1,483,734	1,420,034	1,173,690
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This appropriation supports health resources and health services categorical programs, and the Maternal and Child Health block grant.

Status of Direct Loans (in thousands of dollars)

Identification code	75-0350-0-1-550	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....	1,000	1,000	1,000
1112	Unused balance of direct loan limitation expiring.....	-645		
1150	Total direct loan obligations.....	355	1,000	1,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	511,021	494,718	486,421
1231	Disbursements: Direct loan disbursements.....	544	1,000	1,000
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-16,847	-9,297	-8,886
1290	Outstanding, end of year.....	494,718	486,421	478,535

<sup>1</sup> Government share of cancellation of loan funds as authorized in section 836(b)(3) of the Public Health Service Act.

Status of Guaranteed Loans (in thousands of dollars)

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	47,252	45,889	45,039
2251	Repayments and prepayments.....	-1,363	-850	-900
2290	Outstanding, end of year.....	45,889	45,039	44,139

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	45,889	45,039	44,139
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Object Classification (in thousands of dollars)

Identification code	75-0350-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	76,773	73,049	61,241
11.3	Other than full-time permanent.....	12,005	12,347	11,621
11.5	Other personnel compensation.....	4,436	4,464	4,357
11.8	Special personal services payments.....	58	24	
11.9	Total personnel compensation.....	93,272	89,884	77,218
12.1	Personnel benefits: Civilian.....	15,666	15,682	17,672
13.0	Benefits for former personnel.....	265	5	
21.0	Travel and transportation of persons.....	4,420	4,316	3,342
22.0	Transportation of things.....	2,967	3,102	2,229
23.1	Rental payments to GSA.....	4,870	4,008	3,280
23.3	Communications, utilities, and miscellaneous charges.....	3,699	3,875	3,597
24.0	Printing and reproduction.....	468	488	405
25.0	Other services.....	38,499	39,590	25,706
26.0	Supplies and materials.....	2,138	1,922	1,771
31.0	Equipment.....	4,146	2,699	2,637
33.0	Investments and loans.....	277	1,000	1,000
41.0	Grants, subsidies, and contributions.....	1,279,859	1,307,641	968,120
42.0	Insurance claims and indemnities.....	6		
99.0	Subtotal, direct obligations.....	1,450,552	1,474,212	1,106,977
99.0	Reimbursable obligations.....	28,235	28,187	28,458
99.9	Total obligations.....	1,478,787	1,502,399	1,135,435

Personnel Summary

Direct:				
Total number of full-time permanent positions.....	2,687	2,037	1,657	
Total compensable workyears:				
Full-time equivalent employment.....	2,609	1,978	1,609	

Full-time equivalent of overtime and holiday hours.....	17	17	17
Reimbursable:			
Total number of full-time permanent positions.....	322	270	254
Total compensable workyears:			
Full-time equivalent employment.....	313	262	247
Full-time equivalent of overtime and holiday hours.....	2	2	2

INDIAN HEALTH [SERVICES] SERVICE

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles III and XXI and [section] sections 208 and 338G of the Public Health Service Act with respect to the Indian Health Service, including hire of passenger motor vehicles and aircraft; purchase of reprints; purchase and erection of portable buildings; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; [\$841,809,000:] the administration of construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications and drawings; acquisition of sites, purchase and erection of portable buildings, purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, \$796,835,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 300aa-2 for services furnished by the Indian Health Service, to remain available until expended, of which \$2,450,000 shall be for repairs and improvements to structures owned or operated by the Indian Health Service: Provided, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act): Provided further, That funds made available to tribes and tribal organizations through grants and contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450), shall remain available until September 30, [1988; and \$10,000,000 shall remain available until expended, for the establishment of an Indian Catastrophic Health Emergency Fund (hereinafter referred to as the "Fund"). Hereafter, the Fund is to cover the Indian Health Service portion of the medical expenses of catastrophic illness falling within the responsibility of the Service and shall be administered by the Secretary of Health and Human Services, acting through the central office of the Indian Health Service. No part of the Fund or its administration shall be subject to contract or grant under the Indian Self-Determination and Education Assistance Act (Public Law 93-638). There shall be deposited into the Fund all amounts recovered under the authority of the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.), which shall become available for obligation upon receipt and which shall remain available for obligation until expended. The Fund shall not be used to pay for health services provided to eligible Indians to the extent that alternate Federal, State, local, or private insurance resources for payment: (1) are available and accessible to the beneficiary; or (2) would be available and accessible if the beneficiary were to apply for them; or (3) would be available and accessible to other citizens similarly situated under Federal, State, or local law or regulation or private insurance program notwithstanding Indian Health Service eligibility or residency on or off a Federal Indian reservation. Funds] 1989: Provided further, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall be available [until September 30, 1988] for two fiscal years after the fiscal year in which they are collected, for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, construction of new facilities, or major renovation of existing Indian Health Service facilities): Provided further, That of the funds provided, \$2,500,000 shall remain available until expended, for the establishment of an Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under section 103 of the Indian Health Care Improvement Act and section

338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until September 30, [1988] 1989. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

[For an additional amount for "Indian health services", \$16,200,000: Provided, That funds made available to tribes and tribal organizations through grants or contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 1988.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 75-0390-0-1-551	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Clinical and urban health services	688,786	755,740	689,093
00.02	Preventive health	64,705	64,492	65,560
00.03	Indian health manpower	4,750	8,663	4,646
00.04	Tribal management	1,963	2,712	749
00.05	Direct operations	57,687	37,399	34,337
00.06	Personnel quarters maintenance		5,035	3,000
00.07	Indian health facilities			2,450
00.91	Total direct program	817,891	874,041	799,835
01.01	Reimbursable program	56,277	84,522	75,100
10.00	Total obligations	874,168	958,563	874,935
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-6,682	-3,669	-3,669
13.00	Trust funds	-27,254	-29,000	-29,000
14.00	Non-Federal sources	-27,608	-34,431	-42,431
21.40	Unobligated balance available, start of year	-15,530	-22,448	-1,346
24.40	Unobligated balance available, end of year	22,448	1,346	1,346
25.00	Unobligated balance lapsing	1,443		
39.00	Budget authority	820,985	870,361	799,835
<b>Budget authority:</b>				
Current:				
40.00	Appropriation	820,979	858,009	796,835
46.10	Transfers in for: Wage-board pay raises		768	
46.20	Civilian pay raises		4,109	
46.40	Retirement contributions (P.L. 99-335)		4,475	
Permanent:				
60.00	Appropriation	6	3,000	3,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	812,624	891,463	799,835
72.40	Obligated balance, start of year	211,775	195,801	216,239
74.40	Obligated balance, end of year	-195,801	-216,239	-202,505
77.00	Adjustments in expired accounts	-9,851		
89.00	Outlays	818,747	871,025	813,569
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals	818,747	862,141	813,101
91.10	Outlays from wage-board pay raise supplemental		730	38
91.20	Outlays from civilian pay raise supplemental		3,903	206
91.40	Outlays from retirement contribution supplemental		4,251	224

NOTES

Includes \$2,450 thousand in 1988 for activities previously financed from "Indian health facilities."  
Includes \$1,536 thousand transferred from Departmental Management for working capital fund. Comparable amounts for 1986 (\$1,272 thousand) and for 1987 (\$1,356 thousand) are excluded above.  
Excludes \$270 thousand in 1988 transferred to the Office of the Assistant Secretary for Health for Minority Health. Comparable amounts for 1986 (\$172 thousand) and for 1987 (\$270 thousand) are included above.

This program provides medical care, public health services, and health profession scholarships for American Indians and Alaska Natives.

Object Classification (in thousands of dollars)

Identification code 75-0390-0-1-551	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	237,993	248,526	231,697
11.3	Other than full-time permanent	9,964	10,410	10,251

11.5	Other personnel compensation	15,193	15,321	15,488
11.9	Total personnel compensation	263,150	274,257	257,436
12.1	Personnel benefits: Civilian	59,141	66,721	75,207
21.0	Travel and transportation of persons	21,067	22,336	21,813
22.0	Transportation of things	6,012	6,220	5,956
23.1	Rental payments to GSA	5,185	4,487	5,142
23.2	Rental payments to others	2,385	4,817	5,062
23.3	Communications, utilities, and miscellaneous charges	21,264	21,620	19,535
24.0	Printing and reproduction	1,232	1,319	1,245
25.0	Other services	362,051	389,732	332,684
26.0	Supplies and materials	54,805	58,595	54,396
31.0	Equipment	7,914	6,263	5,640
32.0	Lands and structures	132	170	2,595
41.0	Grants, subsidies, and contributions	13,510	17,504	13,124
42.0	Insurance claims and indemnities	43		
99.0	Subtotal, direct obligations	817,891	874,041	799,835
99.0	Reimbursable obligations	56,277	84,522	75,100
99.9	Total obligations	874,168	958,563	874,935

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions	11,561	11,626	11,626
	Total compensable workyears:			
	Full-time equivalent employment	11,187	10,635	10,579
	Full-time equivalent of overtime and holiday hours	162	162	162
<b>Reimbursable:</b>				
	Total number of full-time permanent positions	54	54	54
	Total compensable workyears: Full-time equivalent employment	71	71	71

[INDIAN HEALTH FACILITIES]\*

\*See Part II for additional information.

[For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of portable buildings, purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, \$65,555,000, to remain available until expended.] (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

[For an additional amount for "Indian health facilities", \$5,500,000, to remain available until expended.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 75-0391-0-1-551	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
10.00	Total obligations	50,146	96,861	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-39,105	-35,158	
24.40	Unobligated balance available, end of year	35,158		
39.00	Budget authority	46,198	61,703	
<b>Budget authority:</b>				
40.00	Appropriation	46,198	71,055	
45.00	Transfers out for pay raises and retirement contributions		-9,352	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	50,146	96,861	
72.40	Obligated balance, start of year	82,310	81,240	114,567
74.40	Obligated balance, end of year	-81,240	-114,567	-54,345
90.00	Outlays	51,216	63,534	60,222

General and special funds—Continued

[INDIAN HEALTH FACILITIES]—Continued

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	46,198	61,703	0
Outlays .....	51,216	63,534	60,222
Rescission proposal:			
Budget authority .....		-30,761	0
Outlays .....		-13,498	-24,752
Total:			
Budget authority .....	46,198	30,942	0
Outlays .....	51,216	50,036	35,470

Beginning in 1988, programs previously financed under the Indian Health Facilities account will be financed through the Indian Health Service account.

Object Classification (in thousands of dollars)

Identification code 75-0391-0-1-551	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.3 Other than full-time permanent .....	3,708	2,800	
11.5 Other personnel compensation .....	503	550	
11.9 Total personnel compensation .....	4,211	3,350	
12.1 Personnel benefits: Civilian .....	351	260	
21.0 Travel and transportation of persons .....	354	700	
22.0 Transportation of things .....	642	1,030	
23.3 Communications, utilities, and miscellaneous charges .....	212	250	
24.0 Printing and reproduction .....	27	40	
25.0 Other services .....	19,105	9,012	
26.0 Supplies and materials .....	3,439	4,000	
31.0 Equipment .....	1,561	10,683	
32.0 Lands and structures .....	20,242	67,534	
42.0 Insurance claims and indemnities .....	2	2	
99.9 Total obligations .....	50,146	96,861	

Personnel Summary

Total compensable workyears:		
Full-time equivalent employment .....	170	125
Full-time equivalent of overtime and holiday hours .....	8	8

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That none of the funds appropriated under this Act to the Indian Health Service shall be available for the initial lease of permanent structures without advance provision therefor in appropriations Acts: *Provided further*, That non-Indian patients may be extended health care at all Indian Health Service facilities, if such care can be extended without impairing the ability of the Indian Health Service to fulfill its responsibility to provide health care to Indians served by such facilities and subject to such reasonable charges as the Secretary of Health and Human Services shall prescribe, the proceeds of which, together with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-53), shall be deposited in the fund established by sections 401 and 402 of the Indian Health Care Improvement Act: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That with the exception of service units which currently have a billing policy, the Indian Health Service shall [not initiate any further action to bill Indians in order to] only collect from third-party payers [nor to] and shall not charge those Indians who may have the economic means to pay unless and until such time as Congress has

agreed upon a specific policy to do so and has directed the Indian Health Service to implement such a policy: *Provided further*, That the Secretary of Health and Human Services may authorize special retention pay under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve officer for the period during which the officer is obligated under section 338B of the Public Health Service Act and assigned and providing direct health services or serving the officer's obligation as a specialist: *Provided further*, That hereafter the Indian Health Service may seek subrogation of claims including but not limited to auto accident claims, including no-fault claims, personal injury, disease, or disability claims, and worker's compensation claims, the proceeds of which shall be credited to the funds established by sections 401 and 402 of the Indian Health Care Improvement Act *Provided further*, That notwithstanding any other provision of law or regulation, for purposes of acquiring sites for new hospital facilities in Anchorage, Alaska, and in Kotzebue, Alaska, the Secretary of Health and Human Services may exchange any or all interests in any land administered by the Secretary in Alaska for any or all interests in any land of the State of Alaska, any political subdivision of the State, or any corporation, including the University of Alaska and may receive money if necessary to equalize the exchange: *Provided further*, That any such receipts shall be credited to the Indian Health facilities appropriation and be used to offset the cost of construction of these two facilities: *Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*

Public enterprise funds:

HEALTH PROFESSIONS GRADUATE STUDENT LOAN INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code 75-4305-0-3-553	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses: death and disability .....	554	700	800
00.02 Capital investment .....	16,037	22,300	29,200
10.00 Total obligations .....	16,591	23,000	30,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest earned on U.S. securities .....	-529	-900	-650
14.00 Non-Federal sources: Insurance premiums and repayments .....	-18,684	-29,700	-8,750
Unobligated balance available, start of year:			
21.98 Treasury balance .....	-1,328	-1,950	-1,550
21.98 U.S. securities (par) .....	-9,000	-11,000	-19,000
Unobligated balance available, end of year:			
24.98 Treasury balance .....	5,875	1,550	-50
24.98 U.S. securities (par) .....	7,075	19,000	
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-2,622	-7,600	20,600
72.98 Obligated balance, start of year: Treasury balance .....	536		
90.00 Outlays .....	-2,086	-7,600	20,600

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....			
Outlays .....	-2,086	-7,600	20,600
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays .....			-2,000
Total:			
Budget authority .....			
Outlays .....	-2,086	-7,600	18,600

Status of Direct Loans (in thousands of dollars)

Identification code 75-4305-0-3-553	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			

1132	Obligations exempt from limitation: Defaulted guaranteed loan claims .....	16,037	22,300	29,200
1150	Total direct loan obligations .....	16,037	22,300	29,200
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	12,893	30,275	52,075
1232	Disbursements: Disbursements for guaranteed loan claims .....	17,384	22,300	29,200
1252	Repayments: Repayments of defaulted guaranteed loans... Adjustments:	-158	-500	-750
1262	Write-offs for default .....	-12		
1264	Other adjustments, net <sup>1</sup> .....	168		
1290	Outstanding, end of year .....	30,275	52,075	80,525

<sup>1</sup> Reclassified amounts.

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders...			100,000
2131	Guaranteed loan commitments exempt from limitation.....	374,475	343,046	
2150	Total guaranteed loan commitments.....	374,475	343,046	100,000

**Cumulative balance of guaranteed loans outstanding:**

2210	Outstanding, start of year .....	830,750	1,105,750	1,416,096
2231	Disbursements of new guaranteed loans .....	321,429	343,046	100,000
2251	Repayments and prepayments .....	-7,700	-9,700	-11,700
Adjustments:				
2261	Terminations for default that result in direct loans .....	-17,384	-22,300	-29,200
2263	Terminations for default that result in claim payments .....	-554	-700	-800
2264	Other adjustments, net .....	-20,791		
2290	Outstanding, end of year .....	1,105,750	1,416,096	1,474,396

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	1,105,750	1,416,096	1,474,396
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<sup>2</sup> Includes carryover commitments from prior years.

The health education assistance loan program enables students to borrow from private lenders to help pay for the cost of their training at health professions schools.

**DATA ON LOANS**

	1986 actual	1987 est.	1988 est.
Dollar volume of loans insured (in millions) .....	321	343	100
Number of students .....	32,268	34,304	10,000
Average value of loans (dollars) .....	9,961	10,000	10,000

**Object Classification (in thousands of dollars)**

Identification code 75-4305-0-3-553	1986 actual	1987 est.	1988 est.
33.0 Investments and loans.....	16,037	22,300	29,200
42.0 Insurance claims and indemnities.....	554	700	800
99.9 Total obligations.....	16,591	23,000	30,000

**HEALTH PROFESSIONS GRADUATE STUDENT LOAN INSURANCE FUND**

(Proposed for later transmittal; proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 75-4305-2-3-553	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
14.00 Offsetting collections from non-Federal sources: Insurance premiums .....			-2,000
24.98 Unobligated balance available, end of year: Fund balance.....			2,000
39.00 <b>Budget authority (appropriation)</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred; net .....			-2,000
90.00 Outlays .....			-2,000

The amounts in this schedule reflect the effect of a legislative proposal to raise the insurance premium charged on Health Education Assistance Loans.

**HEALTH EDUCATION LOANS**

**Program and Financing (in thousands of dollars)**

Identification code 75-4307-0-3-553	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0) .....	620	623	352
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Interest on investments .....	-2,355	-2,270	-1,446
21.98 Unobligated balance available, start of year: Fund balance.....	-25,240	-26,975	-28,622
22.98 Unobligated balance transferred, net .....			-9,729
24.98 Unobligated balance available, end of year: Fund balance.....	26,975	28,622	29,716
31.00 Redemption of debt.....			9,729
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-1,736	-1,647	-1,094
72.10 Receivables in excess of obligations, start of year .....	-15,391	-16,772	-17,819
74.10 Receivables in excess of obligations, end of year .....	16,772	17,819	18,513
90.00 Outlays .....	-355	-600	-400

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	4,028	3,396	2,865
1251 Repayments: Repayments and prepayments .....	-630	-516	-344
1262 Adjustments: Write-offs for defaults .....	-2	-15	-10
1290 Outstanding, end of year .....	3,396	2,865	2,511

Title VII, part C of the Public Health Service Act established a revolving fund from which health professions schools could borrow in order to provide loans to their students. Public Law 89-751, the Allied Health Professions Personnel Training Act of 1966, amended the Public Health Service Act to authorize the Federal Government to pay the difference between the interest paid by students to the schools and the interest payable by the schools to the Government National Mortgage Association (GNMA) and the Treasury.

The participation certificates outstanding, held by this fund, were \$9,729,000 at the end of 1986 and are estimated to remain at that level in 1987. Through redemption of all participation certificates outstanding, the balance held by this fund is expected to drop to zero in 1988.

**NURSE TRAINING FUND**

**Program and Financing (in thousands of dollars)**

Identification code 75-4306-0-3-553	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0) .....	88	1,072	797
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Interest on investments .....	-98	-62	-41
21.98 Unobligated balance available, start of year: Fund balance.....	-6,891	-6,901	-5,891
24.98 Unobligated balance available, end of year: Fund balance.....	6,901	5,891	5,135
39.00 <b>Budget authority</b> .....			

Public enterprise funds—Continued

NURSE TRAINING FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 75-4306-0-3-553	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-10	1,010	756
72.10 Receivables in excess of obligations, start of year .....	-5,301	-4,814	-3,729
74.10 Receivables in excess of obligations, end of year .....	4,814	3,729	2,923
90.00 Outlays .....	-497	-75	-50

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	3,181	3,064	1,992
1251 Repayments: Repayments and prepayments .....	-98	-62	-41
Adjustments:			
1262 Write-offs for default .....	-1	-7	-7
1264 Other adjustments, net .....	-18	-1,003	-749
1290 Outstanding, end of year .....	3,064	1,992	1,195

Title VIII, part B, of the Public Health Service Act established a revolving fund from which schools of nursing could borrow in order to provide loans to their students. Public Law 89-751, the Allied Health Professions Personnel Training Act of 1966, amended the Public Health Service Act to authorize the Federal Government to pay the difference between the interest paid by students to the schools and the interest payable by the schools to the Government National Mortgage Association (GNMA) and the Treasury.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, [ "\$20,000,000" ] \$22,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-4430-0-3-551	1986 actual	1987 est.	1988 est.
Program by activities:			
Operating expenses:			
00.01 Interest subsidy program: Interest subsidies, private ....	22,338	22,300	22,000
00.02 Direct loan program: Interest expense paid to FFB .....	1,995	1,814	1,580
00.91 Total operating expenses .....	24,333	24,114	23,580
01.01 Capital investment: Direct loan program: Direct loans .....	5,151	23,202	1,500
10.00 Total obligations .....	29,484	47,316	25,080
Financing:			
Offsetting collections from: Non-Federal sources: Direct loan program:			
14.00 Principal repaid on FFB loans .....	-14,873	-5,503	-6,538
14.00 Interest repaid on loans not sold .....	-1,093	-1,054	-1,070
14.00 Principal repaid on loans not sold .....	-724	-730	-775
14.00 Default collections, interest .....	-203	-45	-150
14.00 Default collections, principal .....	-12	-34	-75
14.00 Proceeds from sale of FFB loans .....			-28,900
14.00 Proceeds from sales of direct loans .....			-9,218
21.98 Unobligated balance available, start of year: Fund balance .....	-46,967	-44,310	-18,857
24.98 Unobligated balance available, end of year: Fund balance .....	44,310	18,857	27,065

31.00 Redemption of debt .....	15,078	5,503	35,438
40.00 Budget authority (appropriation) .....	25,000	20,000	22,000

Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	12,579	39,950	-21,646
72.10 Receivables in excess of obligations, start of year .....	-2,041	-3,330	-2,500
74.10 Receivables in excess of obligations, end of year .....	3,330	2,500	150
90.00 Outlays .....	13,868	39,120	-23,996

Status of Direct Loans (in thousands of dollars)

Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans to the public .....			
1132 Obligations exempt from limitation: Defaulted guaranteed loan claims .....	5,151	23,202	1,500
1150 Total direct loan obligations .....	5,151	23,202	1,500

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	147,167	137,354	131,894
1232 Disbursements: Disbursements for guaranteed loan claims .....	4,626	23,202	1,500
Repayments:			
1251 Repayments and prepayments .....	-15,814	-6,267	-6,963
1253 Loan asset sales to the public .....			-38,118
Adjustments:			
1262 Write-offs for default .....		-22,395	
1264 Other adjustments, net <sup>1</sup> .....	1,375		-88,313
1290 Outstanding, end of year .....	137,354	131,894	

<sup>1</sup> Adjustment in 1988 represents discount from face value on sale of loan assets.

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	994,927	875,694	732,492
2251 Repayments: Repayments and prepayments .....	-114,607	-120,000	-130,000
2261 Adjustments: Terminations for default that result in direct loans .....	-4,626	-23,202	-1,500
2290 Outstanding, end of year .....	875,694	732,492	600,992

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	875,694	732,492	600,992
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Title VI and subsequently title XVI of the Public Health Service Act established a loan and loan guarantee fund for medical facilities with a maximum amount allowable for the Government's liability. Direct loans were made available for public facilities and guaranteed loans for private, nonprofit facilities.

Funds under this authority were established in the amount of \$50 million for use in fulfilling guarantees in event of default, \$30 million as a revolving fund for direct loans and an amount for interest subsidy payments on guaranteed loans. Default and interest subsidy funds are replenished as necessary through the annual appropriation process.

All direct loan assets will be sold to the public during 1988.

Object Classification (in thousands of dollars)

Identification code 75-4430-0-3-551	1986 actual	1987 est.	1988 est.
33.0 Investments and loans .....	5,151	23,202	1,500
41.0 Grants, subsidies, and contributions .....	22,338	22,300	22,000
43.0 Interest and dividends .....	1,995	1,814	1,580
99.9 Total obligations .....	29,484	47,316	25,080

**CENTERS FOR DISEASE CONTROL**

*Federal Funds*

**General and special funds:**

**DISEASE CONTROL, RESEARCH, AND TRAINING**

To carry out titles III, XVII, and XIX and section 1102 of the Public Health Service Act, sections 101, 102, 103, 201, 202, and 203 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, \$539,067,000 \$552,956,000, of which \$11,800,000 \$2,000,000 shall remain available until expended for equipment and construction and renovation of facilities; *Provided*, That training [of employees of private agencies] shall be made subject to reimbursement or advances to this appropriation for not in excess of the full cost of such training: *Provided further*, That funds appropriated under this heading shall be available for payment of the costs of medical care, related expenses, and burial expenses hereafter incurred by or on behalf of any person who had participated in the study of untreated syphilis initiated in Tuskegee, Alabama, in 1932, in such amounts and subject to such terms and conditions as prescribed by the Secretary of Health and Human Services and for payment, in such amounts and subject to such terms and conditions, of such costs and expenses hereafter incurred by or on behalf of such person's wife or offspring determined by the Secretary to have suffered injury or disease from syphilis contracted from such person: *Provided further*, That collections from user fees, including collections from training and reimbursements and advances for the full cost of proficiency testing of private clinical laboratories, may be credited to this appropriation: *Provided further*, That any unobligated balance of the \$6,900,000 appropriated in fiscal year 1986, to remain available until September 30, 1987 for the purchase and distribution of drugs, shall remain available until expended]. (Additional authorizing legislation to be proposed for \$215,924,000.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0943-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Preventive health block grant	87,549	89,531	89,536
00.02	Prevention centers	1,436	1,500	
00.03	Sexually transmitted diseases	53,864	59,094	57,079
00.04	Immunization	56,876	86,976	93,504
00.05	Infectious diseases	102,074	130,809	154,187
00.06	Chronic and environmental diseases	29,064	31,003	31,932
Occupational safety and health:				
00.08	Research	56,141	60,036	59,433
00.09	Training	8,383	7,472	6,600
00.12	Epidemic services	49,025	53,304	55,452
00.13	Buildings and facilities	22,795	16,843	2,000
00.14	Program management	2,959	3,161	3,233
00.91	Total direct program	470,166	539,729	552,956
01.01	Reimbursable program	29,107	40,000	40,000
10.00	Total obligations	499,273	579,729	592,956
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-28,391	-39,233	-39,233
14.00	Non-Federal sources	-715	-767	-767
21.40	Unobligated balance available, start of year	-34,249	-5,089	
24.40	Unobligated balance available, end of year	5,089		
25.00	Unobligated balance lapsing	10,517		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	47		
39.00	Budget authority	451,571	534,639	552,956
Budget authority:				
40.00	Appropriation	451,571	539,067	552,956
45.00	Transfer out for pay raises and retirement contributions		-4,428	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	470,167	539,729	552,956

72.40	Obligated balance, start of year	161,571	201,299	253,182
74.40	Obligated balance, end of year	-201,299	-253,182	-266,029
77.00	Adjustments in expired accounts	-1,061		
90.00	Outlays	429,378	487,846	540,109

NOTES

Includes \$3,466 thousand in 1988 for smoking and health activities transferred from the Office of the Assistant Secretary for Health. Comparable amounts for 1987 (\$3,466) and 1986 (\$3,372) are excluded above.

Includes \$1,231 thousand in 1988 for activities transferred from Health Resources and Services Administration. Comparable amounts for 1987 (\$708) and 1986 (\$824) are excluded above.

**Preventive health block grant.**—Provides States with funds for preventive health services.

**Sexually transmitted diseases.**—Efforts are directed toward reducing morbidity and mortality from sexually transmitted diseases by preventing cases and complications.

**Immunization.**—The long-range goal is to eliminate poliomyelitis, rubella, mumps, diphtheria, pertussis, measles, tetanus and haemophilus influenza B (HIB) as significant public health problems.

**Infectious diseases.**—Supports efforts to develop new or improved prevention, diagnosis, and control methods for infectious diseases, including research, health education, and risk reduction on Acquired Immune Deficiency Syndrome (AIDS).

**Chronic and environmental diseases.**—Efforts are directed toward reducing or preventing illness associated with certain chronic diseases and conditions, and to reduce the adverse health impacts of environmental hazards.

**Occupational safety and health.**—These activities are directed toward the elimination or control of factors in the work environment which are harmful to the health and safety of workers.

**Epidemic services.**—Supports efforts to contain epidemic outbreaks by maintaining national disease surveillance systems, epidemic investigations, and laboratory services, and to prevent the importation of diseases from foreign countries.

**Buildings and facilities.**—This activity provides funds for projects related to repair, alteration, and improvement of facilities.

**Program management.**—This activity provides leadership and administrative management.

**Object Classification (in thousands of dollars)**

Identification code	75-0943-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent	101,017	102,341	106,469
11.3	Other than full-time permanent	6,990	7,707	7,749
11.5	Other personnel compensation	4,113	4,172	4,179
11.9	Total personnel compensation	112,120	114,220	118,397
12.1	Personnel benefits: Civilian	21,956	23,120	31,346
13.0	Benefits for former personnel	7		
21.0	Travel and transportation of persons	5,597	6,198	6,487
22.0	Transportation of things	1,419	1,489	1,493
23.1	Rental payments to GSA	1,579	1,515	2,661
23.3	Communications, utilities, and miscellaneous charges	11,767	12,143	12,410
24.0	Printing and reproduction	1,422	1,233	2,535
25.0	Other services	33,585	50,839	59,370
26.0	Supplies and materials	30,445	25,914	26,507
31.0	Equipment	11,126	12,716	2,653
32.0	Lands and structures	23,475	10,661	864
41.0	Grants, subsidies, and contributions	215,646	279,681	288,233
42.0	Insurance claims and indemnities	22		
99.0	Subtotal, direct obligations	470,166	539,729	552,956

General and special funds—Continued

DISEASE CONTROL, RESEARCH, AND TRAINING—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	75-0943-0-1-550	1986 actual	1987 est.	1988 est.
99.0	Reimbursable obligations	29,107	40,000	40,000
99.9	Total obligations	499,273	579,729	592,956

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions	3,594	3,370	3,286
	Total compensable workyears:			
	Full-time equivalent employment	3,859	3,626	3,541
	Full-time equivalent of overtime and holiday hours	17	17	17
<b>Reimbursement:</b>				
	Total number of full-time permanent positions	338	375	412
	Total compensable workyears: Full-time equivalent	329	375	412

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows:  
Environmental Protection Agency: "Hazardous substance response trust fund."

NATIONAL INSTITUTES OF HEALTH

Federal Funds

General and special funds:

NATIONAL CANCER INSTITUTE\*

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, **[\$1,402,837,000] \$1,811,117,000**, of which \$508,294,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$50,382,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0849-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Research:</b>				
00.01	Cause and prevention research	318,641	368,139	330,555
00.02	Detection and diagnosis research	82,148	94,993	85,311
00.03	Treatment research	359,720	445,784	435,248
00.04	Cancer biology	250,703	279,013	241,720
00.91	Total research	1,011,212	1,187,929	1,092,834
<b>Resource development:</b>				
01.01	Cancer centers support	89,689	94,393	94,742
01.02	Research manpower development	41,943	45,229	45,020
01.03	Construction	3,478	5,389	
01.91	Total resource development	135,110	145,011	139,762
02.01	Cancer prevention and control	63,962	69,720	70,227
02.93	Total direct program	1,210,284	1,402,660	1,302,823
03.01	Reimbursable program	20,976	3,500	4,000
10.00	Total obligations	1,231,260	1,406,160	1,306,823
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-20,976	-3,500	-4,000

21.40	Unobligated balance available, start of year	-6,714		
24.40	Unobligated balance available, end of year			508,294
25.00	Unobligated balance lapsing	1,299		
39.00	<b>Budget authority</b>	<b>1,204,869</b>	<b>1,402,660</b>	<b>1,811,117</b>
<b>Budget authority:</b>				
40.00	Appropriation	1,209,369	1,402,837	1,811,117
41.00	Transferred to other accounts	-4,500		
43.00	<b>Appropriation (adjusted)</b>	<b>1,204,869</b>	<b>1,402,837</b>	<b>1,811,117</b>
45.00	<b>Transfers out for pay raises and retirement contributions</b>			<b>-177</b>

<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	1,210,284	1,402,660	1,302,823
72.40	Obligated balance, start of year	731,499	779,717	886,853
74.40	Obligated balance, end of year	-779,717	-886,853	-844,872
77.00	Adjustments in expired accounts	-213		
90.00	<b>Outlays</b>	<b>1,161,853</b>	<b>1,295,524</b>	<b>1,344,804</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

<b>Enacted/requested:</b>				
	Budget authority	1,204,869	1,402,660	1,811,117
	Outlays	1,161,853	1,295,524	1,344,804
<b>Supplemental under existing legislation:</b>				
	Budget authority		64,112	
	Outlays		-32,000	4,000
<b>Total:</b>				
	Budget authority	1,204,869	1,466,772	1,811,117
	Outlays	1,161,853	1,263,524	1,348,804

The National Cancer Institute's central mission is to develop the means of reducing the incidence of morbidity and mortality from cancer through a broad range of basic and applied research, prevention and control activities, and resource development activities.

Object Classification (in thousands of dollars)

Identification code	75-0849-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	54,274	57,154	58,706
11.3	Other than full-time permanent	18,470	18,530	18,530
11.5	Other personnel compensation	2,712	2,712	2,712
11.8	Special personal services payments	6,053	7,000	7,000
11.9	Total personnel compensation	81,509	85,396	86,948
12.1	Personnel benefits: Civilian	11,547	14,619	18,712
13.0	Benefits for former personnel	191	200	200
21.0	Travel and transportation of persons	3,565	3,779	3,979
22.0	Transportation of things	662	670	670
23.2	Rental payments to others	6,653	6,853	6,990
24.0	Printing and reproduction	4,739	4,975	5,175
25.0	Other services	293,466	360,834	391,367
26.0	Supplies and materials	25,115	26,371	26,898
31.0	Equipment	6,345	7,500	7,500
41.0	Grants, subsidies, and contributions	776,491	891,463	754,384
43.0	Interest and dividends	1		
99.0	Subtotal, direct obligations	1,210,284	1,402,660	1,302,823
99.0	Reimbursable obligations	20,976	3,500	4,000
99.9	Total obligations	1,231,260	1,406,160	1,306,823

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions	1,971	1,971	1,971
	Total compensable workyears:			
	Full-time equivalent employment	2,201	2,204	2,212
	Full-time equivalent of overtime and holiday hours	23	25	25

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE\*

\*See Part II for additional information.

For carrying out section 301, title IV, and section 1105 of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, **[\$930,001,000] \$1,274,387,000, of which \$452,500,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$28,763,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-0872-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Heart and vascular diseases.....	475,079	538,730	464,262
00.02 Lung diseases.....	129,980	146,379	128,337
00.03 Blood diseases and resources.....	118,495	138,879	121,334
00.04 Construction.....	3,158	2,250	.....
00.05 Intramural research.....	59,490	64,493	66,837
00.06 Research management and support.....	35,699	39,153	41,117
00.91 Total direct program.....	821,901	929,884	821,887
01.01 Reimbursable program.....	5,828	400	400
10.00 Total obligations.....	827,729	930,284	822,287
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-5,828	-400	-400
21.40 Unobligated balance available, start of year.....	-639	.....	.....
24.40 Unobligated balance available, end of year.....	.....	.....	452,500
25.00 Unobligated balance lapsing.....	1,030	.....	.....
39.00 <b>Budget authority</b> .....	<b>822,292</b>	<b>929,884</b>	<b>1,274,387</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>822,292</b>	<b>930,001</b>	<b>1,274,387</b>
45.00 <b>Transfers out for pay raises and retirement contributions</b> .....	.....	-117	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	821,901	929,884	821,887
72.40 Obligated balance, start of year.....	551,287	534,110	597,185
74.40 Obligated balance, end of year.....	-534,110	-597,185	-536,496
77.00 Adjustments in expired accounts.....	787	.....	.....
90.00 <b>Outlays</b> .....	<b>839,865</b>	<b>866,809</b>	<b>882,576</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	822,292	929,884	1,274,387
Outlays.....	839,865	866,809	882,576
Supplemental under existing legislation:	.....	.....	.....
Budget authority.....	.....	56,603	.....
Outlays.....	.....	-28,000	4,000
Total:	.....	.....	.....
Budget authority.....	822,292	986,487	1,274,387
Outlays.....	839,865	838,809	886,576

This program provides Federal support for research and research training in the areas of heart, lung, blood vessel, and blood diseases.

**Object Classification (in thousands of dollars)**

Identification code 75-0872-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	21,338	22,802	23,662
11.3 Other than full-time permanent.....	5,391	5,650	5,837
11.5 Other personnel compensation.....	933	933	933
11.8 Special personal services payments.....	905	905	905
11.9 Total personnel compensation.....	28,567	30,290	31,337
12.1 Personnel benefits: Civilian.....	4,204	5,041	6,393

13.0 Benefits for former personnel.....	71	76	76
21.0 Travel and transportation of persons.....	818	918	818
22.0 Transportation of things.....	150	150	150
23.2 Rental payments to others.....	2,696	2,696	2,719
24.0 Printing and reproduction.....	1,054	1,054	1,054
25.0 Other services.....	109,960	126,474	131,482
26.0 Supplies and materials.....	6,927	7,527	6,927
31.0 Equipment.....	3,757	4,231	3,757
41.0 Grants, subsidies, and contributions.....	663,697	751,427	637,174
99.0 Subtotal, direct obligations.....	821,901	929,884	821,887
99.0 Reimbursable obligations.....	5,828	400	400
99.9 Total obligations.....	827,729	930,284	822,287

**Personnel Summary**

Total number of full-time permanent positions.....	770	770	770
Total compensable workyears:	.....	.....	.....
Full-time equivalent employment.....	825	832	835
Full-time equivalent of overtime and holiday hours.....	7	10	10

**NATIONAL INSTITUTE OF DENTAL RESEARCH\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental diseases, **[\$117,945,000] \$144,081,000, of which \$36,033,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$1,556,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-0873-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Diseases of the teeth and supporting tissue.....	49,247	58,101	49,706
00.02 Disorders of structure, function, and behavior.....	16,114	18,876	16,130
00.03 Dental research institutes.....	7,172	10,005	10,005
00.04 Intramural research.....	19,536	23,872	24,676
00.05 Research management and support.....	6,686	7,076	7,531
00.91 Total direct program.....	98,755	117,930	108,048
01.01 Reimbursable program.....	1,212	320	320
10.00 Total obligations.....	99,967	118,250	108,368
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-1,212	-320	-320
21.40 Unobligated balance available, start of year.....	-70	.....	.....
24.40 Unobligated balance available, end of year.....	.....	.....	36,033
25.00 Unobligated balance lapsing.....	156	.....	.....
39.00 <b>Budget authority</b> .....	<b>98,841</b>	<b>117,930</b>	<b>144,081</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>98,841</b>	<b>117,945</b>	<b>144,081</b>
45.00 <b>Transfers out for pay raises and retirement contributions</b> .....	.....	-15	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	98,755	117,930	108,048
72.40 Obligated balance, start of year.....	52,558	54,280	56,880
74.40 Obligated balance, end of year.....	-54,280	-56,880	-59,292
77.00 Adjustments in expired accounts.....	-333	.....	.....
90.00 <b>Outlays</b> .....	<b>96,700</b>	<b>115,330</b>	<b>105,636</b>

**SUMMARY OF BUDGET AUTHORITY OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	98,841	117,930	144,081

General and special funds—Continued

NATIONAL INSTITUTE OF DENTAL RESEARCH—Continued

SUMMARY OF BUDGET AUTHORITY OUTLAYS—Continued

(In thousands of dollars)			
Outlays.....	96,700	115,330	105,636
Supplemental under existing legislation:			
Budget authority.....		5,554	
Outlays.....		-2,995	936
Total:			
Budget authority.....	98,841	123,484	144,081
Outlays.....	96,700	112,335	106,572

This program provides Federal support for research and research training in diseases of the teeth and supporting tissue and in disorders of craniofacial structure, functions, and behavior.

Object Classification (in thousands of dollars)

Identification code 75-0873-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	7,487	7,608	8,172
11.3 Other than full-time permanent.....	3,353	3,402	3,647
11.5 Other personnel compensation.....	231	236	253
11.8 Special personal services payments.....	554	567	608
11.9 Total personnel compensation.....	11,625	11,813	12,680
12.1 Personnel benefits: Civilian.....	1,701	2,075	2,225
13.0 Benefits for former personnel.....	24	26	27
21.0 Travel and transportation of persons.....	284	371	371
22.0 Transportation of things.....	63	63	63
23.2 Rental payments to others.....	468	565	605
24.0 Printing and reproduction.....	336	350	350
25.0 Other services.....	11,977	15,624	15,992
26.0 Supplies and materials.....	2,565	3,660	3,660
31.0 Equipment.....	1,434	1,400	1,200
41.0 Grants, subsidies, and contributions.....	68,278	81,983	70,875
99.0 Subtotal, direct obligations.....	98,755	117,930	108,048
99.0 Reimbursable obligations.....	1,212	320	320
99.9 Total obligations.....	99,967	118,250	108,368

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	285	285	285
Total compensable workyears:			
Full-time equivalent employment.....	334	340	341
Full-time equivalent of overtime and holiday hours.....	1	2	2

NATIONAL INSTITUTE OF DIABETES, AND DIGESTIVE AND KIDNEY DISEASES\*

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney diseases, **[\$511,124,000]** \$767,588,000, of which \$327,084,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$31,591,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0884-0-1-550	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
00.01 Arthritis, musculoskeletal and skin diseases.....	100,675		
00.02 Diabetes, endocrinology and metabolism.....	194,661	227,347	190,513
00.03 Digestive diseases and nutrition.....	90,099	104,281	87,406
00.04 Kidney disease, urology and hematology.....	88,943	107,063	89,738
00.05 Intramural research.....	56,149	56,211	56,068
00.06 Research management and support.....	16,846	16,158	16,779
00.91 Total direct program.....	547,373	511,060	440,504
01.01 Reimbursable program.....	1,205	569	1,098
10.00 Total obligations.....	548,578	511,629	441,602
Financing:			
11.00 Offsetting collections from: Federal funds.....	-1,205	-569	-1,098
21.40 Unobligated balance available, start of year.....	-3,213		
24.40 Unobligated balance available, end of year.....			327,084
25.00 Unobligated balance lapsing.....	698		
39.00 Budget authority.....	544,858	511,060	767,588

Budget authority:			
40.00 Appropriation.....	544,858	511,124	767,588
45.00 Transfers out for pay raises and retirement contributions.....		-64	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	547,373	511,060	440,504
72.40 Obligated balance, start of year.....	354,707	352,825	350,072
74.40 Obligated balance, end of year.....	-352,825	-350,072	-360,425
77.00 Adjustments in expired accounts.....	1,637		
90.00 Outlays.....	550,892	513,813	430,151

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	544,858	511,060	767,588
Outlays.....	550,892	513,813	430,151
Supplemental under existing legislation:		35,387	
Budget authority.....		-17,340	1,770
Outlays.....			
Total:			
Budget authority.....	544,858	546,447	767,588
Outlays.....	550,892	496,473	431,921

This program provides Federal support for research and research training in the areas of diabetes, digestive and kidney diseases.

Object Classification (in thousands of dollars)

Identification code 75-0884-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	16,719	16,259	16,748
11.3 Other than full-time permanent.....	6,081	5,459	5,623
11.5 Other personnel compensation.....	905	749	772
11.8 Special personal services payments.....	2,296	1,494	1,539
11.9 Total personnel compensation.....	26,001	23,961	24,682
12.1 Personnel benefits: Civilian.....	3,595	5,109	5,263
21.0 Travel and transportation of persons.....	588	545	555
22.0 Transportation of things.....	114	115	117
23.2 Rental payments to others.....	1,556	1,200	1,290
24.0 Printing and reproduction.....	414	360	380
25.0 Other services.....	43,225	45,632	44,418
26.0 Supplies and materials.....	7,625	6,540	6,850
31.0 Equipment.....	2,365	1,300	1,425
41.0 Grants, subsidies, and contributions.....	461,890	426,298	355,524
99.0 Subtotal, direct obligations.....	547,373	511,060	440,504
99.0 Reimbursable obligations.....	1,205	569	1,098
99.9 Total obligations.....	548,578	511,629	441,602

**Personnel Summary**

Total number of full-time permanent positions.....	650	583	583
Total compensable workyears:			
Full-time equivalent employment .....	645	596	598
Full-time equivalent of overtime and holiday hours .....	6	10	10

**NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological and communicative disorders and stroke, **[\$490,233,000] \$677,451,000, of which \$254,258,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$22,282,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0886-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Biological basis research.....	210,342	248,078	201,996
00.02	Clinical research .....	140,045	169,929	144,608
00.03	Intramural research .....	47,719	54,960	57,817
00.04	Research management and support.....	16,300	17,204	18,772
00.91	Total direct program .....	414,406	490,171	423,193
01.01	Reimbursable program.....	1,320	2,175	2,175
10.00	Total obligations.....	415,726	492,346	425,368
Financing:				
Offsetting collections from:				
11.00	Federal funds.....	-1,315	-2,170	-2,170
14.00	Non-Federal sources.....	-5	-5	-5
24.40	Unobligated balance available, end of year.....			254,258
25.00	Unobligated balance lapsing.....	321		
39.00	Budget authority.....	414,727	490,171	677,451
Budget authority:				
40.00	Appropriation.....	414,727	490,233	677,451
45.00	Transfers out for pay raises and retirement contributions .....		-62	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	414,406	490,171	423,193
72.40	Obligated balance, start of year .....	270,012	282,836	323,705
74.40	Obligated balance, end of year.....	-282,836	-323,705	-285,038
77.00	Adjustments in expired accounts.....	332		
90.00	Outlays.....	401,914	449,302	461,860

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	414,727	490,171	677,451
Outlays.....	401,914	449,302	461,860
Supplemental under existing legislation:			
Budget authority .....		35,011	
Outlays.....		-13,304	-8,403
Total:			
Budget authority .....	414,727	525,182	677,451
Outlays.....	401,914	435,998	453,457

This program provides Federal support for research and research training in the areas of neurological and communicative disorders and stroke.

**Object Classification (in thousands of dollars)**

Identification code	75-0886-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	15,042	17,053	17,403
11.3	Other than full-time permanent.....	6,411	6,428	6,524
11.5	Other personnel compensation.....	755	804	822
11.8	Special personal services payments.....	1,309	1,998	2,250
11.9	Total personnel compensation .....	23,517	26,282	26,999
12.1	Personnel benefits: Civilian .....	3,122	3,725	4,721
13.0	Benefits for former personnel .....	51	52	52
21.0	Travel and transportation of persons .....	780	942	977
22.0	Transportation of things.....	134	139	144
23.2	Rental payments to others.....	1,410	1,466	1,520
24.0	Printing and reproduction .....	411	427	443
25.0	Other services.....	39,663	44,237	46,055
26.0	Supplies and materials.....	4,585	4,770	4,946
31.0	Equipment.....	2,883	3,000	3,111
41.0	Grants, subsidies, and contributions .....	337,850	405,130	334,224
42.0	Insurance claims and indemnities .....		1	1
99.0	Subtotal, direct obligations.....	414,406	490,171	423,193
99.0	Reimbursable obligations .....	1,320	2,175	2,175
99.9	Total obligations.....	415,726	492,346	425,368

**Personnel Summary**

Direct:	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	553	553	553
Total compensable workyears:			
Full-time equivalent employment.....	683	702	705
Full-time equivalent of overtime and holiday hours.....	6	7	7

**NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, **[\$545,523,000] \$815,315,000, of which \$264,213,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$15,837,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0885-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Immunology, allergic and immunologic diseases.....	114,579	150,323	131,592
00.02	Microbiology and infectious diseases .....	178,702	300,068	316,458
00.03	Intramural research .....	57,942	74,825	80,975
00.04	Research management and support .....	15,919	20,238	22,077
00.91	Total direct program .....	367,142	545,454	551,102
01.01	Reimbursable program.....	42,627	11,246	2,472
10.00	Total obligations.....	409,769	556,700	553,574
Financing:				
11.00	Offsetting collections from: Federal funds.....	-42,627	-11,246	-2,472
21.40	Unobligated balance available, start of year.....	-553		
24.40	Unobligated balance available, end of year.....			264,213
25.00	Unobligated balance lapsing.....	375		
39.00	Budget authority.....	366,964	545,454	815,315
Budget authority:				
40.00	Appropriation.....	366,964	545,523	815,315
45.00	Transfers out for pay raises and retirement contributions .....		-69	

General and special funds—Continued

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES—  
Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-0885-0-1-550	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	367,142	545,454	551,102
72.40	Obligated balance, start of year .....	229,522	238,214	346,337
74.40	Obligated balance, end of year .....	-238,214	-346,337	-371,736
77.00	Adjustments in expired accounts .....	967		
90.00	Outlays .....	359,417	437,331	525,703

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	366,964	545,454	815,315
Outlays .....	359,417	437,331	525,703
Supplemented under existing legislation:			
Budget authority .....		26,492	
Outlays .....		-10,411	-846
Total:			
Budget authority .....	366,964	571,946	815,315
Outlays .....	359,417	426,920	524,857

This program provides Federal support for research and research training in immunology, allergic and immunologic diseases and in microbiology and infectious diseases.

Object Classification (in thousands of dollars)

Identification code	75-0885-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	16,599	19,009	20,412
11.3	Other than full-time permanent .....	5,473	6,023	6,189
11.5	Other personnel compensation .....	1,023	1,137	1,168
11.8	Special personal services payments .....	1,158	1,213	1,213
11.9	Total personnel compensation .....	24,253	27,382	28,982
12.1	Personnel benefits: Civilian .....	3,649	4,669	6,063
13.0	Benefits for former personnel .....	60	60	60
21.0	Travel and transportation of persons .....	770	932	1,016
22.0	Transportation of things .....	222	235	244
23.2	Rental payments to others .....	1,947	2,210	2,373
24.0	Printing and reproduction .....	411	503	537
25.0	Other services .....	58,091	135,296	178,624
26.0	Supplies and materials .....	7,832	9,196	9,447
31.0	Equipment .....	2,979	4,713	5,177
41.0	Grants, subsidies, and contributions .....	266,928	360,258	318,579
99.0	Subtotal, direct obligations .....	367,142	545,454	551,102
99.0	Reimbursable obligations .....	42,627	11,246	2,472
99.9	Total obligations .....	409,769	556,700	553,574

Personnel Summary

Total number of full-time permanent positions .....	652	652	652
Total compensable workyears:			
Full-time equivalent employment .....	723	789	792
Full-time equivalent of overtime and holiday hours .....	10	11	11

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES\*

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, **[\$570,916,000]** \$873,552,000, of which \$391,548,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$29,035,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the

budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0851-0-1-550	1986 actual	1987 est.	1988 est.
Program by activities:				
Direct program:				
00.01	Cellular and molecular basis of disease .....	140,604	163,409	138,368
00.02	Genetics .....	167,083	188,007	154,099
00.03	Pharmacological sciences .....	69,119	83,631	70,254
00.04	Biophysics and physiological sciences .....	94,877	111,677	94,055
00.05	Minority access to research careers .....	7,950	8,838	8,838
00.06	Intramural research .....	748	882	946
00.07	Research management and support .....	13,154	14,400	15,444
00.91	Total direct program .....	493,535	570,844	482,004
01.01	Reimbursable program .....	4,764	4,765	4,765

10.00	Total obligations .....	498,299	575,609	486,769
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Financing:

11.00	Offsetting collections from: Federal funds .....	-4,764	-4,765	-4,765
21.40	Unobligated balance available, start of year .....	-1,171		
24.40	Unobligated balance available, end of year .....			391,548
25.00	Unobligated balance lapsing .....	266		

39.00	Budget authority .....	492,630	570,844	873,552
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Budget authority:				
40.00	Appropriation .....	492,630	570,916	873,552
45.00	Transfers out for pay raises and retirement contributions .....		-72	

Relation of obligations to outlays:

71.00	Obligations incurred, net .....	493,535	570,844	482,004
72.40	Obligated balance, start of year .....	289,380	297,324	366,874
74.40	Obligated balance, end of year .....	-297,324	-366,874	-352,648
77.00	Adjustments in expired accounts .....	959		
90.00	Outlays .....	486,550	501,294	496,230

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	492,630	570,844	873,552
Outlays .....	486,550	501,294	496,230
Supplemental under existing legislation:			
Budget authority .....		44,856	
Outlays .....		-22,000	3,000
Total:			
Budget authority .....	492,630	615,700	873,552
Outlays .....	486,550	479,294	499,230

This program provides Federal support for biomedical research and research training in the areas of cellular and molecular basis of disease, genetics, pharmacological sciences, physiology, biophysics, physiological sciences, and minority access to research careers.

Object Classification (in thousands of dollars)

Identification code	75-0851-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	4,281	4,593	4,593
11.3	Other than full-time permanent .....	652	700	700
11.5	Other personnel compensation .....	80	86	86
11.9	Total personnel compensation .....	5,013	5,379	5,379
12.1	Personnel benefits: Civilian .....	628	1,014	1,649
13.0	Benefits for former personnel .....	15	21	21
21.0	Travel and transportation of persons .....	109	136	136
22.0	Transportation of things .....	12	20	20
23.2	Rental payments to others .....	301	165	165
24.0	Printing and reproduction .....	347	405	405
25.0	Other services .....	8,466	9,115	9,588

26.0	Supplies and materials.....	72	89	89
31.0	Equipment.....	87	326	326
41.0	Grants, subsidies, and contributions.....	478,485	554,174	464,226
99.0	Subtotal, direct obligations.....	493,535	570,844	482,004
99.0	Reimbursable obligations.....	4,764	4,765	4,765
99.9	Total obligations.....	498,299	575,609	486,769

**Personnel Summary**

Direct:				
Total number of full-time permanent positions.....	165	165	165	
Total compensable workyears: Full-time equivalent employment.....	158	161	162	

**NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, **[\$366,780,000] \$493,236,000, of which \$171,204,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$10,645,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0844-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Research for mothers and children.....	158,009	189,130	160,430
00.02	Population.....	101,091	121,519	103,442
00.03	Intramural research.....	34,705	40,390	41,543
00.04	Research management and support.....	14,406	15,695	16,617
00.91	Total direct program.....	308,211	366,734	322,032
01.01	Reimbursable program.....	3,233	850	850
10.00	Total obligations.....	311,444	367,584	322,882
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-3,233	-850	-850
21.40	Unobligated balance available, start of year.....	-486		
24.40	Unobligated balance available, end of year.....			171,204
25.00	Unobligated balance lapsing.....	233		
39.00	Budget authority.....	307,958	366,734	493,236
Budget authority:				
40.00	Appropriation.....	307,958	366,780	493,236
45.00	Transfers out for pay raises and retirement contributions.....		-46	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	308,211	366,734	322,032
72.40	Obligated balance, start of year.....	211,877	219,299	257,393
74.40	Obligated balance, end of year.....	-219,299	-257,393	-230,555
77.00	Adjustments in expired accounts.....	485		
90.00	Outlays.....	301,274	328,640	348,870

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:				
Budget authority.....	1986 actual	1987 est.	1988 est.	
Outlays.....	307,958	366,734	493,236	
Supplemental under existing legislation:				
Budget authority.....		23,404		
Outlays.....		-11,000	2,000	
Total:				
Budget authority.....	307,958	390,138	493,236	
Outlays.....	301,274	317,640	350,870	

The National Institute of Child Health and Human Development supports research and research training in maternal and child health and in population sciences.

**Object Classification (in thousands of dollars)**

Identification code	75-0844-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	10,814	11,777	12,126
11.3	Other than full-time permanent.....	3,936	4,286	4,413
11.5	Other personnel compensation.....	651	678	678
11.8	Special personal services payments.....	1,243	1,750	1,750
11.9	Total personnel compensation.....	16,644	18,491	18,967
12.1	Personnel benefits: Civilian.....	2,254	2,799	3,541
13.0	Benefits for former personnel.....	36	36	36
21.0	Travel and transportation of persons.....	715	825	825
22.0	Transportation of things.....	87	95	95
23.2	Rental payments to others.....	1,174	1,664	1,664
24.0	Printing and reproduction.....	398	525	525
25.0	Other services.....	42,733	51,253	52,246
26.0	Supplies and materials.....	5,025	5,250	5,250
31.0	Equipment.....	1,844	2,700	2,700
32.0	Land and structures.....	1		
41.0	Grants, subsidies, and contributions.....	237,299	283,096	236,183
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	308,211	366,734	322,032
99.0	Reimbursable obligations.....	3,233	850	850
99.9	Total obligations.....	311,444	367,584	322,882

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	386	386	386
Total compensable workyears:			
Full-time equivalent employment.....	444	446	447
Full-time equivalent of overtime and holiday hours.....	7	7	6

**NATIONAL EYE INSTITUTE\***

\*See Part II for additional information.

For carrying out section 301 and [Part F of] title IV of the Public Health Service Act with respect to eye diseases and visual disorders, **[\$216,637,000] \$295,700,000, of which \$110,871,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$6,686,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0887-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Retinal and choroidal diseases.....	74,937	85,267	72,651
00.02	Anterior segment disease.....	54,071	63,919	52,855
00.03	Strabismus, amblyopia, and visual processing.....	33,628	39,896	32,923
00.04	Construction.....	3,167	2,250	
00.05	Intramural research.....	14,813	18,964	19,495
00.06	Research management and support.....	5,727	6,314	6,905
00.91	Total direct program.....	186,343	216,610	184,829
01.01	Reimbursable program.....	178	200	200
10.00	Total obligations.....	186,521	216,810	185,029
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-178	-200	-200
21.40	Unobligated balance available, start of year.....	-78		

General and special funds—Continued

NATIONAL EYE INSTITUTE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-0887-0-1-550	1986 actual	1987 est.	1988 est.
24.00	Unobligated balance available, end of year.....			110,871
25.00	Unobligated balance lapsing.....	440		
39.00	<b>Budget authority</b> .....	<b>186,705</b>	<b>216,610</b>	<b>295,700</b>
Budget authority:				
40.00	<b>Appropriation</b> .....	<b>186,705</b>	<b>216,637</b>	<b>295,700</b>
45.00	<b>Transfers out for pay raises and retirement contributions</b> .....		-27	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	186,343	216,610	184,829
72.40	Obligated balance, start of year.....	111,364	127,745	148,355
74.40	Obligated balance, end of year.....	-127,745	-148,355	-129,004
77.00	Adjustments in expired accounts.....	29		
90.00	<b>Outlays</b> .....	<b>169,991</b>	<b>196,000</b>	<b>204,180</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	186,705	216,610	295,700
Outlays.....	169,991	196,000	204,180
Supplemental under existing legislation:			
Budget authority.....		15,191	
Outlays.....		-5,337	-3,913
<b>Total:</b>			
Budget authority.....	186,705	231,801	295,700
Outlays.....	169,991	190,663	200,267

This program provides Federal support for research and research training in the areas of eye diseases and visual disorders.

Object Classification (in thousands of dollars)

Identification code	75-0887-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	5,274	5,650	5,900
11.3	Other than full-time permanent.....	1,809	1,875	1,915
11.5	Other personnel compensation.....	206	222	226
11.8	Special personal services payments.....	379	749	775
11.9	<b>Total personnel compensation</b> .....	<b>7,668</b>	<b>8,496</b>	<b>8,816</b>
12.1	Personnel benefits: Civilian.....	903	1,189	1,683
13.0	Benefits for former personnel.....	17	17	17
21.0	Travel and transportation of persons.....	297	375	400
22.0	Transportation of things.....	37	37	37
23.2	Rental payments to others.....	581	675	725
24.0	Printing and reproduction.....	170	170	175
25.0	Other services.....	14,936	17,969	18,397
26.0	Supplies and materials.....	1,766	1,900	2,000
31.0	Equipment.....	760	1,300	1,000
41.0	Grants, subsidies, and contributions.....	159,208	184,482	151,579
99.0	Subtotal, direct obligations.....	186,343	216,610	184,829
99.0	Reimbursable obligations.....	178	200	200
99.9	<b>Total obligations</b> .....	<b>186,521</b>	<b>216,810</b>	<b>185,029</b>

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	187	187	187
Total compensable workyears:			
Full-time equivalent employment.....	200	209	210
Full-time equivalent of overtime and holiday hours.....	1	1	1

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES\*

\*See Part II for additional information.

For carrying out sections 301 and 311, and title IV, of the Public Health Service Act with respect to environmental health sciences, **[\$209,294,000] \$239,878,000, of which \$41,447,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$1,874,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0862-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Characterization of environmental health hazards.....	23,580	27,031	21,385
00.02	Biological response to environmental health hazards....	24,872	26,689	21,167
00.03	Applied toxicological research and testing.....	54,351	57,716	57,018
00.04	Biometry and risk estimation.....	5,698	8,311	7,659
00.05	Resources and manpower development.....	22,830	24,861	24,861
00.06	Intramural research.....	51,906	58,636	59,759
00.07	Research management and support.....	5,582	6,024	6,582
00.91	<b>Total direct program</b> .....	<b>188,819</b>	<b>209,268</b>	<b>198,431</b>
01.01	Reimbursable program.....	6,932	20,549	30,100
10.00	<b>Total obligations</b> .....	<b>195,751</b>	<b>229,817</b>	<b>228,531</b>
Financing:				
11.00	Offsetting collections from: Federal funds.....	-6,932	-20,549	-30,100
24.40	Unobligated balance available, end of year.....			41,447
25.00	Unobligated balance lapsing.....	167		
39.00	<b>Budget authority</b> .....	<b>188,986</b>	<b>209,268</b>	<b>239,878</b>
Budget authority:				
40.00	<b>Appropriation</b> .....	<b>188,986</b>	<b>209,294</b>	<b>239,878</b>
45.00	<b>Transfers out for pay raises and retirement contributions</b> .....		-26	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	188,819	209,268	198,431
72.40	Obligated balance, start of year.....	112,677	110,345	120,882
74.40	Obligated balance, end of year.....	-110,345	-120,882	-115,605
77.00	Adjustments in expired accounts.....	-725		
90.00	<b>Outlays</b> .....	<b>190,426</b>	<b>198,731</b>	<b>203,708</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	188,986	209,268	239,878
Outlays.....	190,426	198,731	203,708
Supplemental under existing legislation:			
Budget authority.....		6,259	
Outlays.....		-3,568	1,630
<b>Total:</b>			
Budget authority.....	188,986	215,527	239,878
Outlays.....	190,426	195,163	205,338

This program provides Federal support for biomedical research and research training related to environmental health hazards and toxicology research.

Object Classification (in thousands of dollars)

Identification code	75-0862-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	15,293	16,589	16,963
11.3	Other than full-time permanent.....	4,599	5,133	5,249
11.5	Other personnel compensation.....	473	483	493
11.8	Special personal services payments.....	972	1,002	1,002
11.9	<b>Total personnel compensation</b> .....	<b>21,337</b>	<b>23,207</b>	<b>23,707</b>
12.1	Personnel benefits: Civilian.....	2,673	3,420	5,055

13.0	Benefits for former personnel.....	62	100	100
21.0	Travel and transportation of persons.....	681	858	858
22.0	Transportation of things.....	107	157	157
23.2	Rental payments to others.....	5,363	5,536	5,536
24.0	Printing and reproduction.....	537	560	560
25.0	Other services.....	66,774	71,833	71,379
26.0	Supplies and materials.....	7,313	7,560	7,560
31.0	Equipment.....	4,278	5,735	5,735
32.0	Lands and structures.....	455	25	25
41.0	Grants, subsidies, and contributions.....	79,238	90,277	77,759
43.0	Interest and dividends.....	1		
99.0	Subtotal, direct obligations.....	188,819	209,268	198,431
99.0	Reimbursable obligations.....	6,932	20,549	30,100
99.9	Total obligations.....	195,751	229,817	228,531

**Personnel Summary**

Total number of full-time permanent positions.....	620	620	620
Total compensable workyears:			
Full-time equivalent employment.....	725	721	724
Full-time equivalent of overtime and holiday hours.....	9	9	9

**NATIONAL INSTITUTE ON AGING\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, **[\$176,931,000]** **\$237,925,000**, of which **\$81,751,000** is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: *Provided, That of the amount made available until expended, \$4,410,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-0843-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Aging.....	122,845	145,111	122,450
00.02 Intramural research.....	19,789	22,919	24,049
00.03 Research management and support.....	8,276	8,879	9,675
00.91 Total direct program.....	150,910	176,909	156,174
01.01 Reimbursable program.....	715	634	650
10.00 Total obligations.....	151,625	177,543	156,824
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-715	-634	-650
21.40 Unobligated balance available, start of year.....	-1,323		
24.40 Unobligated balance available, end of year.....			81,751
25.00 Unobligated balance lapsing.....	175		
39.00 Budget authority.....	149,762	176,909	237,925
Budget authority:			
40.00 Appropriation.....	149,762	176,931	237,925
45.00 Transfers out for pay raises and retirement contributions.....		-22	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	150,910	176,909	156,174
72.40 Obligated balance, start of year.....	94,363	116,147	138,220
74.40 Obligated balance, end of year.....	-116,147	-138,220	-129,157
77.00 Adjustments in expired accounts.....	-289		
90.00 Outlays.....	128,837	154,836	165,237

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	149,762	176,909	237,925

Outlays.....	128,837	154,836	165,237
Supplemental under existing legislation:			
Budget authority.....		10,990	
Outlays.....		-4,616	1,939
Total:			
Budget authority.....	149,762	187,899	237,925
Outlays.....	128,837	150,220	167,176

This program provides Federal support for biomedical research and research training in the field of aging.

**Object Classification (in thousands of dollars)**

Identification code 75-0843-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	8,349	8,518	8,803
11.3 Other than full-time permanent.....	2,691	2,737	2,829
11.5 Other personnel compensation.....	362	368	380
11.8 Special personal services payments.....	641	651	672
11.9 Total personnel compensation.....	12,043	12,274	12,684
12.1 Personnel benefits: Civilian.....	1,624	1,661	2,915
13.0 Benefits for former personnel.....	29	29	29
21.0 Travel and transportation of persons.....	260	287	290
22.0 Transportation of things.....	39	58	58
23.2 Rental payments to others.....	1,833	2,097	2,115
24.0 Printing and reproduction.....	244	287	290
25.0 Other services.....	19,793	22,632	22,839
26.0 Supplies and materials.....	1,781	2,039	2,058
31.0 Equipment.....	1,164	1,321	1,333
41.0 Grants, subsidies, and contributions.....	112,100	134,224	111,563
99.0 Subtotal, direct obligations.....	150,910	176,909	156,174
99.0 Reimbursable obligations.....	715	634	650
99.9 Total obligations.....	151,625	177,543	156,824

**Personnel Summary**

Total number of full-time permanent positions.....	304	304	304
Total compensable workyears:			
Full-time equivalent employment.....	370	371	372
Full-time equivalent of overtime and holiday hours.....	5	5	5

**NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis, and musculoskeletal and skin diseases, **[\$138,713,000]** **\$201,073,000**, of which **\$78,064,000** is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: *Provided, That of the amount made available until expended, \$4,886,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-0888-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Arthritis, musculoskeletal and skin diseases.....		127,932	109,735
00.02 Intramural research.....		6,980	8,634
00.03 Research management and support.....		3,784	4,640
00.91 Total direct program.....		138,696	123,009
01.01 Reimbursable program.....		2,328	200
10.00 Total obligations.....		141,024	123,209
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....		-2,328	-200

General and special funds—Continued

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-0888-0-1-550	1986 actual	1987 est.	1988 est.
24.00	Unobligated balance available, end of year.....			78,064
39.00	<b>Budget authority</b> .....		<b>138,696</b>	<b>201,073</b>
	Budget authority:			
40.00	Appropriation.....		138,713	201,073
45.00	Transfers out for pay raises and retirement contributions.....		-17	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....		138,696	123,009
72.40	Obligated balance, start of year.....			4,198
74.40	Obligated balance, end of year.....		-4,198	-7,207
90.00	Outlays.....		134,498	120,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	138,696	201,073	
Outlays.....	134,498	120,000	
Supplemental under existing legislation:			
Budget authority.....	9,080		
Outlays.....	-4,450	455	
Total:			
Budget authority.....	147,776	201,073	
Outlays.....	130,048	120,455	

This program provides Federal support for biomedical research and research training in the areas of arthritis, and musculoskeletal and skin diseases.

Object Classification (in thousands of dollars)

Identification code	75-0888-0-1-550	1986 actual	1987 est.	1988 est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent.....	2,522	2,710	
11.3	Other than full-time permanent.....	1,022	1,037	
11.5	Other personnel compensation.....	116	120	
11.8	Special personal services payments.....	170	180	
11.9	Total personnel compensation.....	3,830	4,047	
12.1	Personnel benefits: Civilian.....	383	458	
21.0	Travel and transportation of persons.....	110	120	
22.0	Transportation of things.....	45	50	
23.2	Rental payments to others.....	650	675	
24.0	Printing and reproduction.....	35	40	
25.0	Other services.....	7,638	9,699	
26.0	Supplies and materials.....	775	825	
31.0	Equipment.....	325	350	
41.0	Grants, subsidies, and contributions.....	124,905	106,745	
99.0	Subtotal, direct obligations.....	138,696	123,009	
99.0	Reimbursable obligations.....	2,328	200	
99.9	Total obligations.....	141,024	123,209	

Personnel Summary

Total number of full-time permanent positions.....	67	67
Total compensable workyears:		
Full-time equivalent employment.....	84	84
Full-time equivalent of overtime and holiday hours.....	1	1

RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, **[\$322,860,000] \$263,324,000. Provided, That none of these funds, with the exception of funds for the Minority Biomedical Research Support program, shall be used to pay recipients of the**

general research support grants program any amount for indirect expenses in connection with such grants.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0848-0-1-550	1986 actual	1987 est.	1988 est.
	Program by activities:			
	Direct program:			
00.01	Clinical research.....	87,035	92,793	92,706
00.02	Biomedical research technology.....	42,953	44,500	44,272
00.03	Laboratory animal sciences and primate research.....	38,886	55,133	54,881
00.04	Biomedical research support.....	91,427	93,010	33,098
00.05	Minority biomedical research support.....	23,878	28,268	28,268
00.06	Research management and support.....	8,209	9,115	10,099
00.91	Total direct program.....	292,388	322,819	263,324
01.01	Reimbursable program.....	15,823	11,785	11,800
10.00	Total obligations.....	308,211	334,604	275,124
	Financing:			
11.00	Offsetting collections from: Federal funds.....	-15,823	-11,785	-11,800
25.00	Unobligated balance lapsing.....	135		
39.00	<b>Budget authority</b> .....	<b>292,523</b>	<b>322,819</b>	<b>263,324</b>

Budget authority:

40.00	Appropriation.....	292,523	322,860	263,324
45.00	Transfers out for pay raises and retirement contributions.....		-41	

Relation of obligations to outlays:

71.00	Obligations incurred, net.....	292,388	322,819	263,324
72.40	Obligated balance, start of year.....	164,577	146,911	158,491
74.40	Obligated balance, end of year.....	-146,911	-158,491	-132,760
77.00	Adjustments in expired accounts.....	-64		
90.00	Outlays.....	309,990	311,239	289,055

The Division of Research Resources develops and supports specialized transdisciplinary research resources in the Nation's research institutions.

Object Classification (in thousands of dollars)

Identification code	75-0848-0-1-550	1986 actual	1987 est.	1988 est.
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent.....	2,795	3,159	3,360
11.3	Other than full-time permanent.....	314	384	392
11.5	Other personnel compensation.....	91	140	142
11.9	Total personnel compensation.....	3,200	3,683	3,894
12.1	Personnel benefits: Civilian.....	433	552	831
13.0	Benefits for former personnel.....	9	7	7
21.0	Travel and transportation of persons.....	129	160	163
22.0	Transportation of things.....	12	11	11
23.2	Rental payments to others.....	247	248	252
24.0	Printing and reproduction.....	191	220	224
25.0	Other services.....	8,806	10,093	9,750
26.0	Supplies and materials.....	96	52	53
31.0	Equipment.....	61	76	69
41.0	Grants, subsidies, and contributions.....	279,204	307,717	248,070
99.0	Subtotal, direct obligations.....	292,388	322,819	263,324
99.0	Reimbursable obligations.....	15,823	11,785	11,800
99.9	Total obligations.....	308,211	334,604	275,124

Personnel Summary

Total number of full-time permanent positions.....	79	79	79
Total compensable workyears:			
Full-time equivalent employment.....	89	96	96
Full-time equivalent of overtime and holiday hours.....	1	2	2

**NATIONAL CENTER FOR NURSING RESEARCH\***

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, **[\$19,000,000]** \$24,866,000, of which \$8,733,000 is made available until expended for the purpose of funding the annual cost of research project grant commitments incurred in fiscal year 1988: Provided, That of the amount made available until expended, \$53,000 is available only to the extent necessary to fund costs associated with project grant commitments incurred in fiscal year 1988 not anticipated in the budget estimates and only after maximum absorption of such costs within funds otherwise appropriated.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0889-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Nursing research .....		17,000	14,133
00.02	Research management and support .....		2,000	2,000
10.00	Total obligations .....		19,000	16,133
<b>Financing:</b>				
24.40	Unobligated balance available, end of year .....			8,733
40.00	Budget authority (appropriation) .....		19,000	24,866
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		19,000	16,133
72.40	Obligated balance, start of year .....			10,450
74.40	Obligated balance, end of year .....		-10,450	-9,918
90.00	Outlays .....		8,550	16,665

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....		19,000	24,866
Outlays .....		8,500	16,665
<b>Supplemental under existing legislation:</b>			
Budget authority .....		1,465	
Outlays .....		-700	100
<b>Total:</b>			
Budget authority .....		20,465	24,866
Outlays .....		7,850	16,765

This program provides Federal support for biomedical research and research training in the field of nursing.

**Object Classification (in thousands of dollars)**

Identification code	75-0889-0-1-550	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....		592	592
11.5	Other personnel compensation .....		3	3
11.9	Total personnel compensation .....		595	595
12.1	Personnel benefits: Civilian .....		74	74
21.0	Travel and transportation of persons .....		78	78
23.2	Rental payments to others .....		12	12
24.0	Printing and reproduction .....		10	10
25.0	Other services .....		1,071	1,071
26.0	Supplies and materials .....		110	110
31.0	Equipment .....		50	50
41.0	Grants, subsidies, and contributions .....		17,000	14,133
99.9	Total obligations .....		19,000	16,133

**Personnel Summary**

Total number of full-time permanent positions .....	15	15
Total compensable workyears:		
Full-time equivalent employment .....	15	15
Full-time equivalent of overtime and holiday hours .....		

**JOHN E. FOGARTY INTERNATIONAL CENTER**

For carrying out the activities at the John E. Fogarty International Center, **[\$11,420,000]** \$11,566,000, of which \$1,934,000 shall be available for payment to the Gorgas Memorial Institute for maintenance and operation of the Gorgas Memorial Laboratory.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-0819-0-1-552	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Gorgas Memorial Institute .....	1,913	1,934	1,934
00.02	International research activities .....	4,593	4,557	4,557
00.03	Research management and support .....	4,360	4,929	5,075
00.91	Total direct program .....	10,866	11,420	11,566
01.01	Reimbursable program .....	406	1,000	1,000
10.00	Total obligations .....	11,272	12,420	12,566
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-406	-1,000	-1,000
25.00	Unobligated balance lapsing .....	188		
40.00	Budget authority (appropriation) .....	11,054	11,420	11,566
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	10,866	11,420	11,566
72.40	Obligated balance, start of year .....	4,812	5,232	5,994
74.40	Obligated balance, end of year .....	-5,232	-5,994	-6,321
77.00	Adjustments in expired accounts .....	-416		
90.00	Outlays .....	10,030	10,658	11,239

The Fogarty International Center administers programs of advanced study and related international activities.

**Object Classification (in thousands of dollars)**

Identification code	75-0819-0-1-552	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,512	1,600	1,600
11.3	Other than full-time permanent .....	284	300	300
11.5	Other personnel compensation .....	56	60	60
11.8	Special personal services payments .....	33	36	36
11.9	Total personnel compensation .....	1,885	1,996	1,996
12.1	Personnel benefits: Civilian .....	243	204	341
13.0	Benefits for former personnel .....	6	6	6
21.0	Travel and transportation of persons .....	69	72	72
22.0	Transportation of things .....	6	6	6
23.2	Rental payments to others .....	233	240	240
24.0	Printing and reproduction .....	62	60	60
25.0	Other services .....	1,736	2,179	2,188
26.0	Supplies and materials .....	52	70	70
31.0	Equipment .....	68	96	96
41.0	Grants, subsidies, and contributions .....	6,506	6,491	6,491
99.0	Subtotal, direct obligations .....	10,866	11,420	11,566
99.0	Reimbursable obligations .....	406	1,000	1,000
99.9	Total obligations .....	11,272	12,420	12,566

General and special funds—Continued

JOHN E. FOGARTY INTERNATIONAL CENTER—Continued

Personnel Summary

Total number of full-time permanent positions.....	51	51	51
Total compensable workyears:			
Full-time equivalent employment.....	56	58	58
Full-time equivalent of overtime and holiday hours.....	1	1	1

NATIONAL LIBRARY OF MEDICINE\*

\*See Part II for additional information.

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, **[\$61,838,000]** \$64,399,000, together with not to exceed \$25,000,000, to be derived from the exchange or sale of services or materials as authorized by section 382 of the Public Health Service Act.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0807-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Extramural programs.....	12,249	19,635	12,289
00.02 Intramural programs and services.....	37,583	41,759	45,788
00.03 Research management and support.....	5,374	5,849	6,322
00.91 Total direct program.....	55,206	67,243	64,399
01.01 Reimbursable program.....	2,124	3,198	4,125
10.00 Total obligations.....	57,330	70,441	68,524
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-2,124	-3,198	-4,125
21.40 Unobligated balance available, start of year.....	-5,405	-5,405	
24.40 Unobligated balance available, end of year.....	5,405		
25.00 Unobligated balance lapsing.....	116		
40.00 Budget authority (appropriation).....	55,322	61,838	64,399
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	55,206	67,243	64,399
72.40 Obligated balance, start of year.....	28,808	25,216	30,763
74.40 Obligated balance, end of year.....	-25,216	-30,763	-31,182
77.00 Adjustments in expired accounts.....	508		
90.00 Outlays.....	59,306	61,696	63,980

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	55,322	61,838	64,399
Outlays.....	59,306	61,696	63,980
Rescission proposal:			
Budget authority.....			
Outlays.....		-5,405	
Total:			
Budget authority.....	55,322	61,838	64,399
Outlays.....	59,306	56,291	63,980

This program provides Federal support for medical library services, and research and development in biomedical communications. Beginning in 1988, user charges collected will be credited to this account.

Object Classification (in thousands of dollars)

Identification code 75-0807-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	14,903	16,125	16,614
11.3 Other than full-time permanent.....	1,583	1,713	1,758
11.5 Other personnel compensation.....	383	415	426

11.8 Special personal services payments.....	14	15	19
11.9 Total personnel compensation.....	16,883	18,268	18,817
12.1 Personnel benefits: Civilian.....	1,925	2,476	3,309
13.0 Benefits for former personnel.....	54	50	50
21.0 Travel and transportation of persons.....	253	275	293
22.0 Transportation of things.....	137	108	115
23.2 Rental payments to others.....	1,408	1,545	1,645
24.0 Printing and reproduction.....	1,043	1,012	1,077
25.0 Other services.....	17,134	24,534	21,437
26.0 Supplies and materials.....	494	547	582
31.0 Equipment: Literature.....	2,318	2,726	3,057
31.0 Equipment: Other.....	3,763	3,972	4,228
32.0 Land and structures.....	8		
41.0 Grants, subsidies, and contributions.....	9,786	11,730	9,789
99.0 Subtotal, direct obligations.....	55,206	67,243	64,399
99.0 Reimbursable obligations.....	2,124	3,198	4,125
99.9 Total obligations.....	57,330	70,441	68,524

Personnel Summary

Total number of full-time permanent positions.....	495	495	495
Total compensable workyears:			
Full-time equivalent employment.....	538	545	547
Full-time equivalent of overtime and holiday hours.....	9	10	10

OFFICE OF THE DIRECTOR

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, **[\$56,708,000]** \$59,819,000, including purchase of not to exceed **[six]** five passenger motor vehicles for replacement only.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0846-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	130,905	57,463	59,819
01.01 Reimbursable program.....	14,821	15,280	15,280
10.00 Total obligations.....	145,726	72,743	75,099
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-14,821	-15,280	-15,280
21.40 Unobligated balance available, start of year.....	-2,779		
22.40 Unobligated balance transferred, net.....	-5,000		
25.00 Unobligated balance lapsing.....	32		
39.00 Budget authority.....	123,158	57,463	59,819
Budget authority:			
40.00 Appropriation.....	111,961	56,708	59,819
42.00 Transferred from other accounts.....	11,197		
43.00 Appropriation (adjusted).....	123,158	56,708	59,819
46.20 Transfers in for civilian pay raises.....		755	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	130,905	57,463	59,819
72.40 Obligated balance, start of year.....	10,254	101,545	92,705
74.40 Obligated balance, end of year.....	-101,545	-92,705	-88,314
77.00 Adjustments in expired accounts.....	339		
89.00 Outlays.....	39,953	66,303	64,210
Outlays:			
90.00 Outlays, excluding pay raise supplemental.....	39,953	65,548	64,210
91.20 Outlays from civilian pay raise supplemental.....		755	

The Office of the Director provides overall administration to the National Institutes of Health through centralized services, policy development, and program coordination.

Object Classification (in thousands of dollars)

Identification code	75-0846-0-1-550	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	16,187	17,072	17,520
11.3	Other than full-time permanent	1,021	1,153	1,186
11.5	Other personnel compensation	221	245	251
11.8	Special personal services payments	52	56	58
11.9	Total personnel compensation	17,481	18,526	19,015
12.1	Personnel benefits: Civilian	2,030	2,477	4,044
13.0	Benefits for former personnel	60	63	65
21.0	Travel and transportation of persons	169	150	155
22.0	Transportation of things	14	12	15
23.2	Rental payments to others	734	720	664
24.0	Printing and reproduction	298	255	270
25.0	Other services	93,732	34,935	35,256
26.0	Supplies and materials	377	180	185
31.0	Equipment	455	145	150
41.0	Grants, subsidies and contributions	15,555		
99.0	Subtotal, direct obligations	130,905	57,463	59,819
99.0	Reimbursable obligations	14,821	15,280	15,280
99.9	Total obligations	145,726	72,743	75,099

Personnel Summary

Total number of full-time permanent positions	501	501	501
Total compensable workyears:			
Full-time equivalent employment	525	536	538
Full-time equivalent of overtime and holiday hours	2	2	2

BUILDINGS AND FACILITIES

For construction of, and acquisition of [sites and] equipment for, facilities of or used by the National Institutes of Health, [\$31,900,000] \$5,000,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0838-0-1-552	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Research facilities	14,436	38,181	
00.02	Service and administrative	5,497	8,125	5,000
01.01	Reimbursable program	171		
10.00	Total obligations	20,104	46,306	5,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-171		
21.40	Unobligated balance available, start of year	-20,080	-14,406	
24.40	Unobligated balance available, end of year	14,406		
40.00	Budget authority (appropriation)	14,259	31,900	5,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	19,933	46,306	5,000
72.40	Obligated balance, start of year	23,482	27,758	51,090
74.40	Obligated balance, end of year	-27,758	-51,090	-34,531
90.00	Outlays	15,657	22,974	21,559

The National Institutes of Health direct construction program provides for the design and construction of Federal laboratories, libraries, office buildings, and other facilities essential to the mission of the National Institutes of Health.

Object Classification (in thousands of dollars)

Identification code	75-0838-0-1-552	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
24.0	Printing and reproduction	11	10	10
25.0	Other services	19,935	46,256	4,950
26.0	Supplies and materials	3		
31.0	Equipment	23	40	40
32.0	Lands and structures	-39		
99.0	Subtotal, direct obligations	19,933	46,306	5,000
99.0	Reimbursable obligations	171		
99.9	Total obligations	20,104	46,306	5,000

Intragovernmental funds:

NATIONAL INSTITUTES OF HEALTH MANAGEMENT FUND

Program and Financing (in thousands of dollars)

Identification code	75-3966-0-4-552	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Computer services	8,447	10,778	11,286
00.02	Intramural scientific services	14,340	15,770	16,700
00.03	Clinical services	114,467	135,022	146,728
00.04	Grant review and approval	19,940	23,575	25,323
00.05	Intramural research support services	68,637	79,545	84,460
00.06	Rental payments	7,977	8,706	11,222
10.00	Total obligations	233,808	273,396	295,719
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-233,808	-273,396	-295,719
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.98	Obligated balance, start of year: Fund balance	52,164	54,764	54,764
74.98	Obligated balance, end of year: Fund balance	-54,764	-54,764	-54,764
77.00	Adjustments in expired accounts	-364		
90.00	Outlays	-2,964		

The NIH management fund supports the conduct of NIH central operations which include computer services, intramural scientific services, clinical services, grant review and approval, and intramural research support services. These activities are financed through advances and reimbursements from all NIH appropriations.

Object Classification (in thousands of dollars)

Identification code	75-3966-0-4-552	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	79,770	88,981	91,019
11.3	Other than full-time permanent	8,965	9,571	9,797
11.5	Other personnel compensation	6,951	7,569	7,703
11.8	Special personal services payments	266	281	288
11.9	Total personnel compensation	95,952	106,402	108,807
12.1	Personnel benefits: Civilian	13,768	17,759	24,556
13.0	Benefits for former personnel	426	282	294
21.0	Travel and transportation of persons	714	928	961
22.0	Transportation of things	461	564	595
23.1	Rental payments to GSA	6,147	6,687	9,265
23.2	Rental payments to others	789	1,127	1,041
23.3	Communications, utilities, and miscellaneous charges	21,845	25,350	27,031
24.0	Printing and reproduction	1,373	1,846	1,950
25.0	Other services	54,426	68,477	78,213
26.0	Supplies and materials	29,261	33,727	32,978
31.0	Equipment	8,615	10,247	10,028
32.0	Lands and structures	21		
42.0	Insurance claims and indemnities	9		
43.0	Interest and dividends	1		
99.9	Total obligations	233,808	273,396	295,719

Intragovernmental funds—Continued

NATIONAL INSTITUTES OF HEALTH MANAGEMENT FUND—Continued

Personnel Summary

Total number of full-time permanent positions.....	3,380	3,380	3,380
Total compensable workyears:			
Full-time equivalent employment.....	3,417	3,533	3,546
Full-time equivalent of overtime and holiday hours.....	129	131	131

SERVICE AND SUPPLY FUND

Program and Financing (in thousands of dollars)

Identification code 75-4554-0-4-552	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Administrative services:</b>			
00.01 Cost of goods sold.....	20,443	27,404	27,645
00.02 Other.....	80,343	93,299	97,374
00.04 Data processing services.....	50,927	55,255	57,657
<b>Instrumentation:</b>			
00.06 Cost of goods sold.....	959	985	995
00.07 Other.....	4,589	5,453	5,832
00.09 Research animals.....	8,132	9,084	9,496
00.91 Total operating expenses.....	165,393	191,480	198,999
<b>Capital investment:</b>			
01.01 Administrative services: Purchase of equipment and systems design.....	856	1,178	600
01.02 Data processing services.....	295	369	375
01.03 Instrumentation: Purchase of equipment.....	664	1,928	1,885
01.04 Research animals: Purchase of equipment.....	15	231	231
01.91 Total capital investment.....	1,830	3,706	3,091
10.00 Total obligations.....	167,223	195,186	202,090
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds: Sales program.....	-167,223	-195,186	-202,090
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance.....	5,388	10,542	10,542
74.98 Obligated balance, end of year: Fund balance.....	-10,542	-10,542	-10,542
90.00 Outlays.....	-5,154		

The National Institutes of Health Service and Supply fund provides a single means for consolidated financing and accounting of business-type operations involving the sale of services and commodities to NIH and non-NIH customers.

Object Classification (in thousands of dollars)

Identification code 75-4554-0-4-552	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	25,986	28,944	29,712
11.3 Other than full-time permanent.....	1,701	1,846	1,972
11.5 Other personnel compensation.....	2,154	2,364	2,453
11.8 Special personal services payments.....	20	14	19
11.9 Total personnel compensation.....	29,861	33,168	34,156
12.1 Personnel benefits: Civilian.....	3,432	4,844	6,828
13.0 Benefits for former personnel.....	38	35	36
21.0 Travel and transportation of persons.....	248	346	359
22.0 Transportation of things.....	379	407	422
23.1 Rental payments to CSA.....	350	404	420
23.2 Rental payments to others.....	38,524	40,729	41,758
23.3 Communications, utilities, and miscellaneous charges.....	22,457	8,793	9,518
24.0 Printing and reproduction.....	1,715	1,583	1,653
25.0 Other services.....	37,678	62,030	64,059
26.0 Supplies and materials.....	29,332	37,366	37,950
31.0 Equipment.....	3,195	5,481	4,931
32.0 Lands and structures.....	7		
42.0 Insurance claims and indemnities.....	6		

43.0 Interest and dividends.....	1		
99.9 Total obligations.....	167,223	195,186	202,090

Personnel Summary

Total number of full-time permanent positions.....	1,123	1,123	1,123
Total compensable workyears:			
Full-time equivalent employment.....	1,054	1,076	1,081
Full-time equivalent of overtime and holiday hours.....	72	72	72

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

Federal Funds

General and special funds:

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH\*

\*See Part II for additional information.

For carrying out the Public Health Service Act with respect to mental health, drug abuse, alcohol abuse, and alcoholism and the Protection and Advocacy for Mentally Ill Individuals Act of 1986, [\$1,062,365,000] \$1,037,873,000, of which [\$600,000] \$200,000 for renovation of government owned or leased intramural research facilities shall remain available until expended. (Additional authorizing legislation to be proposed for \$495,000,000.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

[For an additional amount for substance abuse prevention and treatment activities as authorized by titles III, V and XIX of the Public Health Service Act, \$262,000,000 to remain available until September 30, 1988.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 75-1361-0-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Grants to States.....	468,930	671,715	495,000
<b>Mental health:</b>			
01.01 Research.....	204,148	246,746	229,692
01.02 Planning and demonstrations.....	11,956	15,000	20,000
01.03 Protection and advocacy.....	9,503	7,000	7,000
01.04 Training.....	36,359	27,500	24,949
01.05 Direct operations.....	32,996	35,785	36,849
01.91 Total mental health.....	294,962	332,031	318,490
<b>Drug abuse:</b>			
02.01 Research.....	70,553	133,100	105,301
02.02 Training.....	1,436	2,250	2,400
02.03 Direct operations.....	15,606	17,383	16,896
02.91 Total drug abuse.....	87,595	152,733	124,597
<b>Alcohol abuse:</b>			
03.01 Research.....	54,372	71,235	67,716
03.02 Training.....	1,436	2,500	2,651
03.03 Direct operations.....	11,157	9,702	9,990
03.91 Total alcohol abuse.....	66,965	83,437	80,357
04.01 Direct prevention.....		52,524	11,264
05.01 Buildings and facilities.....	507	1,409	200
06.01 Program management.....	7,292	10,930	7,965
07.00 Total direct program.....	926,251	1,304,779	1,037,873
07.01 Reimbursable program.....	3,633	4,062	3,562
10.00 Total obligations.....	929,884	1,308,841	1,041,435
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-3,633	-4,062	-3,562
21.40 Unobligated balance available, start of year.....	-1,220	-809	
24.40 Unobligated balance available, end of year.....	809		

25.00	Unobligated balance lapsing .....	1,358		
39.00	<b>Budget authority</b> .....	<b>927,198</b>	<b>1,303,970</b>	<b>1,037,873</b>
	Budget authority:			
40.00	Appropriation .....	927,198	1,324,365	1,037,873
41.00	Transferred to other accounts .....		-10,395	
43.00	<b>Appropriation (adjusted)</b> .....	<b>927,198</b>	<b>1,313,970</b>	<b>1,037,873</b>
45.00	<b>Transfers out for pay raises and retirement contributions</b> .....		<b>-10,000</b>	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	926,251	1,304,779	1,037,873
72.40	Obligated balance, start of year .....	284,522	279,395	381,840
74.40	Obligated balance, end of year .....	-279,395	-381,840	-343,194
77.00	Adjustments in expired accounts .....	-12,323		
90.00	Outlays .....	919,054	1,202,334	1,076,519

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	927,198	1,303,970	1,037,873
Outlays .....	919,054	1,202,334	1,076,519
Supplemental under existing legislation:			
Budget authority .....		5,000	
Outlays .....		-5,000	3,750
Total:			
Budget authority .....	927,198	1,308,970	1,037,873
Outlays .....	919,054	1,197,334	1,080,269

This program provides Federal support for treatment, research, and research training in the areas of alcohol, drug abuse, and mental health.

**Object Classification (in thousands of dollars)**

Identification code 75-1361-0-1-550	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	40,939	48,950	47,134
11.3 Other than full-time permanent .....	11,683	14,416	13,142
11.5 Other personnel compensation .....	1,124	1,372	1,272
11.8 Special personal services payments .....	1,468	1,697	1,593
11.9 Total personnel compensation .....	55,214	66,435	63,141
12.1 Personnel benefits: Civilian .....	7,175	7,437	10,935
13.0 Benefits for former personnel .....	3		
21.0 Travel and transportation of persons .....	1,464	1,580	1,589
22.0 Transportation of things .....	183	238	244
23.1 Rental payments to GSA .....	2,399	2,517	2,928
23.2 Rental payments to others .....	128	149	149
23.3 Communications, utilities, and miscellaneous charges .....	2,853	3,164	3,313
24.0 Printing and reproduction .....	1,505	1,458	1,635
25.0 Other services .....	70,541	121,318	88,310
26.0 Supplies and materials .....	6,153	7,648	7,690
31.0 Equipment .....	4,964	6,975	5,887
41.0 Grants, subsidies, and contributions .....	773,669	1,085,860	852,052
99.0 Subtotal, direct obligations .....	926,251	1,304,779	1,037,873
99.0 Reimbursable obligations .....	3,633	4,062	3,562
99.9 Total obligations .....	929,884	1,308,841	1,041,435

**Personnel Summary**

Total number of full-time permanent positions .....	1,075	1,211	1,211
Total compensable workyears:			
Full-time equivalent employment .....	1,546	1,587	1,692
Full-time equivalent of overtime and holiday hours .....	9	11	11

**FEDERAL SUBSIDY FOR SAINT ELIZABETHS HOSPITAL**

[For a portion of the cost of the maintenance and operation of Saint Elizabeths Hospital in the District of Columbia, \$36,353,000: *Provided*, That in fiscal year 1987 and thereafter the maximum amount available to Saint Elizabeths Hospital from Federal sources shall not exceed the total of the following amounts: the appropriations made under this heading, amounts billed to Federal agencies

and entities by the Secretary of Health and Human Services for services provided at Saint Elizabeths Hospital, and amounts authorized by titles XVIII and XIX of the Social Security Act: *Provided further*, That this amount shall not include Federal funds appropriated to the District of Columbia under "Federal Payment to the District of Columbia" and payments made pursuant to section 9(c) of Public Law 98-621: *Provided further*, That the Secretary of Health and Human Services may set rates which in the aggregate do not exceed the estimated total cost of inpatient and outpatient services provided through Saint Elizabeths Hospital as authorized by title 16, sections 2315 and 2320, title 21, sections 511, 513, 522, 545, 902, and 1116, and title 24, sections 301 and 302 of the District of Columbia Code, and may bill and collect from (prospectively or otherwise) individuals, the District of Columbia and other entities for any services so provided: *Provided further*, That the Secretary of Health and Human Services may set rates which in the aggregate do not exceed the estimated total cost of inpatient and outpatient services provided through Saint Elizabeths Hospital as authorized by title 24, sections 191, 196, 211, 212, 222, 253, and 324, title 31, section 1535, and title 42, sections 249 and 251 of the United States Code, and may bill and collect (prospectively or otherwise) from individuals, and Federal agencies, and other entities for any services so provided. Amounts so collected shall be credited to the appropriation for Saint Elizabeths Hospital and shall remain available until expended. ] *To carry out the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, \$65,587,000, together with any unobligated balances from "Saint Elizabeths Hospital, Construction and Renovation" (except those balances determined by the Secretary of Health and Human Services to be necessary to carry out existing Federal renovation contracts), all of which shall be available in fiscal year 1988 for payments to the District of Columbia as authorized by sections 2, 4, and 9 of the Act; and in addition, \$2,725,000 which shall be available through September 30, 1989 for Federal activities authorized by sections 6 and 9 of the Act: Provided, That funds appropriated under this heading may be used for multi-year contracts with the District of Columbia for maintenance of Saint Elizabeths Hospital: Provided further, That any amounts determined by the Secretary of Health and Human Services to be in excess of the amounts requested and estimated to be necessary to carry out sections 6 and 9(f)(2) of the Act shall be returned to the Treasury: Provided further, That upon acceptance of any funds appropriated under this heading, the District Government agrees that the amount granted under this heading satisfies fully the Secretary of Health and Human Services' responsibilities under sections 4 and 9(f)(2) of the Act.*

*For fiscal year 1989, \$24,000,000 shall be available for payments to the District of Columbia as authorized by section 9(a) of the Act. In fiscal year 1988 and thereafter, the maximum amount available to Saint Elizabeths Hospital from Federal sources shall not exceed the total of the following amounts: the appropriations made under this heading, amounts billed to Federal agencies and entities by the District of Columbia for services provided at Saint Elizabeths Hospital, and amounts authorized by titles XVIII and XIX of the Social Security Act. This maximum amount shall not include Federal funds appropriated to the District of Columbia under "Federal Payment to the District of Columbia" and payments made pursuant to section 9(c) of Public Law 98-621. Amounts chargeable to and available from Federal sources for inpatient and outpatient services provided through Saint Elizabeths Hospital as authorized by 24 U.S.C. 191, 196, 211, 212, 222, 253, and 324; 31 U.S.C. 1535; and 42 U.S.C. 249 and 251 shall not exceed the estimated total cost of such services as computed using only the proportionate amount of the direct Federal subsidy appropriated under this heading.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-1300-0-1-551	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
Federal subsidy:			
00.01 Inpatient psychiatric care .....	25,625	27,475	
00.02 Outpatient, day care, and outplacement activities, other than area D (CMHC) .....	2,413	2,361	
00.03 Training .....	1,270	1,215	
00.04 Program support .....	10,666	9,730	
00.05 Payments to the District of Columbia .....			71,812

General and special funds—Continued

FEDERAL SUBSIDY FOR SAINT ELIZABETHS HOSPITAL—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-1300-0-1-551	1986 actual	1987 est.	1988 est.
00.06	Federal activities .....			2,725
00.91	Total direct program .....	39,975	40,781	74,537
01.01	Reimbursable program .....	87,195	100,401	
10.00	Total obligations .....	127,170	141,182	74,537
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-21,087	-17,971	
13.00	Trust funds .....	-4,218	-3,241	
14.00	Non-Federal sources .....	-61,890	-79,189	
22.40	Unobligated balance transferred, net .....			-6,225
25.00	Unobligated balance lapsing .....	1,842		
39.00	Budget authority .....	41,817	40,781	68,312
<b>Budget authority:</b>				
40.00	Appropriation .....	41,817	36,353	68,312
46.20	Transfers in for civilian pay raises .....		4,428	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	39,975	40,781	74,537
72.10	Receivables in excess of obligations, start of year .....	-19,728	-43,355	-3,116
74.10	Receivables in excess of obligations, end of year .....	43,355	3,116	
77.00	Adjustments in expired accounts .....	-8,986		
89.00	Outlays .....	54,616	542	71,421
<b>Outlays:</b>				
90.00	Outlays, excluding pay raise supplemental .....	54,616	-3,886	71,421
91.20	Outlays from civilian pay raise supplemental .....		4,428	

The 1988 request carries out Public Law 98-621, the "Saint Elizabeths Hospital and District of Columbia Mental Health Services Act."

Object Classification (in thousands of dollars)

Identification code	75-1300-0-1-551	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	23,991	26,204	
11.3	Other than full-time permanent .....	2,067	1,792	
11.5	Other personnel compensation .....	2,113	1,829	
11.8	Special personal services payments .....	333	381	
11.9	Total personnel compensation .....	28,504	30,206	
12.1	Personnel benefits: Civilian .....	3,768	3,459	
13.0	Benefits for former personnel .....	23		1,851
21.0	Travel and transportation of persons .....	88	137	
22.0	Transportation of things .....	69	52	
23.2	Rental payments to others .....		2	
23.3	Communications, utilities, and miscellaneous charges .....	1,162	960	
24.0	Printing and reproduction .....	21	22	
25.0	Other services .....	2,749	2,631	525
26.0	Supplies and materials .....	3,243	3,012	
31.0	Equipment .....	290	273	
32.0	Lands and structures .....	51	24	
41.0	Grants, subsidies, and contributions .....			72,161
42.0	Insurance claims and indemnities .....	7	3	
99.0	Subtotal, direct obligations .....	39,975	40,781	74,537
99.0	Reimbursable obligations .....	87,195	100,401	
99.9	Total obligations .....	127,170	141,182	74,537

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions .....	1,060	982	
	Total compensable workyears:			
	Full-time equivalent employment .....	1,010	1,003	
	Full-time equivalent of overtime and holiday hours .....	22	23	
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	2,325	2,403	

<b>Total compensable workyears:</b>			
	Full-time equivalent employment .....	2,212	2,455
	Full-time equivalent of overtime and holiday hours .....	56	55

CONSTRUCTION AND RENOVATION, SAINT ELIZABETHS HOSPITAL

Program and Financing (in thousands of dollars)

Identification code	75-1312-0-1-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	1,794	1,167	
10.00	Total obligations .....	1,794	1,167	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-9,186	-7,392	-6,225
22.40	Unobligated balance transferred, net .....			6,225
24.40	Unobligated balance available, end of year .....	7,392	6,225	
39.00	Budget authority .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,794	1,167	
72.40	Obligated balance, start of year .....	5,734	1,591	949
74.40	Obligated balance, end of year .....	-1,591	-949	
90.00	Outlays .....	5,937	1,809	949

This activity supports construction, maintenance, and upgrading of buildings and facilities housing the patients of Saint Elizabeths Hospital.

Object Classification (in thousands of dollars)

Identification code	75-1312-0-1-551	1986 actual	1987 est.	1988 est.
11.1	Personal compensation: Full-time permanent .....			
23.3	Communications, utilities, and miscellaneous charges .....	85		
25.0	Other services .....	1,603	1,167	
26.0	Supplies and materials .....	45		
31.0	Equipment .....	24		
32.0	Land and structures .....	37		
99.9	Total obligations .....	1,794	1,167	

OFFICE OF ASSISTANT SECRETARY FOR HEALTH

Federal Funds

General and special funds:

PUBLIC HEALTH SERVICE MANAGEMENT\*

\*See Part II for additional information.

For the expenses necessary for the Office of Assistant Secretary for Health and for carrying out titles III, [XVII] X, and XX of the Public Health Service Act, [\$117,126,000] \$251,047,000, together with not to exceed \$1,050,000 to be transferred and expended as authorized by section 201(g) of the Social Security Act from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein and, in addition, amounts received [by the National Center for Health Statistics] from Freedom of Information Act fees, reimbursable and interagency agreements and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: *Provided*, That in addition to amounts provided herein, up to \$16,000,000 shall be available from amounts available under section 2113 of the Public Health Service Act, to carry out the National Medical Expenditure Survey. [Provided further, That of the amounts appropriated under this heading, \$100,000 shall be available for the President's Council on Health Promotion and Disease Prevention.] (Additional authorizing legislation to be proposed for \$224,827,000.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriation Act, 1987.

Program and Financing (in thousands of dollars)				
Identification code 75-1101-0-1-550	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
Program operations:				
00.01	Health services research	15,687	18,834	19,179
00.02	Health statistics	44,542	52,081	51,115
00.03	Adolescent family life	13,965	14,000	10,074
00.04	Family planning			144,059
Health initiatives:				
01.01	Smoking and health	3,188	3,471	
01.02	Disease prevention/health promotion	2,731	8,641	3,067
01.03	Physical fitness and sports	1,272	1,263	1,466
01.04	Minority health			3,000
01.91	Subtotal, health initiatives	7,191	13,375	7,533
01.92	Total program operations	81,385	98,290	231,960
02.01	Public Health Service management	17,705	18,676	19,087
03.94	Total direct program	99,090	116,966	251,047
04.01	Reimbursable program	44,063	60,913	45,512
10.00	Total obligations	143,153	177,879	296,559
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-42,807	-59,766	-44,437
13.00	Trust funds	-1,050	-1,050	-1,050
14.00	Non-Federal sources	-202	-25	-25
21.40	Unobligated balance available, start of year	-91	-72	
24.40	Unobligated balance available, end of year	72		
25.00	Unobligated balance lapsing	673	100	
39.00	Budget authority	99,749	117,066	251,047
Budget authority:				
40.00	Appropriation	99,749	117,126	251,047
41.00	Transferred to other accounts		-60	
43.00	Appropriation (adjusted)	99,749	117,066	251,047
Relation of obligations to outlays:				
71.00	Obligations incurred, net	99,095	117,038	251,047
72.40	Obligated balance, start of year	90,380	93,062	93,612
74.40	Obligated balance, end of year	-93,062	-93,612	-172,454
77.00	Adjustments in expired accounts	-1,195		
90.00	Outlays	95,217	116,488	172,205

NOTES

Includes \$144,059 thousand in 1988 for Family Planning Activities transferred from Health Resources and Services. Comparable amounts for 1987 (\$142,500 thousand) and 1986 (\$136,372 thousand) are excluded above.  
Excludes \$3,466 thousand in 1988 for smoking and health activities transferred to Disease Control, Research, and Training. Comparable amounts are included above for 1987 (\$3,471 thousand) and 1986 (\$3,375 thousand).

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	99,749	117,126	251,047
Outlays	95,217	116,488	172,205
Rescission proposal:			
Budget authority		-5,000	
Outlays		-5,000	
Total:			
Budget authority	99,749	112,066	251,047
Outlays	95,217	111,488	172,205

This account funds management staffing for the Public Health Service. In addition, it funds health services research and statistics, disease prevention and health promotion, adolescent family life, family planning, minority health, and physical fitness and sports.

Object Classification (in thousands of dollars)

Identification code 75-1101-0-1-550	1986 actual	1987 est.	1988 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	33,586	35,307	35,544

11.3	Other than full-time permanent	3,093	3,132	3,108
11.5	Other personnel compensation	639	698	709
11.9	Total personnel compensation	37,318	39,137	39,361
12.1	Personnel benefits: Civilian	4,458	4,609	6,905
13.0	Benefits for former personnel	34		
21.0	Travel and transportation of persons	972	1,593	1,530
22.0	Transportation of things	87	91	102
23.1	Rental payments to GSA	2,634	3,003	3,213
23.2	Rental payments to others	219	306	306
23.3	Communications, utilities, and miscellaneous charges	3,551	3,220	3,933
24.0	Printing and reproduction	922	1,144	983
25.0	Other services	28,760	38,750	36,360
26.0	Supplies and materials	443	555	594
31.0	Equipment	1,757	2,244	461
41.0	Grants, subsidies, and contributions	17,935	22,314	157,299
99.0	Subtotal, direct obligations	99,090	116,966	251,047
99.0	Reimbursable obligations	44,063	60,913	45,512
99.9	Total obligations	143,153	177,879	296,559

Personnel Summary

Direct:			
Total number of full-time permanent positions	895	907	897
Total compensable workyears:			
Full-time equivalent employment	1,006	977	984
Full-time equivalent of overtime and holiday hours	8	10	10
Reimbursable:			
Total number of full-time permanent positions	43	41	36
Total compensable workyears: Full-time equivalent employment	43	41	36

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), [such amounts as may be required during the current fiscal year] not to exceed \$89,176,000, and in addition \$5,000,000 which shall be available only to the extent necessary to pay retirement pay and medical benefits not anticipated in the budget estimates.

Further, for fiscal year 1989 for the foregoing purposes, not to exceed \$95,350,000, and in addition \$5,000,000 which shall be available only to the extent necessary to pay retirement pay and medical benefits not anticipated in the budget estimates.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0379-0-1-551	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Retirement payments	67,205	69,687	74,293
00.02	Survivors' benefits	3,543	3,837	4,077
00.03	Medical care	9,700	10,243	10,807
00.04	Reserve fund			5,000
10.00	Total obligations	80,449	83,768	94,176
<b>Financing:</b>				
39.00	Budget authority	80,449	83,768	94,176
Budget authority:				
40.00	Appropriation (indefinite)	80,449	83,768	
40.00	Appropriation			94,176
Relation of obligations to outlays:				
71.00	Obligations incurred, net	80,449	83,768	94,176
72.40	Obligated balance, start of year	8,376	8,898	11,772
74.40	Obligated balance, end of year	-8,898	-11,772	-19,731
90.00	Outlays	79,927	80,894	86,217

**General and special funds—Continued**

**RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS—Continued**

This activity funds annuities of retired Public Health Service (PHS) commissioned officers and survivors of retirees, and medical care to active duty PHS commissioned officers, retirees of and dependents of members and retirees of the PHS Commissioned Corps.

**Object Classification (in thousands of dollars)**

Identification code 75-0379-0-1-551	1986 actual	1987 est.	1988 est.
13.0 Benefits for former personnel.....	70,748	73,524	83,370
25.0 Other services.....	9,700	10,243	10,807
99.9 Total obligations.....	80,449	83,768	94,176

**SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code 75-1102-0-1-552	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	1,093	3,000	3,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-1,918		
21.40 Unobligated balance available, start of year.....	-5,888	-6,713	-3,711
24.40 Unobligated balance available, end of year.....	6,713	3,711	711
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,093	3,000	3,000
72.40 Obligated balance, start of year.....	29,200	26,799	28,451
74.40 Obligated balance, end of year.....	-26,799	-28,451	-29,982
78.00 Adjustments in unexpired accounts.....	-1,918		
90.00 Outlays.....	1,577	1,348	1,469

Scientific activities overseas (special foreign currency program) are supported entirely by foreign currencies owned by the United States abroad. The 1988 program will be carried out from appropriated, but unused, funds from prior years.

**Object Classification (in thousands of dollars)**

Identification code 75-1102-0-1-552	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	254	300	300
25.0 Other services.....	839	2,700	2,700
99.9 Total obligations.....	1,093	3,000	3,000

**Intragovernmental funds:**

**SERVICE AND SUPPLY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 75-4552-0-4-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Supply distribution sales.....	12,033	15,986	18,037
00.02 Data management services.....	12,297	13,656	14,178
00.03 Fiscal services.....	3,952	5,435	5,632
00.04 Parklawn services.....	16,998	18,917	20,285
00.05 Central personnel services.....	1,338	1,423	1,433
00.06 Commissioned officer personnel.....	2,943	3,526	3,547
00.07 Facilities engineering services.....	268	298	301
10.00 Total obligations.....	49,829	59,241	63,413

**Financing:**

11.00 Offsetting collections from: Federal funds.....	-49,885	-58,056	-62,145
21.98 Unobligated balance available, start of year: Fund balance.....	-3,813	-3,868	-2,683
24.98 Unobligated balance available, end of year: Fund balance.....	3,868	2,683	1,415
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-56	1,185	1,268
72.10 Receivables in excess of obligations, start of year.....	-192		-957
72.98 Obligated balance, start of year: Fund balance.....		-2,040	102
74.10 Receivables in excess of obligations, end of year.....		957	
74.98 Obligated balance, end of year: Fund balance.....	2,040	-102	-413
90.00 Outlays.....	1,792		

This fund finances common user supply and service operations of PHS, including purchase of equipment, data management, fiscal services, personnel services and other miscellaneous services handled centrally.

**Object Classification (in thousands of dollars)**

Identification code 75-4552-0-4-551	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	16,371	18,398	19,593
11.3 Other than full-time permanent.....	1,329	1,493	1,590
11.5 Other personnel compensation.....	330	371	395
11.9 Total personnel compensation.....	18,030	20,262	21,578
12.1 Personnel benefits: Civilian.....	2,290	2,600	2,778
13.0 Benefits for former personnel.....		85	85
21.0 Travel and transportation of persons.....	120	230	228
22.0 Transportation of things.....	361	414	470
23.1 Rental payments to GSA.....	2,754	2,764	3,225
23.3 Communications, utilities, and miscellaneous charges.....	5,141	7,110	7,701
24.0 Printing and reproduction.....	156	617	569
25.0 Other services.....	7,428	8,460	8,899
26.0 Supplies and materials.....	11,420	14,717	16,580
31.0 Equipment.....	2,129	1,982	1,300
99.9 Total obligations.....	49,829	59,241	63,413

**Personnel Summary**

Total number of full-time permanent positions.....	545	556	545
Total compensable workyears:			
Full-time equivalent employment.....	604	618	604
Full-time equivalent of overtime and holiday hours.....	10	10	10

**Trust Funds**

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 75-9971-0-7-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Patients' benefits.....	87	58	58
00.02 Gifts.....	1,267	847	847
00.03 Contributions, Indian health facilities.....	25,387	7,219	7,219
10.00 Total obligations.....	26,741	8,124	8,124
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-3		
<b>Unobligated balance available, start of year:</b>			
21.40 Treasury balance.....	-7,389	-9,801	-9,801
21.40 U.S. securities (par).....	-2,383	-4,841	-4,841
<b>Unobligated balance available, end of year:</b>			
24.40 Treasury balance.....	9,801	9,801	9,801
24.40 U.S. securities (par).....	4,841	4,841	4,841
60.00 Budget authority (appropriation) (permanent, indefinite).....	31,608	8,124	8,124
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	26,741	8,124	8,124
72.40 Obligated balance, start of year.....	14,033	19,745	18,144

74.40	Obligated balance, end of year.....	-19,745	-18,144	-17,632
78.00	Adjustments in unexpired accounts.....	-3		
90.00	Outlays.....	21,027	9,725	8,636
Distribution of budget authority by account:				
	Patients' benefits.....	98	98	98
	Gifts.....	3,639	1,126	1,126
	Contributions, Indian health facilities.....	27,871	6,900	6,900
Distribution of outlays by account:				
	Patients' benefits.....	84	39	34
	Gifts.....	594	272	242
	Contributions, Indian health facilities.....	20,349	9,414	8,360

Gifts to the PHS are for the benefit of patients and for research. Contributions are made for the construction, improvement, extension, and provision of sanitation facilities.

Object Classification (in thousands of dollars)

Identification code 75-9971-0-7-551		1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	47	47	47
11.3	Other than full-time permanent.....	2,413	620	620
11.5	Other personnel compensation.....	713	100	100
11.8	Special personal services payments.....	158	100	100
11.9	Total personnel compensation.....	3,331	867	867
12.1	Personnel benefits: Civilian.....	220	65	65
21.0	Travel and transportation of persons.....	347	158	158
22.0	Transportation of things.....	1,153	690	690
23.3	Communications, utilities, and miscellaneous charges.....	27	10	10
24.0	Printing and reproduction.....	10	5	5
25.0	Other services.....	8,692	1,999	1,999
26.0	Supplies and materials.....	2,910	1,300	1,300
31.0	Equipment.....	282	200	200
32.0	Lands and structures.....	9,769	2,830	2,830
99.9	Total obligations.....	26,741	8,124	8,124

Personnel Summary

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears:			
Full-time equivalent employment.....	106	35	35
Full-time equivalent of overtime and holiday hours.....	12	4	4

HEALTH CARE FINANCING ADMINISTRATION

Federal Funds

General and special funds:

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, [title] titles XI and XIX of the Social Security Act, [\$19,770,000,000] \$21,020,000,000, for fiscal year 1988 to remain available until expended, and \$30,870,000,000 for fiscal year 1989, to remain available until expended: Provided, That notwithstanding the provisions of title XIX of that Act or any other provision of law, no State shall be entitled to payment from this or any other appropriations for any portion of expenditures for case management services under section 1915(g) of that Act that are not used to assist individuals to gain access to medical services.

For making, after May 31[, 1987,] of fiscal years 1988 and 1989, payments to States under title XIX of the Social Security Act for the last quarter of each such fiscal year [1987] for unanticipated costs, incurred for [the current] each such fiscal year, such sums as may be necessary.

Payment under title XIX for fiscal year 1988 may be made for any quarter beginning after June 30, [1986] 1987, and before October 1, [1987] 1988, and payment for fiscal year 1989 may be made for any quarter beginning after June 30, 1988 and before October 1, 1989, with respect to any State plan or plan amendment in effect during any such quarter, if submitted in, or prior to such quarter and approved in that or any such subsequent quarter.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year [1988, \$7,100,000,000] 1990, \$8,500,000,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0512-0-1-551		1986 actual	1987 est.	1988 est.
Program by activities:				
00.01	Medicaid vendor payments.....	23,446,435	25,258,526	26,667,812
00.02	State and local administration.....	1,379,811	1,441,474	1,452,188
10.00	Total obligations (object class 41.0).....	24,826,246	26,700,000	28,120,000
Financing:				
21.40	Unobligated balance available, start of year.....	-307,215	-60,000	
24.40	Unobligated balance available, end of year.....	60,000		
25.00	Unobligated balance lapsing.....	64,873		
39.00	Budget authority.....	24,643,904	26,640,000	28,120,000
Budget authority:				
Current:				
40.00	Appropriation.....	17,918,000	19,770,000	21,020,000
40.00	Appropriation (indefinite).....	745,904	370,500	
43.00	Appropriation (adjusted).....	18,663,904	20,140,500	21,020,000
45.00	Transfers out for pay raises and retirement contributions.....		-500	
Permanent:				
60.00	Appropriation.....	5,980,000	6,500,000	7,100,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	24,826,246	26,700,000	28,120,000
72.40	Obligated balance, start of year.....	353,865	184,660	184,660
74.40	Obligated balance, end of year.....	-184,660	-184,660	-184,660
90.00	Outlays.....	24,995,451	26,700,000	28,120,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

		[In thousands of dollars]		
Enacted/requested:		1986 actual	1987 est.	1988 est.
	Budget authority.....	24,643,904	26,640,000	28,120,000
	Outlays.....	24,995,451	26,700,000	28,120,000
Proposed for later transmittal under proposed legislation:				
	Budget authority.....			-1,256,000
	Outlays.....			-1,256,000
Total:				
	Budget authority.....	24,643,904	26,640,000	26,864,000
	Outlays.....	24,995,451	26,700,000	26,864,000

Medicaid assists States in providing medical care to their low-income population by granting Federal matching payments under title XIX of the Social Security Act to States with approved plans. The 1988 appropriation request, reflects biennial budgeting.

GRANTS TO STATES FOR MEDICAID

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 75-0512-2-1-551		1986 actual	1987 est.	1988 est.
Program by activities:				
00.01	Medicaid vendor payments.....			-976,000
00.02	State and local administration.....			-280,000
10.00	Total obligations (object class 41.0).....			-1,256,000
Financing:				
39.00	Budget authority.....			-1,256,000
Budget authority:				
40.00	Appropriation.....			-1,256,000
43.00	Appropriation (adjusted).....			-1,256,000

General and special funds—Continued

GRANTS TO STATES FOR MEDICAID—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
75-0512-2-1-551			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-1,256,000
90.00 Outlays.....			-1,256,000

These Medicaid legislative proposals would limit Federal financial participation in the State Medicaid program and enhance program flexibility.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) [ , 229(b) ] and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, and section 278(d) of Public Law 97-248, [ \$20,826,000,000 ] \$25,627,000,000.

Further, for payment for the foregoing purposes for fiscal year 1989, \$30,306,000,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
75-0580-0-1-571			
Program by activities:			
00.01 Supplementary medical insurance (SMI) .....	18,076,184	20,285,000	25,152,000
00.02 Military service credits (HI) .....	-714,000	94,000	
00.03 Hospital insurance for uninsured .....	554,000	435,000	461,000
00.04 Federal uninsured payment.....	12,000	12,000	14,000
00.05 SECA credits.....	401,552	439,000	485,000
10.00 Total obligations.....	18,329,736	21,265,000	26,112,000
Financing:			
25.00 Unobligated balance lapsing.....	925,816		
39.00 Budget authority.....	19,255,552	21,265,000	26,112,000
Budget authority:			
40.00 Appropriation.....	18,854,000	20,826,000	25,627,000
60.00 Appropriation (permanent, indefinite) .....	401,552	439,000	485,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	18,329,736	21,265,000	26,112,000
90.00 Outlays.....	18,329,736	21,265,000	26,112,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	19,255,552	21,265,000	26,112,000
Outlays.....	18,329,736	21,265,000	26,112,000
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-1,215,000
Outlays.....			-1,215,000
Total:			
Budget authority.....	19,255,552	21,265,000	24,897,000
Outlays.....	18,329,736	21,265,000	24,897,000

Payments are made (1) to the Supplementary Medical Insurance Trust Fund; (2) for individuals aged 65 and over who meet certain transitional insured status requirements; and (3) for civil service employees and annuitants who had worked before 1983 and who were employed during January 1983. Beginning in fiscal year 1988, this account no longer includes an appropriation request for military service credits, which will be funded by Defense Department appropriations.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
75-0580-0-1-571			
41.0 Grants, subsidies, and contributions.....	18,076,184	20,285,000	25,152,000
42.0 Insurance claims and indemnities.....	253,552	980,000	960,000
99.9 Total obligations.....	18,329,736	21,265,000	26,112,000

PAYMENTS TO HEALTH CARE TRUST FUNDS  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
75-0580-2-1-571			
Program by activities:			
10.00 Total obligations (object class 41.0) .....			-1,215,000
Financing:			
40.00 Budget authority (appropriation) .....			-1,215,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-1,215,000
90.00 Outlays.....			-1,215,000

The amounts in this schedule reflect the impact of legislative proposals on the SMI trust fund.

PROGRAM MANAGEMENT\*

\*See Part II for additional information.

For carrying out, except as otherwise provided, titles XI, XVIII, and XIX of the Social Security Act, [ \$85,396,000 ] \$105,750,000, together with not to exceed [ \$1,168,520,000 ] \$1,292,580,000 to be transferred to this appropriation as authorized by section 201(g) of the Social Security Act, from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds referred to therein: Provided, That in addition, [ \$50,000,000 ] \$20,000,000 shall similarly be derived by transfer from said trust funds and shall be expended only to the extent necessary to process workloads not anticipated in the budget estimates and to meet unanticipated costs of agencies or organizations with which agreements have been made to participate in the administration of title XVIII and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: Provided further, That all funds derived in accordance with 31 U.S.C 9701, are to be credited to this appropriation.

Note.—Public Laws 99-500 and 99-501, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
75-0511-0-1-550			
Program by activities:			
00.01 Research, demonstrations, and evaluation projects.....	30,055	28,000	36,000
00.02 Medicare contractors.....	987,742	1,093,100	1,141,800
00.03 State certification.....	49,294	57,725	68,789
00.04 Administrative costs.....	210,264	226,696	262,791
10.00 Total obligations.....	1,277,355	1,405,521	1,509,380
Financing:			
Offsetting collections from:			
13.00 Trust funds.....	-1,191,950	-1,314,620	-1,397,580
14.00 Non-Federal sources.....			-6,050
25.00 Unobligated balance lapsing.....	1,028		
39.00 Budget authority.....	86,433	90,901	105,750
Budget authority:			
40.00 Appropriation.....	85,683	85,396	105,750
42.00 Transferred from other account.....	750	5,505	
43.00 Appropriation (adjusted).....	86,433	90,901	105,750
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	85,405	90,901	105,750

72.40	Obligated balance, start of year.....	22,889	8,019	8,019
74.40	Obligated balance, end of year.....	-8,019	-8,019	-8,019
77.00	Adjustments in expired accounts.....	-9,839		
90.00	Outlays.....	90,436	90,901	105,750

In 1988, program management activities include funding for research, medicare contractors, State certification, and administrative costs.

Beginning in 1987, the End-Stage Renal Disease (ESRD) Networks will be funded from the ESRD composite treatment rate, the cost of which is paid directly from the Supplementary Medical Insurance Trust Fund (SMI).

**Object Classification** (in thousands of dollars)

Identification code 75-0511-0-1-550	1986 actual	1987 est.	1988 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	137,279	137,105	137,332
11.3	Other than full-time permanent.....	3,442	3,675	3,711
11.5	Other personnel compensation.....	1,740	2,106	2,106
11.8	Special personal services payments.....	51		
11.9	Total personnel compensation.....	142,512	142,886	143,149
12.1	Personnel benefits: Civilian.....	16,307	21,406	29,149
13.0	Benefits for former personnel.....	247		
21.0	Travel and transportation of persons.....	4,299	5,518	5,518
22.0	Transportation of things.....	549	461	461
23.1	Rental payments to GSA.....	9,904	10,074	12,904
23.2	Rental payments to others.....	822	411	267
23.3	Communications, utilities, and miscellaneous charges.....	6,210	10,540	8,660
24.0	Printing and reproduction.....	4,964	4,323	5,123
25.0	Other services.....	1,065,599	1,182,670	1,277,190
26.0	Supplies and materials.....	1,054	1,400	1,483
31.0	Equipment.....	5,105	4,432	8,476
41.0	Grants, subsidies, and contributions.....	19,716	21,400	17,000
42.0	Insurance claims and indemnities.....	67		
99.9	Total obligations.....	1,277,355	1,405,521	1,509,380

**Personnel Summary**

Total number of full-time permanent positions.....	3,803	3,836	3,716
Total compensable workyears:			
Full-time equivalent employment.....	3,838	3,855	3,750
Full-time equivalent of overtime and holiday hours.....	36	39	40

**PROGRAM MANAGEMENT**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 75-0511-2-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 25.0).....		-4,000
<b>Financing:</b>			
13.00	Offsetting collections from: Trust funds.....		4,000
39.00	<b>Budget authority</b> .....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....		
90.00	Outlays.....		

This program management item relates to a legislative proposal in the medicare program which would improve efficiency in administering the program.

**HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND**

**Program and Financing** (in thousands of dollars)

Identification code 75-4420-0-3-551	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.03	Interest paid to private banks, defaulted.....	73	73	73
00.04	Principal paid to private banks, defaulted.....	76	76	76
00.05	New direct loans.....	770		
00.91	Total operating expenses.....	919	149	149
01.01	Capital investment: Direct loan program: Direct loans.....	566		
10.00	Total obligations.....	1,485	149	149
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal sources.....	-770		
<b>Non-Federal sources: Direct loan program:</b>				
14.00	Interest earned on loans sold to FFB.....	-7,637	-7,637	
14.00	Interest earned on loans not sold.....	-235		
14.00	Income on defaulted loans.....	-388	-388	
14.00	Principal repaid on loans not sold.....	-190	-300	
14.00	Proceeds from sale of loans, FFB.....			-24,300
21.98	Unobligated balance available, start of year: Fund balance.....	-6,833	-6,931	-7,470
24.98	Unobligated balance available, end of year: Fund balance.....	6,931	7,470	7,921
31.00	Redemption of debt.....	7,637	7,637	23,700
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	-7,735	-8,176	-24,151
72.10	Receivables in excess of obligations, start of year.....	-654		
72.98	Obligated balance, beginning of year.....		2,890	6,776
74.98	Obligated balance, end of year.....	-2,890	-6,776	-6,776
77.00	Adjustments in expired accounts.....	26		
90.00	Outlays.....	-11,253	-12,062	-24,151

**Status of Direct Loans** (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	112,276	105,130	97,193
1231	Disbursements: Direct loan disbursements.....	1,336		
<b>Repayments:</b>				
1251	Repayments and prepayments.....	-7,827	-7,937	
1253	Loan asset sales to the public.....			-24,300
<b>Adjustments:</b>				
1254	Loan asset sales to the FFB.....	-655		
1264	Other adjustments, net <sup>1</sup> .....			-72,893
1290	Outstanding, end of year.....	105,130	97,193	

<sup>1</sup> Represents discount from face value on sale of loan assets.

This is a public enterprise revolving fund. In 1988 no new loans or loan guarantees will be made.

**Object Classification** (in thousands of dollars)

Identification code 75-4420-0-3-551	1986 actual	1987 est.	1988 est.	
33.0	Investments and loans.....	1,412	76	76
43.0	Interest and dividends.....	73	73	73
99.9	Total obligations.....	1,485	149	149

**Trust Funds**

**FEDERAL HOSPITAL INSURANCE TRUST FUND**

**Program and Financing** (in thousands of dollars)

Identification code 20-8005-0-7-571	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Benefit payments.....	48,811,713	48,976,000	52,477,000
00.02	Administration.....	729,921	887,371	912,116
00.03	Peer review organizations.....	147,743	169,911	176,198

FEDERAL HOSPITAL INSURANCE TRUST FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	20-8005-0-7-571	1986 actual	1987 est.	1988 est.
00.04	Research	4,683	9,000	9,500
10.00	Total obligations	49,694,060	50,042,282	53,574,814
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	-27	-179,439	-1,000
21.40	U.S. securities (par)	-21,176,142	-38,340,060	-51,103,217
Unobligated balance available, end of year:				
24.40	Treasury balance	179,439	1,000	1,000
24.40	U.S. securities (par)	38,340,060	51,103,217	65,369,403
39.00	<b>Budget authority</b>	<b>67,037,390</b>	<b>62,627,000</b>	<b>67,841,000</b>
Budget authority:				
60.00	Appropriation (permanent, indefinite)	56,424,120	62,627,000	67,841,000
62.00	Transferred from other account (inter-trust fund borrowing)	10,613,270		
63.00	<b>Appropriation (adjusted)</b>	<b>67,037,390</b>	<b>62,627,000</b>	<b>67,841,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	49,694,060	50,042,282	53,574,814
Obligated balance, start of year:				
72.40	Treasury balance	145,819	154,708	1,000
72.40	U.S. securities (par)			1,922,710
Obligated balance, end of year:				
74.40	Treasury balance	-154,708	-1,000	-1,000
74.40	U.S. securities (par)		-1,922,710	-2,944,093
90.00	Outlays	49,685,171	48,273,280	52,553,431

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	67,037,390	62,627,000	67,841,000
Outlays	49,685,171	48,273,280	52,553,431
Proposed for later transmittal under proposed legislation:			
Budget authority			1,811,000
Outlays			-3,486,000
Total:			
Budget authority	67,037,390	62,627,000	69,652,000
Outlays	49,685,171	48,273,280	49,067,431

The Hospital Insurance program (HI) funds the costs of hospital and related care for most individuals age 65 or older and for disabled people.

The status of the trust fund is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Unexpended balance, start of period:			
Cash	145,845	334,147	2,000
U.S. securities (par)	21,176,142	38,340,060	53,025,926
Balance of trust fund, start of year	21,321,987	38,674,206	53,027,926
Cash income during period:			
Governmental receipts:			
Contributions on earnings: FICA and SECA reg. taxes	45,839,619	54,059,000	59,787,000
Proposed law			1,690,000
Refund of contributions	-145,300	-144,000	-156,000
Gifts	4		
Deposits by States	5,320,057	1,567,000	
Transfer from railroad retirement account	321,100	329,000	331,000
Intragovernmental transactions:			
Federal employer contributions	1,313,000	1,370,000	1,455,000
Proposed legislation			27,000
Postal employer contributions	291,000	315,000	337,000
Federal payment for transitional coverage for uninsured Federal employees	12,000	12,000	14,000
Federal payment for transitional coverage for the uninsured	554,000	435,000	461,000
Federal payment for noncontributory military service credits	91,000	94,000	
Federal payment for SECA tax credits	401,552	439,000	485,000
Interest on inter-trust fund borrowings	382,935		

Interest payment from railroad retirement account	43,291	31,000	23,000
Interest on investments	2,765,273	4,026,000	4,922,000
Proposed legislation			95,000
Transfer from Department of Defense for military service credits			80,000
Quinquennial military service credit adjustment	-805,000		
Proprietary receipts:			
Premiums collected from uninsured individuals	39,567	61,000	64,000
Proposed legislation			-1,000
Reimbursements for kidney dialysis services		25,000	30,000
Interest (other)	22	8,000	8,000
Total annual income:			
Present law	56,424,120	62,627,000	67,841,000
Proposed legislation			1,811,000
Cash outgo during period:			
For benefit payments	48,866,835	47,273,000	51,521,000
Proposed legislation			-3,482,000
For administrative expenses	663,701	823,169	848,633
Proposed legislation			-4,000
For peer review organizations	151,157	169,911	176,198
For research	3,478	7,200	7,600
Total annual outgo:			
Present law	49,685,171	48,273,280	52,553,431
Proposed legislation			-3,486,000
Interfund borrowing	10,613,270		
Unexpended balance, end of year:			
Cash	334,147	2,000	2,000
U.S. securities (par)	38,340,060	53,025,926	73,610,495
Balance of trust fund, end of year	38,674,206	53,027,926	73,612,495

Object Classification (in thousands of dollars)

Identification code	20-8005-0-7-571	1986 actual	1987 est.	1988 est.
25.0	Other services	401,359	534,206	552,019
41.0	Payment for health insurance experiments and demonstration projects	4,683	9,000	9,500
41.0	Payment for review organization (PRO) activities	147,743	169,911	176,198
42.0	Insurance claims and indemnities	48,811,713	48,976,000	52,477,000
92.0	Undistributed: Reimbursement for administrative expenses of Department of the Treasury	29,588	29,309	29,246
93.0	Administrative expenses: Portion of limitation on salaries and expenses: Social Security Administration	298,974	323,856	330,851
99.9	Total obligations	49,694,060	50,042,282	53,574,814

FEDERAL HOSPITAL INSURANCE TRUST FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-8005-2-7-571	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations			-3,486,000
<b>Financing:</b>				
24.40	Unobligated balance available, end of year: U.S. securities (par)			5,297,000
40.00	<b>Budget authority (appropriation)</b>			<b>1,811,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-3,486,000
90.00	Outlays			-3,486,000

There are a number of legislative proposals that affect the Federal Hospital Insurance (HI) Trust Fund.

Object Classification (in thousands of dollars)

Identification code	20-8005-2-7-571	1986 actual	1987 est.	1988 est.
25.0	Other services			-4,000
42.0	Insurance claims and indemnities			-3,482,000
99.9	Total obligations			-3,486,000

FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND\*

\*See Part II for additional information.

Program and Financing (in thousands of dollars)

Identification code 20-8004-0-7-571	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Benefit payments.....	25,301,846	29,749,000	33,885,000
00.02 Administration.....	1,010,264	1,009,115	1,075,608
00.03 Experiments and demonstrations.....	9,416	9,000	9,500
10.00 Total obligations.....	26,321,526	30,767,115	34,970,108
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	13	5,902	-1,000
21.40 U.S. securities (par).....	-10,736,461	-9,424,396	-6,435,379
Unobligated balance available, end of year:			
24.40 Treasury balance.....	-5,902	1,000	1,000
24.40 U.S. securities (par).....	9,424,396	6,435,379	5,648,271
60.00 Budget authority (appropriation) (permanent, indefinite).....	25,003,570	27,785,000	34,183,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	26,321,526	30,767,115	34,970,108
Obligated balance, start of year:			
72.40 Treasury balance.....	-91,433	12,639	1,000
72.40 U.S. securities (par).....			902,615
Obligated balance, end of year:			
74.40 Treasury balance.....	-12,639	-1,000	-1,000
74.40 U.S. securities (par).....		-902,615	-1,826,247
90.00 Outlays.....	26,217,454	29,876,139	34,046,476

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	25,003,570	27,785,000	34,183,000
Outlays.....	26,217,454	29,876,139	34,046,476
Proposed for later transmittal under proposed legislation:			
Budget authority.....		5,000	-596,000
Outlays.....			-1,201,000
Supplemental under existing legislation:			
Budget authority.....			
Outlays.....		10,000	
Total:			
Budget authority.....	25,003,570	27,790,000	33,587,000
Outlays.....	26,217,454	29,886,139	32,845,476

The Supplementary Medical Insurance program (SMI) is a voluntary program which affords protection against the costs of physician and certain other medical services. The program also covers treatment of end-stage renal disease for eligible enrollees.

SMI costs are financed by premium payments from enrollees and contributions from the general revenues.

The status of the trust fund is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Unexpended balance, start of year:			
Cash.....	-91,446	6,737	2,000
U.S. securities.....	10,736,461	9,424,396	7,332,994
Balance of trust fund, start of year.....	10,645,015	9,431,133	7,334,994
Cash income during year:			
Proprietary receipts:			
Premiums from aged participants.....	5,199,503	5,877,000	7,484,000
Proposed legislation.....			462,000
Premiums from disabled participants.....	499,901	562,000	708,000
Proposed legislation.....			109,000
Reimbursements for kidney dialysis services.....		20,000	25,000
Other receipts.....	15		
Governmental receipts: Gifts.....	4		
Intrabudgetary transactions:			
Federal contributions.....	18,076,184	20,285,000	25,152,000
Proposed legislation.....			-1,215,000
Interest on investments.....	1,227,963	1,041,000	814,000
Proposed legislation.....		5,000	48,000

Total annual income:			
Present law.....	25,003,570	27,785,000	34,183,000
Proposed legislation.....		5,000	-596,000

Cash outgo during year:			
For benefit payments.....	25,166,156	28,942,000	33,041,000
Proposed legislation.....			-1,201,000
For administrative expenses.....	1,041,868	926,939	997,876
Supplemental requested.....		10,000	
For health insurance experiments and demonstrations.....	9,430	7,200	7,600

Total annual outgo:			
Present law.....	26,217,454	29,876,139	34,046,476
Proposed legislation.....			-1,201,000
Supplemental requested.....		10,000	

Unexpended balance, end of year:			
Cash.....	6,737	2,000	2,000
U.S. securities (par).....	9,424,396	7,332,994	8,074,518

Balance of trust fund, end of year.....	9,431,133	7,334,994	8,076,518
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Object Classification (in thousands of dollars)

Identification code 20-8004-0-7-571	1986 actual	1987 est.	1988 est.
25.0 Other services.....	802,273	804,027	860,295
41.0 Payment for health insurance experiments and demonstration projects.....	9,416	9,000	9,500
42.0 Insurance claims and indemnities.....	25,301,846	29,749,000	33,885,000
92.0 Undistributed: Reimbursement for administrative expenses of Department of the Treasury.....	6,151	1,291	1,190
93.0 Administrative expenses: Portion of limitation on salaries and expenses: Social Security Administration.....	201,840	203,797	214,123
99.9 Total obligations.....	26,321,526	30,767,115	34,970,108

FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 20-8004-2-7-571	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0).....			-1,201,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year:			
U.S. securities (par).....			-5,000
24.40 Unobligated balance available, end of year: U.S. securities (par).....			
		5,000	610,000
40.00 Budget authority (appropriation).....		5,000	-596,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-1,201,000
90.00 Outlays.....			-1,201,000

There are a number of legislative proposals that affect the Federal Supplementary Medical (SMI) Trust Fund.

SOCIAL SECURITY ADMINISTRATION

Federal Funds

General and special funds:

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, as provided under sections 201(m), 217(g), 228(g), [229(b),] and 1131(b)(2) of the Social Security Act and section 152 of Public Law 98-21, [\$500,555,000] \$105,298,000.

For payment for the foregoing purposes for fiscal year 1989, \$93,291,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

General and special funds—Continued

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS—Continued

Program and Financing (in thousands of dollars)

Identification code 75-0404-0-1-651	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Military service credits .....	3,576,000	368,917	.....
00.02 Special payments for certain uninsured persons..	90,264	69,394	54,554
00.03 Pension reform .....	305	744	744
00.04 Unnegotiated checks .....	42,000	61,500	50,000
00.05 FICA and SECA tax credits .....	1,704,693	1,736,000	1,946,000
00.06 Income tax equivalents, benefits.....	3,481,000	3,297,000	3,372,000
00.07 Income tax equivalents, non-resident aliens.....	77,036	69,292	73,585
10.00 Total obligations .....	8,971,298	5,602,847	5,496,883
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-3,500,000	.....	.....
25.00 Unobligated balance lapsing.....	288,439	.....	.....
39.00 Budget authority.....	5,759,737	5,602,847	5,496,883
<b>Budget authority:</b>			
40.00 Appropriation.....	497,008	500,555	105,298
60.00 Appropriation (permanent, indefinite).....	5,262,729	5,102,292	5,391,585
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	8,971,298	5,602,847	5,496,883
72.10 Receivables in excess of obligations, start of year.....	.....	-7	.....
72.40 Obligated balance, start of year.....	80	.....	.....
74.10 Receivables in excess of obligations, end of year .....	7	.....	.....
77.00 Adjustments in expired accounts .....	-16	.....	.....
90.00 Outlays.....	8,971,369	5,602,840	5,496,883

This account finances certain benefits and related administrative costs not financed by social security taxes, and transfers other moneys to the trust fund.

Beginning in 1988, this account no longer includes an appropriation request for military service credits, which will be funded by Defense Department appropriations.

Object Classification (in thousands of dollars)

Identification code 75-0404-0-1-651	1986 actual	1987 est.	1988 est.
25.0 Other services .....	305	744	744
42.0 Insurance claims and indemnities.....	8,970,993	5,602,103	5,496,139
99.9 Total obligations.....	8,971,298	5,602,847	5,496,883

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, including the payment of travel expenses on an actual cost or commuted basis, to an individual, for travel incident to medical examinations, and when travel of more than 75 miles is required, to parties, their representatives, and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsideration interviews and to proceedings before administrative law judges, **[\$693,437,000]** \$651,452,000, to remain available until expended: *Provided, That notwithstanding section 412(a)(1) of such Act, the rate used for determining benefit payments pursuant to section 412 of such Act for any month during the fiscal years 1988 and 1989 shall be the rate used for determining benefit payments for the prior month: Provided further, That in fiscal year 1989 if the monthly pay rate referenced by section 412(a)(1) of such Act increases, the rate prescribed in the preceding proviso shall be increased by a percentage equal to one half of the percentage by which the referenced monthly pay rate increases: Provided further, That monthly benefit[s when changed] payments shall be paid consistent with section 215(g) of the Social Security Act.*

*Further, for the foregoing purposes for fiscal year 1989, \$862,590,000, to remain available until expended.*

For making, after July 31, of [the current] fiscal [year] years 1988 and 1989 benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in

[the current fiscal year] each of these fiscal years, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year [1988, \$252,450,000,] 1990, \$220,050,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0409-0-1-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Benefit payments .....	979,915	952,000	903,000
00.02 Administration .....	5,655	6,437	6,486
00.03 Reimbursable administrative costs.....	327	437	479
10.00 Total obligations .....	985,897	958,874	909,965
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-327	-437	-479
21.40 Unobligated balance available, start of year .....	.....	-584	-5,584
24.40 Unobligated balance available, end of year.....	584	5,584	.....
39.00 Budget authority.....	986,154	963,437	903,902
<b>Budget authority:</b>			
40.00 Appropriation .....	727,628	693,437	651,452
40.00 Appropriation (indefinite).....	256	.....	.....
40.30 Appropriation available in prior year.....	-11,730	.....	.....
43.00 Appropriation (adjusted) .....	716,154	693,437	651,452
60.00 Appropriation (permanent, indefinite) .....	270,000	270,000	252,450
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	985,570	958,437	909,486
72.40 Obligated balance, start of year.....	68,600	62,532	60,532
74.40 Obligated balance, end of year .....	-62,532	-60,532	-55,532
77.00 Adjustments in expired accounts.....	1,930	.....	.....
90.00 Outlays.....	993,568	960,437	914,486

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	986,154	963,437	903,902
Outlays .....	993,568	960,437	914,486
Proposed for later transmittal under proposed legislation:			
Budget authority .....	.....	.....	-1,000
Outlays .....	.....	.....	-1,000
Total:			
Budget authority .....	986,154	963,437	902,902
Outlays .....	993,568	960,437	913,486

Title IV of the Federal Mine Safety and Health Act authorizes monthly benefits to coal miners disabled from pneumoconiosis and to surviving widows, and dependents. After 1973, jurisdiction for new claims shifted to the Department of Labor.

BENEFITS AND BENEFICIARIES, MID-POINT OF FISCAL YEAR

	1986 actual	1987 est.	1988 est.
Benefit payments (in thousands) .....	988,500	954,000	907,000
Beneficiaries .....	290,401	271,000	253,000

Object Classification (in thousands of dollars)

Identification code 75-0409-0-1-601	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,725	4,086	3,920
11.3 Other than full-time permanent.....	170	33	20
11.5 Other personnel compensation .....	42	289	60
11.8 Special personal services payments .....	19	24	21
11.9 Total personnel compensation.....	3,956	4,432	4,021
12.1 Personnel benefits: Civilian.....	503	649	813
21.0 Travel and transportation of persons.....	25	40	41
22.0 Transportation of things .....	14	16	13

23.1	Rental payments to GSA .....	534	653	758
23.3	Communications, utilities, and miscellaneous charges .....	337	405	422
24.0	Printing and reproduction .....	34	50	38
25.0	Other services .....	454	525	603
26.0	Supplies and materials .....	67	94	106
31.0	Equipment .....	53	5	145
42.0	Insurance claims and indemnities .....	979,919	952,005	903,005
99.9	Total obligations .....	985,897	958,874	909,965

**Personnel Summary**

Total number of full-time permanent positions .....	169	167	156
Total compensable workyears:			
Full-time equivalent employment .....	177	179	164
Full-time equivalent of overtime, holiday, and nonceiling hours ..	2	10	1

**SPECIAL BENEFITS FOR DISABLED COAL MINERS**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 75-0409-2-1-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0) .....			-1,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			-1,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-1,000
90.00 Outlays .....			-1,000

The estimates shown above reflect certain minor proposals that would conform the treatment of dependents' benefits to that in the Social Security program.

**SUPPLEMENTAL SECURITY INCOME PROGRAM**

For carrying out the Supplemental Security Income Program, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the social security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, **[\$8,230,068,000]** \$9,537,933,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

Further, for the foregoing purposes for fiscal year 1989, \$12,102,224,000.

For making, after July 31 of [the current] fiscal [year] years 1988 and 1989, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred [for the current fiscal year,] in each of these fiscal years such sums as may be necessary.

For carrying out the Supplemental Security Income Program for the first quarter of fiscal year [1988, \$2,765,000,000,] 1990, \$2,684,000,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-0406-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Federal benefit payments .....	9,395,156	9,790,000	11,210,000
00.02 Beneficiary services .....	9,000	11,800	12,474
Administrative costs:			
00.03 Payments to the trust funds for administrative costs .....	985,243	1,071,569	1,080,184
00.04 Disability demonstration projects .....	792	445	275
00.05 Federal fiscal liability .....	33,240	39,394	
00.91 Total direct program .....	10,423,431	10,913,208	12,302,933

01.01 Reimbursable program .....	2,137,963	2,275,000	2,400,000
10.00 Total obligations .....	12,561,394	13,188,208	14,702,933
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources (State-financed State supplementation) .....	-2,137,963	-2,275,000	-2,400,000
17.00 Recovery of prior year obligations .....	-13,616	-14,000	
21.40 Unobligated balance available, start of year .....	-281,535	-43,120	
24.40 Unobligated balance available, end of year .....	43,120		
39.00 Budget authority .....	10,171,399	10,856,088	12,302,933
Budget authority:			
40.00 Appropriation .....	7,679,419	8,230,068	9,537,933
40.00 Appropriation (indefinite) .....	555,405	286,770	
40.30 Appropriation available in prior year .....	-409,194		
43.00 Appropriation (adjusted) .....	7,825,630	8,516,838	9,537,933
60.00 Appropriation (permanent) .....	2,345,769	2,339,250	2,765,000

Relation of obligations to outlays:

71.00 Obligations incurred, net .....	10,423,431	10,913,208	12,302,933
72.10 Receivables in excess of obligations, start of year .....	-427,491	-353,005	-400,384
74.10 Receivables in excess of obligations, end of year .....	353,005	400,384	400,829
77.00 Adjustments in expired accounts .....	9,392		
78.00 Adjustments in unexpired accounts .....	-13,616	-14,000	
90.00 Outlays .....	10,344,721	10,946,587	12,303,378

Title XVI of the Social Security Act established the Federal Supplemental Security Income (SSI) program for the aged, blind, and disabled. In 1987, the SSI program provides a minimum income of \$340 per month for an eligible individual and \$510 per month for an eligible couple.

**AVERAGE SSI RECIPIENTS—PRESENT LAW**

[In thousands]

Aged .....	1,313	1,274	1,243
Blind and disabled .....	2,520	2,659	2,786
Total Federal .....	3,833	3,933	4,029
State supplementation recipients .....	339	347	359
Total SSI recipients .....	4,172	4,280	4,388

**Object Classification (in thousands of dollars)**

Identification code 75-0406-0-1-609	1986 actual	1987 est.	1988 est.
Direct obligations:			
25.0 Other services .....	995,035	1,083,814	1,092,933
41.0 Grants, subsidies, and contributions .....	9,395,156	9,790,000	11,210,000
42.0 Insurance claims and indemnities .....	33,240	39,394	
99.0 Subtotal, direct obligations .....	10,423,431	10,913,208	12,302,933
99.0 Reimbursable obligations .....	2,137,963	2,275,000	2,400,000
99.9 Total obligations .....	12,561,394	13,188,208	14,702,933

**[ASSISTANCE PAYMENTS PROGRAM]**

Note.—The activities formerly included in this account, in the amounts of \$9,389,572,000 for 1986 and \$9,218,152,000 for 1987, have been transferred to the Family Support Administration bureau of this agency and are included in the account, Family support payments to States.

**[CHILD SUPPORT ENFORCEMENT]**

Note.—The activities formerly included in this account, in the amounts of \$577,597,000 for 1986 and \$770,883,000 for 1987, have been transferred to the Family Support Administration bureau of this agency and are included in the account, Family support payments to States.

General and special funds—Continued

**[REFUGEE AND ENTRANT ASSISTANCE]**

Note.—The activities formerly included in this account, in the amounts of \$409,463,000 for 1986 and \$345,627,000 for 1987, have been transferred to the Family Support Administration bureau of this agency and are shown under the same account title.

**[LOW INCOME HOME ENERGY ASSISTANCE]**

Note.—The activities formerly included in this account, in the amounts of \$2,009,700,000 for 1986 and \$1,825,000,000 for 1987, have been transferred to the Family Support Administration bureau of this agency and are shown under the same account title.

**[PAYMENTS TO STATES FROM RECEIPTS FOR CHILD SUPPORT]**

Note.—The activities formerly included in this account, in the amounts of \$472,000 for 1986 and \$450,000 for 1987, have been transferred to the Family Support Administration bureau of this agency and are shown under the same account title.

**FAMILY SUPPORT ADMINISTRATION**

*Federal Funds*

General and special funds:

**PROGRAM ADMINISTRATION**

For necessary administrative expenses to carry out titles I, IV, X, XI, XIV, and XVI of the Social Security Act, the Act of July 5, 1960 (24 U.S.C., ch. 9), title XXVI of the Omnibus Budget Reconciliation Act of 1981, the Community Services Block Grant Act, and title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, \$73,046,000, which shall be reduced by amounts appropriated by section 204 of the Immigration Reform and Control Act of 1986 (Public Law 99-603) and transferred to this account for compensation and related benefits of Federal personnel involved in the administration thereof; and in addition, for research and demonstrations authorized under sections 1110 and 1115 of title XI of the Social Security Act, \$2,750,000.

**Program and Financing (in thousands of dollars)**

Identification code 75-1500-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	80,523	103,173	76,812
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-95	-95	-95
17.00 Recovery of prior year obligations.....	-3,179		
21.40 Unobligated balance available, start of year.....	-349	-10,866	-921
24.40 Unobligated balance available, end of year.....	10,866	921	
25.00 Unobligated balance lapsing.....	680	9	
40.00 Budget authority (appropriation).....	88,446	93,142	75,796
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	80,428	103,078	76,717
72.40 Obligated balance, start of year.....	5,307	7,377	20,531
74.40 Obligated balance, end of year.....	-7,377	-20,531	-13,529
78.00 Adjustments in unexpired accounts.....	-3,179		
90.00 Outlays.....	75,179	89,924	83,719

This account finances Federal administration of Family Support Administration programs, as well as related research and evaluation and interstate child support enforcement grants. Amounts appropriated under this title for 1986 and 1987 reflect funds previously appropriated in Family Support Administration accounts for Federal administrative expenses and research.

**Object Classification (in thousands of dollars)**

Identification code 75-1500-0-1-609	1986 actual	1987 est.	1988 est.
<b>HEALTH AND HUMAN SERVICES</b>			
Personnel compensation:			
11.1 Full-time permanent.....	39,455	40,513	40,255
11.3 Other than full-time permanent.....	1,733	1,764	1,672
11.5 Other personnel compensation.....	260	265	251
11.8 Special personal services payments.....	173	177	168
11.9 Total personnel compensation.....	41,621	42,719	42,346
12.1 Personnel benefits: Civilian.....	4,699	6,228	6,109
13.0 Benefits for former personnel.....	79	200	190
21.0 Travel and transportation of persons.....	2,882	2,721	2,700
22.0 Transportation of things.....	203	112	107
23.1 Rental payments to GSA.....	4,032	6,711	7,282
23.3 Communications, utilities, and miscellaneous charges.....	2,465	1,172	1,824
24.0 Printing and reproduction.....	293	448	428
25.0 Other services.....	11,511	11,911	11,825
26.0 Supplies and materials.....	455	377	367
31.0 Equipment.....	1,526	900	884
41.0 Grants, subsidies, and contributions.....	7,132	26,018	2,750
42.0 Insurance claims and indemnities.....	46		
99.0 Subtotal obligations, Health and Human Services.....	76,944	99,517	76,812
<b>ALLOCATION TO DEPARTMENT OF LABOR</b>			
11.1 Personnel compensation: full-time permanent.....	1,964	1,954	
12.1 Personnel benefits: Civilian.....	215	217	
21.0 Travel and transportation of persons.....	79	127	
23.3 Communications, utilities, and miscellaneous charges.....	337	752	
25.0 Other services.....	912	563	
26.0 Supplies and materials.....	17	10	
31.0 Equipment.....	55	33	
99.0 Subtotal obligations, Department of Labor.....	3,579	3,656	
99.9 Total obligations.....	80,523	103,173	76,812

**Personnel Summary**

<b>HEALTH AND HUMAN SERVICES</b>			
Total number of full-time permanent positions.....	1,076	1,027	1,007
Total compensable workyears:			
Full-time equivalent employment.....	1,134	1,093	1,030
Full-time equivalent of overtime and holiday hours.....	34	29	28
<b>ALLOCATION TO DEPARTMENT OF LABOR</b>			
Total number of full-time permanent positions.....	60	60	
Total compensable workyears: Full-time equivalent employment.....	49	49	

**FAMILY SUPPORT PAYMENTS TO STATES**

**[ASSISTANCE PAYMENTS PROGRAM]**

For [carrying out] making payments to States or other non-Federal entities, except as otherwise provided, under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C., ch. 9), [\$7,024,398,000] \$7,763,053,000, to remain available until expended.

For making, after May 31 of [the current] fiscal [year] years 1988 and 1989, payments to States or other non-Federal entities under titles I, IV-A and -D, X, XIV, and XVI of the Social Security Act, for the last three months of [the current year] each of these fiscal [year] years, for unanticipated costs, incurred for [the current] such fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV-A and -D, X, XI, XIV, and XVI of the Social Security Act, and the Act of July 5, 1960 (24 U.S.C., ch. 9) for [the first quarter of] fiscal year [1988, \$2,293,615,000] 1989, \$10,107,868,000, to remain available until expended[.]; and for the first quarter of fiscal year 1990, \$2,673,942,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**[CHILD SUPPORT ENFORCEMENT]**

For carrying out, except as otherwise provided, titles IV-D and XI of the Social Security Act, \$599,633,000, to remain available until expended.

For making, after May 31 of the current fiscal year, payments to States under title IV-D of the Social Security Act, for the last three months of the current fiscal year, for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States under title IV-D of the Social Security Act for the first quarter of fiscal year 1988, \$187,000,000, to remain available until expended.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	75-1501-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Maintenance assistance:				
Aid to families with dependent children payments:				
00.01	Properly issued payments	8,115,068	8,505,208	8,619,216
00.02	Erroneously issued payments	508,809	491,755	472,784
00.03	Collection of excess state errors			-349,200
00.04	Payments to territories	13,068	13,368	13,368
00.05	Emergency assistance and repatriation	76,503	95,500	100,000
00.06	State welfare administrative costs	1,020,249	1,035,700	1,045,500
01.00	Subtotal	9,733,697	10,141,531	9,901,668
Child support enforcement:				
01.01	Gross federal share of collections	-534,000	-594,000	-646,000
01.02	Federal incentive payments to states	172,000	194,000	216,000
01.03	State child support administrative costs	620,156	734,000	772,000
01.91	Subtotal	258,156	334,000	342,000
10.00	Total obligations (object class 41.0)	9,991,853	10,475,531	10,243,668
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-156,328	-61,788	
24.40	Unobligated balance available, end of year	61,788		
25.00	Unobligated balance lapsing	1,450		
39.00	Budget authority	9,898,763	10,413,743	10,243,668
<b>Budget authority:</b>				
40.00	Appropriation	7,257,778	7,550,769	7,763,053
40.00	Appropriation (indefinite)	1,294,895	498,470	
40.30	Appropriation available in prior year	-908,910		
43.00	Appropriation (adjusted)	7,643,763	8,049,239	7,763,053
60.00	Appropriation (permanent)	2,255,000	2,364,504	2,480,615
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	9,991,853	10,475,531	10,243,668
72.40	Obligated balance, start of year	14,909	130,619	
74.40	Obligated balance, end of year	-130,619		
77.00	Adjustments in expired accounts	368		
90.00	Outlays	9,876,511	10,606,150	10,243,668

Note.—Amounts appropriated under this title are reduced by \$68,406 thousand in 1986 and \$73,262 thousand in 1987 to reflect Federal administrative expenses for this account in the Family Support Administration, Program Administration account.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
<b>Enacted/requested:</b>				
	Budget authority	9,898,763	10,413,743	10,243,668
	Outlays	9,876,511	10,606,150	10,243,668
<b>Proposed for later transmittal under proposed legislation:</b>				
	Budget authority			-468,000
	Outlays			-468,000
<b>Total:</b>				
	Budget authority	9,898,763	10,413,743	9,775,668
	Outlays	9,876,511	10,606,150	9,775,668

This appropriation makes grants to States for the Federal share of State expenditures for aid to families with dependent children (AFDC), child support enforcement, and related activities.

**MAINTENANCE ASSISTANCE PROGRAM COSTS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>AFDC:</b>			
Total payments	14,986,518	15,432,057	15,109,192
Federal share	8,261,877	8,596,963	8,312,800
<b>Payments to territories:</b>			
Total payments	17,424	17,824	17,824
Federal share	13,068	13,368	13,368
<b>Emergency assistance:</b>			
Total payments	151,130	189,000	198,000
Federal share	75,565	94,500	99,000
<b>State welfare administrative costs:</b>			
Total costs	2,015,165	2,040,300	2,048,300
Federal share	1,020,249	1,035,700	1,045,500
Repatriation of U.S. Nationals—total	938	1,000	1,000
<b>Total maintenance assistance:</b>			
Total expenses	17,171,175	17,680,181	17,374,316
Federal share	9,371,697	9,741,531	9,471,668

**MAINTENANCE ASSISTANCE RECIPIENT CASELOAD—PRESENT LAW**

Average monthly number

	1986 actual	1987 est.	1988 est.
AFDC individuals	10,973,000	11,010,000	11,012,000
AFDC families	(3,741,000)	(3,762,000)	(3,771,000)
Payments to territories families	41,500	41,500	41,500
Emergency assistance families	33,400	35,000	36,000
<b>Total</b>	<b>11,047,900</b>	<b>11,086,500</b>	<b>11,089,500</b>

**CHILD SUPPORT ENFORCEMENT COLLECTIONS—PRESENT LAW**

[In millions of dollars]

	1986	1987	1988
Total collections (AFDC)	1,222	1,365	1,472
Federal share	362	400	430
Total collections (non-AFDC)	1,960	2,217	2,451

**CHILD SUPPORT ENFORCEMENT CASES WITH COLLECTIONS—PRESENT LAW**

[Families in thousands]

AFDC cases	721	768	788
Non-AFDC cases	763	822	866

**FAMILY SUPPORT PAYMENTS TO STATES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	75-1501-2-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			-468,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)			-468,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			-468,000
90.00	Outlays			-468,000

Legislation will be proposed for 1988 to encourage self-sufficiency and family stability, as well as State administrative efficiency. Recovery of State AFDC erroneous payments will be accelerated. States will be required to establish mandatory child support guidelines. Under a revised work and training proposal, teenage AFDC recipients will be encouraged to stay in or return to school, and older recipients will participate in a variety of employment-related activities.

**LOW INCOME HOME ENERGY ASSISTANCE**

For [carrying out] making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, [\$1,825,000,000] \$1,237,000,000.

General and special funds—Continued

LOW INCOME HOME ENERGY ASSISTANCE—Continued

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-1502-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,007,560	1,822,265	1,237,000
<b>Financing:</b>			
25.00 Unobligated balance lapsing	1		
40.00 Budget authority (appropriation)	2,007,561	1,822,265	1,237,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,007,560	1,822,265	1,237,000
72.40 Obligated balance, start of year	238,909	199,585	183,969
74.40 Obligated balance, end of year	-199,585	-183,969	-129,727
77.00 Adjustments in expired accounts	-991		
90.00 Outlays	2,045,893	1,837,881	1,291,242

Note.—Amounts appropriated under this title are reduced by \$2,139 thousand in 1986 and \$2,735 thousand in 1987 to reflect Federal administrative expenses for this account in the Family Support Administration, Program administration account.

This program makes grants to States and Indian tribes to aid low-income households with high energy costs through payments to eligible households, energy suppliers, and building operators.

REFUGEE AND ENTRANT ASSISTANCE

Such amounts as may be necessary for continuing the following activities, not otherwise provided for in this joint resolution, which were conducted in the fiscal year 1986, under the terms and conditions provided in applicable appropriations Acts for the fiscal year 1986, at the current rate or as otherwise provided herein: *Provided*, That no appropriation or fund made available or authority granted pursuant to this subsection shall be used to initiate or resume any project or activity for which appropriations, funds, or authority were not available during fiscal year 1986 unless otherwise provided for herein:

Refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act, part B of title III of the Refugee Act of 1980, and section 501 of the Refugee Education Assistance Act of 1980, except that the amount necessary for continuing such activities at the current rate shall be reduced, on an activity by activity basis, by the total of amounts of prior appropriations remaining available to the States for conducting any such activities, other than education assistance for children and social services, in fiscal year 1987 or thereafter, and shall not be available for conducting any such activities other than education assistance for children and social services in any fiscal year after 1987;

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96-422), \$253,329,000. (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(n).)

Program and Financing (in thousands of dollars)

Identification code 75-1503-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 State-administered programs	327,356	327,730	245,229
00.02 Voluntary agency programs	3,808	3,828	2,000
00.03 Targeted assistance	47,850		
00.04 Education assistance	15,882		
00.05 Preventive health	7,968	8,039	6,100
10.00 Total obligations (object class 41.0)	402,864	339,597	253,329
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-705		
21.40 Unobligated balance available, start of year	-2,880	-3,585	-3,585
24.40 Unobligated balance available, end of year	3,585	3,585	3,585

25.00 Unobligated balance lapsing	469		
40.00 Budget authority (appropriation)	403,333	339,597	253,329

Relation of obligations to outlays:

71.00 Obligations incurred, net	402,864	339,597	253,329
72.40 Obligated balance, start of year	209,670	178,054	138,482
74.40 Obligated balance, end of year	-178,054	-138,482	-103,898
77.00 Adjustments in expired accounts	1,221		
78.00 Adjustments in unexpired accounts	-705		
90.00 Outlays	434,996	379,169	287,913

Note.—Amounts appropriated under this title are reduced by \$6,130 thousand in 1986 and \$6,030 thousand in 1987 to reflect Federal administrative expenses for this account in the Family Support Administration, Program administration account.

Status of Direct Loans (in thousands of dollars)

Identification code 75-1503-0-1-609	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	16,498	14,139	11,780
1251 Repayments: Repayments and prepayments	-2,359	-2,359	-2,359
1290 Outstanding, end of year	14,139	11,780	9,421

*Refugee and entrant assistance.*—This program provides Federal funds for the resettlement of refugees in the United States. Services include cash and medical assistance, English and vocational training, and health screening. States are subsidized for administering the refugee assistance program, and are given Federal subsidies for the normal State share of AFDC and Medicaid costs for newly arriving refugees. Beginning in 1987, authority for educational assistance is transferred to the Department of Education.

COMMUNITY SERVICES BLOCK GRANT

For [carrying out] making payments under sections 672 through 681 of the Community Services Block Grant Act, [\$369,851,000, of which \$17,614,000 shall be for carrying out section 681(a)(2)(A), \$3,570,000 shall be for carrying out section 681(a)(2)(D), \$2,686,000 shall be for carrying out section 681(a)(2)(E), \$5,866,000 shall be for carrying out section 681(a)(2)(F), and \$1,000,000 shall be for Demonstration Partnership Grants.] \$310,000,000.

COMMUNITY FOOD AND NUTRITION

For carrying out the community food and nutrition programs authorized under section 681A of the Community Services Block Grant Act, \$2,500,000.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-1504-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Community services block grant	352,166	365,736	310,000
00.02 Community food and nutrition		2,500	
10.00 Total obligations (object class 41.0)	352,166	368,236	310,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-404		
40.00 Budget authority (appropriation)	351,762	368,236	310,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	351,762	368,236	310,000
72.40 Obligated balance, start of year	123,500	123,954	124,166
74.40 Obligated balance, end of year	-123,954	-124,166	-105,775
77.00 Adjustments in expired accounts	-1,174		
90.00 Outlays	350,134	368,024	328,391

Distribution of budget authority by accounts:			
Community services block grant.....	351,762	365,736	310,000
Community food and nutrition program.....		2,500	
Distribution of outlays by account:			
Community services block grant.....	350,114	367,520	326,791
Community food and nutrition program.....		500	1,600
Economic Opportunity Act closeout activities.....	20	4	

Note.—Amounts appropriated under this title are reduced by \$4,115 thousand in 1986 and 1987 to reflect Federal administrative expenses for this account in the Family Support Administration, Program administration account.

The 1988 estimate assumes a phased termination of the community services block grant program to allow local grantees to solicit funds from other Federal, State, local, and private sources.

**[WORK INCENTIVES]**

[For carrying out a work incentive program, as authorized by part C of title IV of the Social Security Act, including registration of individuals for such programs, and for related child care and other supportive services, as authorized by section 402(a)(19)(G) of the Act, including transfer to the Secretary of Labor, as authorized by section 431 of the Act, \$110,000,000 which shall be the maximum amount available for transfer to the Secretary of Labor and to which the States may become entitled pursuant to section 403(d) of such Act, for these purposes.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 75-1505-0-1-504	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Grants to States.....	202,497	103,000	
10.00 Total obligations (object class 41.0).....	202,497	103,000	
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	387		
40.00 Budget authority (appropriation).....	202,884	103,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	202,497	103,000	
72.40 Obligated balance, start of year.....	44,471	18,635	11,437
74.40 Obligated balance, end of year.....	-18,635	-11,437	
77.00 Adjustments in expired accounts.....	-1,003		
90.00 Outlays.....	227,330	110,198	11,437

Note.—Amounts appropriated under this title are reduced by \$7,656 thousand in 1986 and \$7,000 thousand in 1987 to reflect Federal administrative expenses for this account in the Family Support Administration, Program administration account.

The work incentive (WIN) program was designed to encourage and assist individuals receiving support from the aid to families with dependent children (AFDC) program to achieve self-support through a program of employment, training, and support services. Training was administered by the Department of Labor; supportive services by the Department of Health and Human Services. State expenditures have been federally matched at the rate of 90%. Repeated studies, however, have shown that the WIN program is not cost effective. For 1987, the Congress appropriated amounts to be used during the first 9 months on the understanding that a replacement program would be enacted. Under the President's 1988 budget, the WIN program will be phased out with the 1987 appropriation, and a new AFDC work and training proposal will encourage teenage recipients to remain in or return to school and older recipients will participate in a variety of employment and training activities designed to improve their employment status. Services will include: job search, remedial education,

training under the Job Training Partnership Act, and other State-designed activities approved by the Secretary of Health and Human Services. These new activities will be administered by the Department of Health and Human Services' Family Support Administration.

**INTERIM ASSISTANCE TO STATES FOR LEGALIZATION**

**Program and Financing (in thousands of dollars)**

Identification code 75-1508-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Grants to States.....			928,500
00.02 Federal administration.....			1,500
10.00 Total obligations (object class 41.0).....			930,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent).....			930,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			930,000
74.40 Obligated balance, end of year.....			-630,000
90.00 Outlays.....			300,000

Transitional grants are given to States for providing financial, medical and educational assistance to newly legalized aliens. Federal administrative expenses are included in this appropriation.

**PAYMENTS TO STATES FROM RECEIPTS FOR CHILD SUPPORT**

**Program and Financing (in thousands of dollars)**

Identification code 75-5734-0-2-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	472	450	450
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-19	
24.40 Unobligated balance available, end of year.....	19		
30.00 Deficiency.....	-19		
33.00 Offsetting collections applied to liquidate deficiencies.....		19	
60.00 Budget authority (appropriation) (permanent).....	472	450	450
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	472	450	450
72.40 Obligated balance, start of year.....	73	113	113
74.40 Obligated balance, end of year.....	-113	-113	-113
83.00 Prior year deficiencies, start of year.....		19	
86.00 Portion of offsetting collections applied to liquidate deficiencies.....		-19	
90.00 Outlays.....	432	450	450

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	472	450	450
Outlays.....	432	450	450
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-450
Outlays.....			-337
Total:			
Budget authority.....	472	450	
Outlays.....	432	450	113

This fund makes payments to States for their share of amounts collected on their behalf by the Internal Revenue Service under the provisions of the child support enforcement program, title IV-D of the Social Security Act.

General and special funds—Continued

PAYMENTS TO STATES FROM RECEIPTS FOR CHILD SUPPORT  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	75-5734-2-2-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			— 450
<b>Financing:</b>				
40.00	Budget authority (appropriation)			— 450
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			— 450
74.40	Obligated balance, end of year			113
90.00	Outlays			— 337

Legislation will be proposed for 1988 to modify the treatment of this account to make it consistent with treatment of other IRS collection activities performed on behalf of the child support enforcement program.

Trust Funds

GIFTS AND CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code	75-8905-0-7-506	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	— 12	— 12	— 12
24.40	Unobligated balance available, end of year	12	12	12
39.00	Budget authority			
<b>Relations of obligations to outlays:</b>				
71.00	Obligations incurred, net			
90.00	Outlays			

HUMAN DEVELOPMENT SERVICES

Federal Funds

General and special funds:

SOCIAL SERVICES BLOCK GRANT\*

\*See Part II for additional information.

For monthly payments to States for carrying out the Social Services Block Grant Act, \$2,700,000,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-1634-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Social services block grant	2,583,900	2,743,583	2,700,000
00.02	Social services prior year claims	7,349		
00.91	Total direct program	2,591,249	2,743,583	2,700,000
01.01	Reimbursable program	1,176		
10.00	Total obligations (object class 41.0)	2,592,425	2,743,583	2,700,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal Funds	— 1,176		
17.00	Recovery of prior year obligations	— 103		
21.40	Unobligated balance available, start of year	— 67,423	— 60,177	— 16,594
24.40	Unobligated balance available, end of year	60,177	16,594	16,594
40.00	Budget authority (appropriation)	2,583,900	2,700,000	2,700,000

Relation of obligations to outlays:				
71.00	Obligations incurred, net	2,591,249	2,743,583	2,700,000
72.40	Obligated balance, start of year	180,662	100,325	157,527
74.40	Obligated balance, end of year	— 100,325	— 157,527	— 141,965
77.00	Adjustments in expired accounts	— 806		
78.00	Adjustments in unexpired accounts	— 103		
90.00	Outlays	2,670,677	2,686,381	2,715,562

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority	2,583,900	2,700,000	2,700,000
Outlays	2,670,677	2,686,381	2,715,562
<b>Supplemental under existing legislation:</b>			
Budget authority			
Outlays		— 25,356	— 18,227
<b>Total:</b>			
Budget authority	2,583,900	2,700,000	2,700,000
Outlays	2,670,677	2,661,025	2,697,335

*Social services block grant.*—The proposed level will support grants to States for social services to: (1) prevent, reduce, or eliminate dependency; (2) prevent neglect, abuse, or exploitation of children and adults; (3) prevent or reduce inappropriate institutional care; (4) secure admission or referral for institutional care when other forms of care are not appropriate; and (5) provide services to individuals in institutions.

HUMAN DEVELOPMENT SERVICES\*

\*See Part II for additional information.

For carrying out, except as otherwise provided, the Older Americans Act of 1965, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Child Abuse Prevention and Treatment Act, [section 404 of Public Law 98-473] the Family Violence Prevention and Services Act (title III of Public Law 98-457), the Native [Americans] American Programs Act, chapter 8-D of title [IV-A] VI of the Omnibus Budget Reconciliation Act of 1981 (pertaining to grants to States for planning and [developing] development of dependent care programs), the Head Start Act, [and] the Child Development Associate Scholarship Assistance Act of 1985, [\$2,097,635,000] part B of title IV and sections 1110 and 1136 of the Social Security Act, and title II of Public Law 95-266 (adoption opportunities), except as otherwise specified in law, \$2,277,366,000: Provided, That with regard to projects funded under the Head Start Act, grantees shall be considered as educational institutions within the meaning of section 3304(a)(6)(A) of the Federal Unemployment Tax Act. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-1636-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Administration for children, youth, and families:</b>				
00.01	Social services activities			2,209,842
00.02	Head Start	1,040,013	1,130,542	
00.03	Child development associate scholarships		1,000	
00.04	Child abuse challenge grants	4,850	5,000	
00.05	Child abuse State grants	11,426	11,949	
00.06	Family violence grants	8,392	8,500	
00.07	Child abuse discretionary	13,335	13,949	
00.08	Runaway and homeless youth	22,228	23,250	
00.09	Dependent care planning and development	4,780	5,000	
<b>Administration on aging:</b>				
00.10	Title III services and meals	640,107	692,000	
00.11	Grants to Indian tribes	7,177	7,500	

00.12	Research, training, and discretionary program .....	23,921	25,000	.....
00.13	Federal Council on Aging .....	130	200	.....
	Administration for developmental disabilities:			
00.14	State grants and advocacy .....	65,076	72,000	.....
00.15	Special projects and UAFs .....	11,867	11,687	.....
	Administration for Native Americans:			
00.16	Financial assistance grants .....	26,126	27,300	.....
00.17	Training and technical assistance .....	957	1,000	.....
00.18	Research and demonstration .....	659	689	.....
00.19	Federal administration—Human development services .....	57,980	61,069	67,524
00.91	Total direct program .....	1,939,024	2,097,635	2,277,366
01.01	Reimbursable program .....	457		
10.00	Total obligations .....	1,939,481	2,097,635	2,277,366
	Financing:			
11.00	Offsetting collections from: Federal funds .....	-457		
17.00	Recovery of prior year obligations .....	-3		
21.40	Unobligated balance available, start of year .....	-11,968		
25.00	Unobligated balance lapsing .....	2,184		
40.00	Budget authority (appropriation) .....	1,929,237	2,097,635	2,277,366
	Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	1,939,024	2,097,635	2,277,366
72.40	Obligated balance, start of year .....	956,971	950,089	1,032,521
74.40	Obligated balance, end of year .....	-950,089	-1,032,521	-1,084,692
77.00	Adjustments in expired accounts .....	-12,489		
78.00	Adjustments in unexpired accounts .....	-3		
90.00	Outlays .....	1,933,414	2,015,203	2,225,195

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	(In thousands of dollars)		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	1,929,237	2,097,635	2,277,366
Outlays .....	1,933,414	2,015,203	2,225,195
Supplemental under existing legislation:			
Budget authority .....		-11,144	
Outlays .....		-2,340	-8,804
Total:			
Budget authority .....	1,929,237	2,086,491	2,277,366
Outlays .....	1,933,414	2,012,863	2,216,391

**Social services activities.**—The Administration requests a generic appropriation for all Function 500 social services discretionary programs administered by the Office of Human Development Services (including discretionary activities previously funded in the Family Social Services account). The generic request is in no way a block grant consolidation proposal. It is intended to simplify the congressional budget process by replacing 26 separate line item allocations with a single functional category and to shift attention to the broader issue of a social services strategy. Many of these programs serve similar populations and share the same goals of promoting independence, integration, and economic self-sufficiency. Authorities for individual programs would still exist, but HHS would have the flexibility to use its program expertise in determining funding levels for specific initiatives. Under a generic appropriation for discretionary social services programs, the Administration will increase efforts for the highest priority programs, such as Head Start, and take advantage of emerging opportunities to best serve children, older Americans, the developmentally disabled, and Native Americans. Congress is invited to define selectively, priorities within the \$2.2 billion requested level of effort.

**Federal administration—Human development services.**—The proposed level will fund administrative expenses to carry out Office of Human Development Services programs.

Object Classification (in thousands of dollars)				
Identification code 75-1636-0-1-506	1986 actual	1987 est.	1988 est.	
Personnel compensation:				
11.1	Full-time permanent .....	41,532	41,858	41,127
11.3	Other than full-time permanent .....	1,413	1,369	1,269
11.5	Other personnel compensation .....	312	372	272
11.9	Total personnel compensation .....	43,257	43,599	42,668
12.1	Personnel benefits: Civilian .....	4,724	5,478	7,916
13.0	Benefits for former personnel .....	40		
21.0	Travel and transportation of persons .....	665	1,229	1,129
22.0	Transportation of things .....	38	135	35
23.1	Rental payments to GSA .....	4,677	5,375	5,595
23.2	Rental payments to others .....	2,360	2,827	2,450
24.0	Printing and reproduction .....	1,195	1,360	1,360
25.0	Other services .....	9,626	11,174	14,694
26.0	Supplies and materials .....	173	204	204
31.0	Equipment .....	264	747	270
41.0	Grants, subsidies, and contributions .....	1,872,462	2,025,507	2,201,045
99.9	Total obligations .....	1,939,481	2,097,635	2,277,366

Personnel Summary

Total number of full-time permanent positions .....	1,051	1,007	984
Total compensable workyears:			
Full-time equivalent employment .....	1,080	1,050	1,025
Full-time equivalent of overtime and holiday hours .....	40	40	40

FAMILY SOCIAL SERVICES\*

\*See Part II for additional information.

For carrying out [parts B and] part E of title IV [and section 1110] of the Social Security Act, [and title II of Public Law 95-266 (adoption opportunities), \$939,567,000] \$682,040,000: *Provided, That notwithstanding section 474 of the Social Security Act, no State shall be entitled to payment, from this or any other appropriations Act, for administration and training costs associated with foster care incurred in fiscal year 1988 in excess of an amount equal to 50 per centum of payments made for fiscal year 1988 under section 474(a)(1) of that Act, or for administration and training costs associated with adoption assistance (other than non-recurring adoption expenses pursuant to section 473(a)(1)(B)(i) of that Act) incurred in fiscal year 1988 in excess of an amount equal to 50 per centum of payments made for fiscal year 1988 under section 474(a)(2) of that Act: Provided further, That notwithstanding section 474(a)(4) of that Act, no State shall be entitled to payment, from this or any other appropriations Act, for costs of carrying out section 477 of that Act: Provided further, That for purposes of this Act and any other Act appropriating amounts for payments to States under part E of title IV of the Social Security Act, references to fiscal year 1987 in sections 474(b) and 474(c) of that Act, and in sections 102(a)(1) and 102(c) of Public Law 96-272, are deemed to be references to fiscal year 1988: Provided further, That for purposes of this Act and any other Act appropriating amounts for payment to States under part E of title IV of the Social Security Act for the current fiscal year, each State's allotment under section 474(b)(3)(A) of that Act for fiscal year 1988 shall be that amount that results when (A) the amount allowed for expenditures in fiscal year 1985 relating to foster care under such part E (including amounts claimed under section 474(c)) is adjusted by the inflation factor for fiscal year 1986, (B) the amount determined in clause (A) is adjusted by the inflation factor for fiscal year 1987, and (C) the amount determined in clause (B) is adjusted by the inflation factor for fiscal year 1988, where the "inflation" for a specified fiscal year means an increase or decrease (as the case may be) of the lesser of five percent or the ratio of (i) the Consumer Price Index prepared by the Department of Labor, and used in determining the cost-of-living adjustments under section 215(i) of the Social Security Act, for the second quarter of the preceding fiscal year, to (ii) such index for the second quarter of the second preceding fiscal year.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

General and special funds—Continued  
FAMILY SOCIAL SERVICES—Continued

Program and Financing (in thousands of dollars)

Identification code 75-1645-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Foster care .....	501,580	592,000	585,022
00.02 Adoption assistance .....	41,391	59,904	97,018
00.03 Independent living .....		45,000	
00.04 Child welfare services .....	197,928	222,500	
00.05 Child welfare training .....	3,658	3,823	
00.06 Adoption opportunities .....	4,636	5,000	
00.07 Child welfare research and demonstration .....	11,151	11,340	
00.91 Total direct program .....	760,344	939,567	682,040
01.01 Reimbursable program .....	1,959		
10.00 Total obligations (object class 41.0) .....	762,303	939,567	682,040
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,959		
25.00 Unobligated balance lapsing .....	486		
40.00 Budget authority (appropriation) .....	760,830	939,567	682,040
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	760,344	939,567	682,040
72.40 Obligated balance, start of year .....	209,004	161,203	238,246
74.40 Obligated balance, end of year .....	-161,203	-238,246	-171,988
77.00 Adjustments in expired accounts .....	60		
90.00 Outlays .....	808,205	862,524	748,298

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	760,830	939,567	682,040
Outlays .....	808,205	862,524	748,298
Supplemental under existing legislation:			
Budget authority .....		54,144	
Outlays .....		68,671	29,056
Total:			
Budget authority .....	760,830	993,711	682,040
Outlays .....	808,205	931,195	777,354

**Foster care.**—The proposed level will support maintenance assistance for children who must be placed outside the home. An average of 110,000 children will be served monthly.

**Adoption assistance.**—The proposed funding level will support subsidies for families adopting children with special needs.

**Discretionary activities.**—Discretionary activities previously included in this account (child welfare services and training, child welfare research and demonstration, and adoption opportunities) are included in the Function 500 generic request for social services discretionary activities in the Human Development Services account.

【WORK INCENTIVES】

Note.—The activities formerly included in this account, in the amounts of \$210,540,000 for 1986 and \$110,000,000 for 1987, have been transferred to the Family Support Administration bureau of this agency and are shown under the same account title.

【COMMUNITY SERVICES BLOCK GRANT】

Note.—The activities formerly included in this account, in the amounts of \$355,877,000 for 1986 and \$372,351,000 for 1987 (including Community Food and Nutrition), have been transferred to the Family Support Administration bureau of this agency and are shown under the same account title.

【COMMUNITY DEVELOPMENT CREDIT UNION REVOLVING LOAN FUND】

Note.—The activities formerly included in this account have been transferred, pursuant to Public Law 99-609, to the National Credit Union Administration and are shown under the same account title.

Trust Funds

【GIFTS AND CONTRIBUTIONS】

Note.—The activities formerly included in this account have been transferred to the Family Support Administration bureau of this agency and are shown under the same account title.

DEPARTMENTAL MANAGEMENT

Federal Funds

General and special funds:

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six medium sedans, **【\$121,819,000】** \$67,135,000, together with not to exceed **【\$27,500,000】** \$7,000,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein, of which \$10,000,000 shall be for grants, under the authority of section 301 of the Public Health Service Act, to continue the four projects authorized in the Department of Health and Human Services Appropriations Act, 1986, to demonstrate the delivery of health care services to victims of acquired immune deficiency syndrome, as well as for so many projects for the same purpose as the Secretary of Health and Human Services finds appropriate, and of which \$4,500,000 shall be for an additional construction grant for the Mary Babb Randolph Cancer Center in West Virginia].

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0120-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program of activities:</b>			
00.01 Direct program .....	144,287	151,519	74,135
01.01 Reimbursable program .....	24,713	26,597	22,200
10.00 Total obligations .....	169,000	178,116	96,335
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-24,713	-26,597	-22,200
13.00 Trust funds .....	-7,656	-27,500	-7,000
25.00 Unobligated balance lapsing .....	1,607		
39.00 Budget authority .....	138,238	124,019	67,135
Budget authority:			
40.00 Appropriation .....	133,738	121,819	67,135
42.00 Transferred from other accounts .....	4,500		
43.00 Appropriation (adjusted) .....	138,238	121,819	67,135
44.20 Supplemental for civilian pay raises .....		2,200	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	136,631	124,019	67,135
72.40 Obligated balance, start of year .....	27,075	41,000	32,863
74.40 Obligated balance, end of year .....	-41,000	-32,863	-19,857
77.00 Adjustments in expired accounts .....	-1,060		
89.00 Outlays .....	121,646	132,156	80,141
Outlays:			
90.00 Outlays, excluding pay raise supplemental .....	121,646	129,956	80,141
91.20 Outlays from civilian pay raise supplemental .....		2,200	

General departmental management activities provide leadership, policy or administrative guidance to HHS components.

Object Classification (in thousands of dollars)

Identification code 75-0120-0-1-609	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	74,420	75,766	37,502
11.3 Other than full-time permanent .....	4,090	4,164	2,605
11.5 Other personnel compensation .....	1,655	1,685	1,127
11.8 Special personal services payments .....	115	117	117
11.9 Total personnel compensation .....	80,280	81,732	41,351
12.1 Personnel benefits: Civilian .....	9,064	10,737	8,125
13.0 Benefits for former personnel .....	257	251	63
21.0 Travel and transportation of persons .....	801	825	135
22.0 Transportation of things .....	65	35	9
23.1 Rental payments to GSA .....	15,852	18,351	9,082
23.3 Communications, utilities, and miscellaneous charges .....	5,102	5,246	3,009
24.0 Printing and reproduction .....	1,397	1,396	995
25.0 Other services .....	9,101	14,404	8,101
26.0 Supplies and materials .....	806	750	177
31.0 Equipment .....	1,974	3,272	3,069
32.0 Land and structures .....	4,316	20	17
41.0 Grants, subsidies, and contributions .....	15,272	14,500	.....
99.0 Subtotal, direct obligations .....	144,287	151,519	74,135
99.0 Reimbursable obligations .....	24,713	26,597	22,200
99.9 Total obligations .....	169,000	178,116	96,335

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,397	2,317	954
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	2,242	2,173	916
Full-time equivalent of overtime and holiday hours .....	15	18	9
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	20	22	12
Total compensable workyears: Full-time equivalent employment .....	16	22	12

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, **[\$30,016,000]** \$38,439,000, together with not to exceed \$40,000,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0128-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Executive management .....	1,586	1,581	1,649
00.02 Operations .....	66,186	68,935	76,790
00.91 Total direct program .....	67,772	70,516	78,439
01.01 Reimbursable program .....	905	900	900
10.00 Total obligations .....	68,677	71,416	79,339
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	—905	—900	—900
13.00 Trust funds .....	—28,710	—40,000	—40,000
21.40 Unobligated balance available, start of year .....	—50	.....	.....
25.00 Unobligated balance lapsing .....	1,392	.....	.....
39.00 Budget authority .....	40,404	30,516	38,439
<b>Budget authority:</b>			
40.00 Appropriation .....	40,404	30,016	38,439

46.40 Transfer in for retirement contributions (P.L. 99-335) .....	.....	500	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	39,062	30,516	38,439
72.40 Obligated balance, start of year .....	12,941	11,296	9,279
74.40 Obligated balance, end of year .....	—11,296	—9,279	—9,725
77.00 Adjustments in expired accounts .....	—223	.....	.....
89.00 Outlays .....	40,484	32,533	37,993
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contributions supplemental .....	40,484	32,033	37,993
91.40 Outlays from retirement contribution supplemental .....	.....	500	.....

The Office of the Inspector General identifies and recommends actions to correct fraud, waste and abuse in HHS administered and assisted programs and operations through audits and investigations.

Object Classification (in thousands of dollars)

Identification code 75-0128-0-1-609	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	44,990	45,421	46,613
11.3 Other than full-time permanent .....	438	440	454
11.5 Other personnel compensation .....	302	305	312
11.8 Special personal service payments .....	17	18	19
11.9 Total personnel compensation .....	45,747	46,184	47,398
12.1 Personnel benefits: Civilian .....	6,177	7,600	9,510
13.0 Benefits for former personnel .....	108	149	98
21.0 Travel and transportation of persons .....	3,077	3,344	3,550
22.0 Transportation of things .....	173	195	160
23.1 Rental payments to GSA .....	3,517	3,785	4,270
23.3 Communications, utilities, and miscellaneous charges .....	2,077	2,119	2,325
24.0 Printing and reproduction .....	252	212	220
25.0 Other services .....	4,328	5,608	9,562
26.0 Supplies and materials .....	310	279	305
31.0 Equipment .....	1,956	1,041	1,041
41.0 Grants, subsidies and contributions .....	50	.....	.....
99.0 Subtotal, direct obligations .....	67,772	70,516	78,439
99.0 Reimbursable obligations .....	905	900	900
99.9 Total obligations .....	68,677	71,416	79,339

Personnel Summary

Total number of full-time permanent positions .....	1,302	1,275	1,275
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	1,225	1,204	1,236
Full-time equivalent of overtime and holiday hours .....	3	5	5

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, **[\$15,285,000]** \$17,395,000, together with not to exceed \$4,000,000 to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from any one or all of the trust funds referred to therein.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 75-0135-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	19,124	19,285	21,395
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds .....	—3,828	—4,000	—4,000
25.00 Unobligated balance lapsing .....	16	.....	.....
40.00 Budget authority (appropriation) .....	15,312	15,285	17,395
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	15,296	15,285	17,395

General and special funds—Continued

OFFICE FOR CIVIL RIGHTS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	75-0135-0-1-751	1986 actual	1987 est.	1988 est.
72.40	Obligated balance, start of year .....	1,952	1,885	2,111
74.40	Obligated balance, end of year .....	-1,885	-2,111	-2,300
77.00	Adjustments in expired accounts .....	-8		
90.00	Outlays .....	15,354	15,059	17,206

The Office for Civil Rights carries out the Department's civil rights and nondiscrimination enforcement programs.

Object Classification (in thousands of dollars)

Identification code	75-0135-0-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	13,796	13,833	13,808
11.3	Other than full-time permanent .....	228	234	236
11.5	Other personnel compensation .....	137	117	213
11.9	Total personnel compensation .....	14,161	14,184	14,257
12.1	Personnel benefits: Civilian .....	1,760	1,800	2,750
13.0	Benefits for former personnel .....	95	16	
21.0	Travel and transportation of persons .....	411	485	485
22.0	Transportation of things .....	54	30	20
23.1	Rental payments to GSA .....	1,303	1,420	1,473
23.3	Communications, utilities, and miscellaneous charges .....	703	750	750
24.0	Printing and reproduction .....	65	70	70
25.0	Other services .....	378	435	1,495
26.0	Supplies and materials .....	66	75	75
31.0	Equipment .....	91	20	20
42.0	Insurance claims and indemnities .....	37		
99.9	Total obligations .....	19,124	19,285	21,395

Personnel Summary

Total number of full-time permanent positions .....	430	390	368
Total compensable workyears:			
Full-time equivalent employment .....	377	371	355
Full-time equivalent of overtime and holiday hours .....	2	3	3

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, **[\$1,119,000]** \$1,119,000.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0137-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	1,894	1,750	1,119
01.01	Reimbursable program .....		10	10
10.00	Total obligations .....	1,894	1,760	1,129
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....		-10	-10
25.00	Unobligated balance lapsing .....	9		
40.00	Budget authority (appropriation) .....	1,903	1,750	1,119
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,894	1,750	1,119
72.40	Obligated balance, start of year .....	389	297	301
74.40	Obligated balance, end of year .....	-297	-301	-256
77.00	Adjustments in expired accounts .....	-196		
90.00	Outlays .....	1,790	1,746	1,164

The Office of Consumer Affairs presents consumer needs and viewpoints in the Federal Government. The Director is also a Special Advisor to the President.

Object Classification (in thousands of dollars)

Identification code	75-0137-0-1-506	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,016	755	555
11.3	Other than full-time permanent .....	75	40	40
11.5	Other personnel compensation .....	7	5	5
11.9	Total personnel compensation .....	1,098	800	600
12.1	Personnel benefits: Civilian .....	114	84	95
13.0	Benefits for former personnel .....		2	2
21.0	Travel and transportation of persons .....	42	45	45
23.1	Rental payments to GSA .....	105	126	85
23.3	Communications, utilities, and miscellaneous charges .....	66	70	57
24.0	Printing and reproduction .....	87	107	67
25.0	Other services .....	354	482	145
26.0	Supplies and materials .....	14	14	10
31.0	Equipment .....	14	20	13
99.0	Subtotal, direct obligations .....	1,894	1,750	1,119
99.0	Reimbursable obligations .....		10	10
99.9	Total obligations .....	1,894	1,760	1,129

Personnel Summary

Total number of full-time permanent positions .....	32	24	17
Total compensable workyears: Full-time equivalent employment .....	29	22	15

POLICY RESEARCH\*

\*See Part II for additional information.

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, **[\$8,200,000]** \$5,090,000. **[Provided, That not less than \$2,200,000 shall be obligated to continue research on poverty conducted by the Institute for Research on Poverty.]**

Note.—Public Laws 99-500 and 99-591, Section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	75-0122-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program .....	6,042	8,200	5,090
01.01	Reimbursable program .....	651	2,230	1,500
10.00	Total obligations .....	6,693	10,430	6,590
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-651	-2,230	-1,500
25.00	Unobligated balance lapsing .....	178		
40.00	Budget authority (appropriation) .....	6,220	8,200	5,090
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	6,042	8,200	5,090
72.40	Obligated balance, start of year .....	7,603	4,000	4,560
74.40	Obligated balance, end of year .....	-4,000	-4,560	-3,495
77.00	Adjustments in expired accounts .....	-131		
90.00	Outlays .....	9,514	7,640	6,155

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	6,220	8,200	5,090
Outlays .....	9,514	7,640	6,155
Rescission proposal:			
Budget authority .....		-2,200	

Outlays.....	-1,320	-598	
Total:			
Budget authority.....	6,220	6,000	5,090
Outlays.....	9,514	6,320	5,557

This activity supports research to develop policy initiatives and improve existing HHS programs.

Object Classification (in thousands of dollars)

Identification code 75-0122-0-1-609	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	146	210	220
11.3 Other than full-time permanent.....	21	28	29
11.5 Other personnel compensation.....	2	5	6
11.8 Special personal services payments.....	26		
11.9 Total personnel compensation.....	195	243	255
12.1 Personnel benefits: Civilian.....	25	33	40
21.0 Travel and transportation of persons.....	20	25	25
23.3 Communications, utilities, and miscellaneous charges.....		3	3
24.0 Printing and reproduction.....	35	50	50
25.0 Other services.....	2,797	5,016	4,027
26.0 Supplies and materials.....	8	40	40
31.0 Equipment.....	47	50	50
41.0 Grants, subsidies, and contributions.....	2,915	2,740	600
99.0 Subtotal, direct obligations.....	6,042	8,200	5,090
99.0 Reimbursable obligations.....	651	2,230	1,500
99.9 Total obligations.....	6,693	10,430	6,590

Personnel Summary

Total compensable workyears: Full-time equivalent employment.....	5	5	5
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Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 75-4503-0-4-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses.....	3,268	3,638	72,000
00.02 Capital investment.....		55	805
10.00 Total obligations.....	3,268	3,693	72,805
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-3,269	-3,693	-72,805
17.00 Recovery of prior year obligations.....	-1,480		
21.98 Unobligated balance available, start of year: Fund balance.....	-9,618	-11,099	-11,099
24.98 Unobligated balance available, end of year: Fund balance.....	11,099	11,099	11,099
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance.....	3,287	1,966	1,966
74.98 Obligated balance, end of year: Fund balance.....	-1,966	-1,966	-1,966
78.00 Adjustments in unexpired accounts.....	-1,480		
90.00 Outlays.....	-160		

The fund provides common centralized services to operational components of HHS.

Object Classification (in thousands of dollars)

Identification code 75-4503-0-4-506	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	819	690	38,736
11.3 Other than full-time permanent.....		11	1,549
11.5 Other personnel compensation.....	6	14	569
11.8 Special personal services payments.....		10	
11.9 Total personnel compensation.....	825	725	40,854

12.1 Personnel benefits: Civilian.....	92	74	6,694
13.0 Benefits for former personnel.....			181
21.0 Travel and transportation of persons.....		2	698
22.0 Transportation of things.....		1	27
23.1 Rental payments to CSA.....			8,300
23.3 Communications, utilities, and miscellaneous charges.....	714	900	3,112
24.0 Printing and reproduction.....	848	710	1,265
25.0 Other services.....	596	1,064	10,658
26.0 Supplies and materials.....	127	152	731
31.0 Equipment.....	66	65	285
99.9 Total obligations.....	3,268	3,693	72,805

Personnel Summary

Total number of full-time permanent positions.....	27	23	1,291
Total compensable workyears: Full-time equivalent employment.....	24	21	1,208

GENERAL PROVISIONS

SEC. 201. None of the funds appropriated by this title for grants-in-aid of State agencies to cover, in whole or in part, the cost of operation of said agencies, including the salaries and expenses of officers and employees of said agencies, shall be withheld from the said agencies of any State which have established by legislative enactment and have in operation a merit system and classification and compensation plan covering the selection, tenure in office, and compensation of their employees, because of any disapproval of their personnel or the manner of their selection by the agencies of the said States, or the rates of pay of said officers or employees.

[SEC. 202. Funds appropriated in this Act for the National Institutes of Health shall be used to support no fewer than 6,200 new and competing research project grants.]

SEC. [203] 202. Appropriations [in this Act for Health Resources and Services Administration, the National Institutes of Health, the Centers for Disease Control, the Alcohol, Drug Abuse, and Mental Health Administration, the Office of the Assistant Secretary for Health, the Health Care Financing Administration, and Departmental Management] shall be available for expenses for not to exceed 3,200 active commissioned officers in the Public Health Service Reserve Corps and for not to exceed [two thousand four hundred] 2,250 commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents, between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; expenses for medical care for civilian and commissioned employees of the Public Health Service and their dependents, assigned abroad on a permanent basis in accordance with such regulations as the Secretary may provide; rental or lease of living quarters (for periods not exceeding five years), and provision of heat, fuel, and light and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers, and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act, at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the rate for GS-18; not to exceed \$9,500 for official reception and representation expenses related to any health agency of the Department when specifically approved by the Assistant Secretary for Health.

SEC. [204] 203. None of the funds contained in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.

Sec. [205] 204. Funds advanced to the National Institutes of Health Management Fund from appropriations in this Act shall be available for the expenses of sharing medical care facilities and resources pursuant to section 327A of the Public Health Service Act.

Sec. [206] 205. Funds appropriated in this title for the Social Security Administration [and the Office of Child Support Enforcement] shall be available for not to exceed \$10,000 of official reception and representation expenses [related to income maintenance or child support enforcement activities of the Department] when specifically approved by the Commissioner of Social Security.

Sec. [207] 206. Funds appropriated in this title for the Health Care Financing Administration shall be available for not to exceed \$2,000 for official reception and representation expenses when specifically approved by the Administrator of the Health Care Financing Administration.

Sec. [208] 207. No funds appropriated for the fiscal year ending September 30, [1987] 1988, by this or any other Act, may be used to pay basic pay, special pays, basic allowances for subsistence and basic allowances for quarters of the commissioned corps of the Public Health Service described in section 204 of title 42, United States Code, at a level that exceeds 110 percent of the Executive Level [1] 3 annual rate of basic pay *except for Commissioned Corps officers currently receiving such levels of pay*: *Provided*, That amounts received from employees of the Department in payment for room and board may be credited to the *Department of Health and Human Services* appropriation accounts *which finance the services* [“Health Resources and Services”, National Institutes of Health “Office of the Director”, “Disease Control”, and “Federal Subsidy for Saint Elizabeths Hospital”]: *Provided further*, That funds appropriated by this Act or any other Act shall not be used for special, revised special, or continuation pay to any physician or dentist appointed to the *Public Health Service Commissioned Corps* during the current year whose primary duties are determined by the Secretary to be administrative or managerial: *Provided further*, That any physician or dentist who, through promotion or reassignment within the Corps, assumes as primary duties administrative or managerial responsibilities may, at the discretion of the Secretary, receive such special, revised special or continuation pay.

Sec. [209] 208. None of the funds appropriated in this title shall be used to transfer the general administration of programs authorized under the Native American Programs Act from the Department of Health and Human Services to the Department of the Interior.

Sec. [210] 209. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years, so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

[Sec. 211. The Secretary shall make available through assignment not more than 50 employees of the Public Health Service, who shall be exempt from all FTE limitations in the Department, to assist in child survival activities through and with funds provided by the Agency for International Development, the United Nations International Children’s Emergency Fund or the World Health Organization. In addition, commissioned officers assigned under this section shall be

exempt from all limitations on the number and grade of officers in the Public Health Service Commissioned Corps.]

Sec. 210. *Not to exceed three per centum of any appropriation for fiscal year 1988 made available under this or any other Act for activities of the Department of Health and Human Services funded in this Act may be transferred to any other such appropriation: Provided*, That no such appropriation may be increased or decreased by more than three per centum by any such transfer: *Provided further*, That Congress shall be notified thirty days in advance of any such transfer: *Provided further*, That this section shall not authorize transfer of amounts from an appropriation for any activity for which the amount of the entitlement to funding may be established without regard to the amount of the appropriation.

Sec. 211. *Funds appropriated by this Act may be used to pay physicians’ comparability allowances, as authorized under 5 U.S.C. 5948, only to those persons who are licensed to practice medicine, except that this provision shall not apply to individuals receiving such allowances prior to January 1, 1988.*

Sec. 212. *Notwithstanding 31 U.S.C. 1348, and for the purpose of insuring proper management of federally supported computer systems and data bases, funds appropriated by this Act are available for the purchase of dedicated telephone service between the private residences of employees assigned to computer centers funded under this Act, and the computer centers to which such employees are assigned.*

Sec. 213. *Not to exceed two-thirds of funds appropriated for health professions and nurse training programs under the Public Health Service Act may be used for direct stipends to minority and disadvantaged students.*

Sec. 214. *Funds derived from collections under section 1803 of Public Law 99-570 shall be credited to appropriations of the Department of Health and Human Services that finance the activities under such section, with such funds to remain available until expended.*

Sec. 215. *Funds appropriated in this Act for Acquired Immune Deficiency Syndrome activities may remain available until expended.*

Sec. 216. *The Secretary is authorized to recover funds appropriated in this or any other Act for purposes of facility construction and modernization grants from any grantee who has title or ownership interest in a facility financed in whole or in part by such funds, when the basic use of such assisted facilities no longer meets the program requirements and purposes as originally authorized.*

Sec. 217. *For the purpose of increasing HHS’ AIDS activities, the Secretary may transfer up to three per centum of any discretionary funds otherwise available in fiscal year 1988: Provided*, That the amount transferred from any single appropriation, together with any amounts transferred from that appropriation pursuant to any other provision of this Act, shall not exceed 3 per centum of the total funds available for obligation in fiscal year 1988 under that heading: *Provided further*, That Congress shall be notified thirty days in advance of any such transfer.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

# DEPARTMENT OF HEALTH AND HUMAN SERVICES, SOCIAL SECURITY

## SOCIAL SECURITY

### Trust Funds

#### FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

##### Program and Financing (in thousands of dollars)

Identification code 20-8006-8-7-651	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01	175,164,599	183,875,514	193,290,000
Administration:			
00.02	1,801,823	1,653,456	1,804,393
00.03	985,243	1,071,569	1,080,184
00.04	2,585,101	2,697,000	2,801,000
00.05	541,790	542,230	560,176
00.06	471,071	542,230	560,176
00.91	181,549,627	189,839,769	199,535,753
01.01	9,935	30,376	33,040
10.00	181,559,562	189,870,145	199,568,793
<b>Financing:</b>			
Offsetting collections from:			
11.00	-992,198	-1,092,832	-1,103,312
14.00	-2,980	-9,113	-9,912
21.40	-20,243,143	-22,892,411	-41,867,390
24.40	22,892,411	41,867,390	79,811,172
39.00	183,213,652	207,743,179	236,399,351
<b>Budget authority:</b>			
60.00	196,368,175	207,743,179	236,399,351
61.00	-13,154,523	-	-
63.00	183,213,652	207,743,179	236,399,351
<b>Relation of obligations to outlays:</b>			
71.00	180,564,384	188,768,200	198,455,569
Obligated balance, start of year:			
72.40	2,908,281	572,923	600,000
72.40	10,727,392	14,055,565	15,097,379
Obligated balance, end of year:			
74.40	-572,923	-600,000	-600,000
74.40	-14,055,565	-15,097,379	-15,092,384
90.00	179,571,569	187,699,309	198,460,564

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 estimate	1988 estimate
Budget authority	183,213,652	207,743,179	236,399,351
Outlays	179,571,569	187,699,309	198,460,564
Proposed for later transmittal under proposed legislation:			472,696
Budget authority			472,696
Outlays			797
<b>Total:</b>			
Budget authority	183,213,652	207,743,179	236,872,047
Outlays	179,571,569	187,699,309	198,461,361

**Direct program.**—The old-age and survivors insurance (OASI) program provides income to retired workers, their dependents, and survivors. The program is financed by payroll taxes paid by employers, employees, and self-employed individuals.

The contribution rates are applied to taxable earnings up to a specified maximum. The maximum was

\$39,600 in 1985, \$42,000 in 1986, \$43,800 in 1987, and is expected to increase to \$45,300 in 1988.

**Benefit payments.**—Benefits are based on average taxable earnings, indexed for inflation.

**Administration.**—This activity reflects the costs of administering this program.

**Payment to railroad retirement account.**—Since 1951, approximately \$30 billion in annual payments from the social security trust funds have helped finance the railroad retirement system. The annual OASI payment includes funds for some benefits which are not, in turn, paid to railroad workers and their families.

**Reimbursable program.**—Advances are made from the OASI trust fund for the administrative expenses of the general fund programs and certain other services administered by SSA with full reimbursement to the trust fund (including interest when appropriate).

#### STATUS OF FUNDS

[In thousands of dollars]

Unexpended balance, start of year:	1986 actual	1987 estimate	1988 estimate
Cash	2,908,281	572,923	600,000
U.S. securities (par)	30,970,535	36,947,976	56,964,769
Balance of trust fund, start of year	33,878,816	37,520,899	57,564,769
Inter-trust fund borrowing	-13,154,523	-	-
<b>Cash income during year:</b>			
<b>Governmental receipts:</b>			
<b>Contributions on earnings:</b>			
FICA and SECA taxes	164,831,820	190,121,000	221,097,000
Proposed legislation	-	-	359,000
Refund of contributions	-539,100	-497,000	-543,000
Deposits by States	18,224,806	5,617,000	-
Gifts	150	-	-
<b>Interbudgetary transactions:</b>			
Federal employer contributions	2,608,000	2,987,000	4,614,000
Proposed legislation	-	-	107,000
Agency payment for military service credits	-	-	284,000
FICA and SECA tax credits	1,556,616	1,584,000	1,775,000
Individual income tax equivalents on OASI benefits	3,329,220	3,147,292	3,221,585
Federal payment for noncontributory military service credits	2,528,000	348,391	-
Federal payment for special benefits for the aged	90,264	69,394	54,554
Pension reform	376	737	744
Interest on investments	3,698,252	4,309,865	5,851,468
Proposed legislation	-	-	6,696
Credit for unnegotiated OASI benefit checks	39,500	55,500	44,000
Proprietary receipts: Other receipts	271	-	-
<b>Total annual income:</b>			
Present law	196,368,175	207,743,179	236,399,351
Proposed legislation	-	-	472,696
<b>Cash outgo during year:</b>			
Benefit payments	174,363,933	182,718,000	193,290,000
<b>Administrative expenses:</b>			
Authorized program	1,609,674	1,742,079	1,809,388
Payment to railroad retirement account (net settlement) (45 U.S.C. 228g)	2,585,101	2,697,000	2,801,000
Interest on normalized tax transfers	471,071	542,230	560,176
Proposed legislation	-	-	797
Interest payment on inter-trust borrowings	541,790	-	-
<b>Total annual outgo:</b>			
Present law	179,571,569	187,699,309	198,460,564
Proposed legislation	-	-	797
<b>Unexpended balance, end of year:</b>			
Cash	572,923	600,000	600,000

I-L1

FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND—  
Continued

STATUS OF FUNDS—Continued

[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.
U.S. securities (par) .....	36,947,976	56,964,769	95,375,455
Balance of trust fund, end of year .....	37,520,899	57,564,769	95,975,455

Object Classification (in thousands of dollars)			
Identification code 20-8006-8-7-651	1986 actual	1987 est.	1988 est.
Direct obligations:			
Other services:			
25.0 General departmental management, Department of Health and Human Services .....	3,323	11,935	3,038
25.0 Office for Civil Rights, Department of Health and Human Services .....	95	99	99
25.0 Office of the Inspector General, Department of Health and Human Services .....	12,920	18,000	18,000
42.0 Insurance claims and indemnities: Retirement and survivors insurance benefits .....	175,164,599	183,875,514	193,290,000
43.0 Interest on inter-trust fund borrowings .....	541,790		
43.0 Interest on normalized tax transfers .....	471,071	542,230	560,176
Undistributed:			
92.0 Reimbursement for administrative expenses of Department of the Treasury .....	166,393	147,789	151,494
92.0 Payment to railroad retirement account (net settlement) (45 U.S.C. 228g) .....	2,585,101	2,697,000	2,801,000
Administrative expenses: Portion of limitation on administrative expenses, Social Security Administration:			
93.0 OASI program .....	1,619,092	1,475,633	1,631,762
93.0 SSI program .....	985,243	1,071,569	1,080,184
99.0 Subtotal, direct obligations .....	181,549,627	189,839,769	199,535,753
99.0 Reimbursable obligations .....	9,935	30,376	33,040
99.9 Total obligations .....	181,559,562	189,870,145	199,568,793

FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 20-8006-2-7-651	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....			797
<b>Financing:</b>			
24.40 Unobligated balance available, end of year: U.S. securities (par) .....			471,899
40.00 Budget authority (appropriation) .....			472,696
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			797
90.00 Outlays .....			797

The estimates included above reflect the impact of proposals to extend coverage to: military reservists on inactive duty training, several types of student employment, certain work performed by a spouse or a child, some agricultural workers, and the employer cost of group term life insurance. They also assume that employers will pay FICA taxes on the full amount of tips.

FEDERAL DISABILITY INSURANCE TRUST FUND  
Program and Financing (in thousands of dollars)

Identification code 20-8007-8-7-651	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Benefit payments .....	19,635,405	19,927,804	20,735,800
00.02 Administration .....	599,778	665,551	708,092
00.03 Payment to railroad retirement account .....	67,654	49,000	49,000
00.04 Interest on normalized tax transfers .....	45,019	53,000	54,000
00.05 Disability demonstration projects .....		7,620	7,070
10.00 Total obligations .....	20,347,856	20,702,975	21,553,962
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: U.S. securities (par) .....	-4,782,689	-7,153,273	-6,686,824
24.40 Unobligated balance available, end of year: U.S. securities (par) .....	7,153,273	6,686,824	7,891,862
39.00 Budget authority .....	22,718,440	20,236,526	22,759,000
<b>Budget authority:</b>			
60.00 Appropriation (permanent, indefinite) .....	20,177,187	20,236,526	22,759,000
62.00 Transferred from other accounts (inter-trust fund borrowings) .....	2,541,253		
63.00 Appropriation (adjusted) .....	22,718,440	20,236,526	22,759,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	20,347,856	20,702,975	21,553,962
Obligated balance, start of year:			
72.40 Treasury balance .....	169,868	13,521	1,000
72.40 U.S. securities (par) .....	921,138	1,182,200	1,137,194
Obligated balance, end of year:			
74.40 Treasury balance .....	-13,521	-1,000	-1,000
74.40 U.S. securities (par) .....	-1,182,200	-1,137,194	-1,145,000
90.00 Outlays .....	20,243,141	20,760,502	21,546,156

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	22,718,440	20,236,526	22,759,000
Outlays .....	20,243,141	20,760,502	21,546,156
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority .....			42,000
Outlays .....			-5,000
<b>Total:</b>			
Budget authority .....	22,718,440	20,236,526	22,801,000
Outlays .....	20,243,141	20,760,502	21,541,156

The disability insurance (DI) program provides income to insured disabled workers (and their dependents). This program is financed by payroll taxes paid by workers, employers, and self-employed individuals.

**Benefit payments.**—Disability insurance benefits are made to certain disabled individuals and their dependents. Automatic cost-of-living benefit increases are the same as for the OASI program.

**Administration.**—This activity reflects administrative and other nonbenefit expenses attributable to the DI program.

**Payment to railroad retirement account.**—Annual adjustments are made between the DI trust fund and the railroad retirement fund. This adjustment is computed on the same basis as the payment from the OASI trust fund which is described in the preceding section.

STATUS OF FUNDS

[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.
Unexpended balance, start of year:			
Cash .....	169,868	13,521	1,000
U.S. securities (par) .....	5,703,827	8,335,473	7,824,018
Balance of trust fund, start of year .....	5,873,695	8,348,994	7,825,018

Interfund borrowing.....	2,541,253		
Cash income during year:			
Governmental receipts:			
Contributions on earnings:			
FICA and SECA taxes.....	15,879,666	18,284,000	21,206,000
Proposed legislation.....			32,000
Refund of contributions.....	-52,500	-47,000	-52,000
Proposed legislation.....			-1,000
Deposits by States.....	1,883,618	540,000	
Interbudgetary transactions:			
Federal employer contributions.....	249,000	288,000	442,000
Proposed legislation.....			10,000
Agency payment for military service credits.....			27,000
FICA and SECA tax credits.....	148,077	152,000	171,000
Individual income taxes on DI benefits.....	228,816	219,000	224,000
Federal payment for noncontributory military service credits.....	1,048,000	20,526	
Interest on investments.....	631,112	774,000	735,000
Proposed legislation.....			1,000
Interest on inter-trust fund borrowings.....	158,855		
Credit for unnegotiated DI benefit checks.....	2,500	6,000	6,000
Proprietary receipts: Other receipts.....	43		
Total annual income:			
Present law.....	20,177,187	20,236,526	22,759,000
Proposed legislation.....			42,000
Cash outgo during year:			
Benefit payments.....	19,526,378	19,985,000	20,720,000
Proposed legislation.....			-5,000
Administrative expenses: Authorized program.....	599,679	650,882	700,286
For demonstration projects.....			7,070
Vocational rehabilitation services.....	4,411	15,000	15,800
Payment to railroad retirement account (net settlement).....	67,654	49,000	49,000
Interest on normalized tax transfers.....	45,019	53,000	54,000
Total annual outgo:			
Present law.....	20,243,141	20,760,502	21,546,156
Proposed legislation.....			-5,000
Unexpended balance, end of year:			
Cash.....	13,521	1,000	1,000
U.S. securities (par).....	8,335,473	7,824,018	9,083,862
Balance of trust fund, end of year.....	8,348,994	7,825,018	9,084,862

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-8007-8-7-651			
Other services:			
25.0 General departmental management, Department of Health and Human Services.....	1,424	5,115	1,302
25.0 Office of the Inspector General, Department of Health and Human Services.....	574	1,600	1,600
25.0 Vocational rehabilitation services.....	-3,476	15,000	15,800
25.0 Disability demonstration projects.....		7,620	7,070
42.0 Insurance claims and indemnities: Disability insurance benefits.....	19,638,881	19,912,804	20,720,000
43.0 Interest on normalized tax transfers.....	45,019	53,000	54,000
92.0 Undistributed: Reimbursement for administrative expenses of Department of the Treasury.....	23,633	20,947	21,827
92.0 Payment to railroad retirement account (net settlement).....	67,654	49,000	49,000
93.0 Administrative expenses: Portion of limitation on administrative expenses, Social Security Administration.....	574,147	637,889	683,363
99.9 Total obligations.....	20,347,856	20,702,975	21,553,962

FEDERAL DISABILITY INSURANCE TRUST FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-8007-2-7-651			
Program by activities:			
10.00 Total obligations (object class 41.0).....			-5,000
Financing:			
24.40 Unobligated balance available, end of year: U.S. securities (par).....			47,000
40.00 Budget authority (appropriation).....			42,000

Relation of obligations to outlays:			
71.00	Obligations incurred, net.....		-5,000
90.00	Outlays.....		-5,000

The estimates included above reflect the impact of proposals to extend coverage to: military reservists on inactive duty training, several types of student employment, certain work performed by a spouse or a child, some agricultural workers, and the employer cost of group term life insurance. They also assume that employers will pay FICA taxes on the full amount of tips. The outlay estimates reflect a more cost effective approach to preeffectuation review of disability cases.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, not more than \$3,840,000,000 of which \$64,700,000 for the purchase of ergonomic furniture shall remain available until September 30, 1988 and shall not be obligated prior to September 30, 1987 \$3,805,121,000, may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: *Provided*, That travel expense payments under section 1631(h) of such Act for travel to hearings may be made only when travel of more than seventy-five miles is required: *Provided further*, That \$160,000,000 \$50,000,000, of the foregoing amount shall be apportioned for use only to the extent necessary to process workloads not anticipated in the budget estimates, for automation projects and their impact on the work force, and to meet mandatory increases in costs of agencies or organizations with which agreements have been made to participate in the administration of titles XVI and XVIII and section 221 of the Social Security Act, and after maximum absorption of such costs within the remainder of the existing limitation has been achieved: *Provided further*, That \$225,398,000 \$165,400,000 for automatic data processing and telecommunications activities shall remain available until expended: *Provided further*, That none of the funds appropriated by this Act may be used for the manufacture, printing, or procuring of social security cards, as provided in section 205(c)(2)(D) of the Social Security Act, where paper and other materials used in the manufacture of such cards are produced, manufactured, or assembled outside of the United States] *That funds made available in fiscal year 1987 under Public Laws 99-500 and 99-591 for the purchase of ergonomic furniture for the Social Security Administration may be used for necessary expenses as authorized by section 201(g)(1) of the Social Security Act.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
1. Old-age and survivors insurance.....	1,155,836	1,171,708	1,237,879
2. Disability insurance.....	1,244,177	1,295,852	1,340,759
3. Health insurance:			
(a) Hospital insurance.....	58,842	60,264	66,439
(b) Supplementary medical insurance.....	71,752	75,534	85,420
4. Supplemental security income.....	1,041,388	990,540	1,080,184
5. Annual reporting of earnings.....	72,137	83,909	90,005
6. Construction.....	35,164	34,937	39,597
Total direct program.....	3,679,296	3,712,744	3,940,283
Reimbursable program.....	9,935	30,376	33,040
Total obligations.....	3,689,231	3,743,120	3,973,323
Financing:			
Offsetting collections from:			
Federal funds.....	-6,955	-21,263	-23,128
Non-Federal sources.....	-2,980	-9,113	-9,912
Recovery of prior year obligations.....	-12,893		
Unobligated balance available, start of year.....	-227,134	-221,044	-188,300
Unobligated balance available, end of year.....	221,044	188,300	3,138
Unobligated balance lapsing.....	188,130	160,000	50,000
Limitation.....	3,848,443	3,840,000	3,805,121

**LIMITATION ON ADMINISTRATIVE EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	3,666,402	3,712,744	3,940,283
Obligated balance, start of year .....	324,546	429,251	448,220
Obligated balance, end of year .....	-429,251	-448,220	-458,103
Adjustments in expired accounts .....	-38,253		
<b>Outlays from limitation .....</b>	<b>3,523,444</b>	<b>3,693,775</b>	<b>3,930,400</b>
<b>Distribution of budget authority by account:</b>			
Limitation on administrative expenses .....	3,677,776	3,632,602	3,639,721
Limitation on information technology systems .....	170,667	207,398	165,400

The Social Security Administration administers programs of old-age, survivors, and disability insurance, and supplemental security income. In addition, it administers some health insurance activities, as well as annual reporting of earnings.

**Object Classification (in thousands of dollars)**

Identification code 20-8007-8-7-651	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,748,279	1,729,803	1,705,406
11.3 Other than full-time permanent .....	116,629	111,262	123,137
11.5 Other personnel compensation .....	38,240	20,969	42,290
11.8 Special personal services payments .....	9,341	12,859	12,831
<b>Total personnel compensation .....</b>	<b>1,912,489</b>	<b>1,874,893</b>	<b>1,883,664</b>
12.1 Personnel benefits: Civilian .....	244,959	282,639	377,533
13.0 Benefits for former personnel .....	4,477	4,700	5,000
21.0 Travel and transportation of persons .....	22,936	23,182	28,605
22.0 Transportation of things .....	7,682	4,780	9,098
23.1 Rental payments to GSA .....	218,947	212,983	245,089
23.2 Rental payments to others .....	2,201	912	1,571
23.3 Communications, utilities, and miscellaneous charges .....	164,842	198,545	188,530
24.0 Printing and reproduction .....	25,242	17,776	26,036

25.0 Other services .....	940,684	910,821	997,799
26.0 Supplies and materials .....	20,793	16,170	27,519
31.0 Equipment .....	104,740	134,618	133,957
32.0 Lands and structures .....	6,726	26,469	11,910
41.0 Grants, subsidies, and contributions .....		2,103	1,780
42.0 Insurance claims and indemnities .....	2,467	2,143	2,182
43.0 Interest and dividends .....	111	10	10
93.0 Administrative expenses .....	-3,679,296	-3,712,744	-3,940,283
<b>99.0 Subtotal, direct obligations .....</b>	<b></b>	<b></b>	<b></b>
<b>Reimbursable obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,451	14,826	15,047
11.3 Other than full-time permanent .....	303	69	66
11.5 Other personnel compensation .....	182	274	362
11.8 Special personal services payments .....	47	62	65
<b>Total personnel compensation .....</b>	<b>6,983</b>	<b>15,231</b>	<b>15,540</b>
12.1 Personnel benefits: Civilian .....	875	2,170	2,972
21.0 Travel and transportation of persons .....	31	100	102
22.0 Transportation of things .....	13	29	26
23.1 Rental payments to GSA .....	699	963	1,318
23.3 Communications, utilities, and miscellaneous charges .....	428	9,934	11,070
24.0 Printing and reproduction .....	60	81	71
25.0 Other services .....	675	1,263	1,342
26.0 Supplies and materials .....	71	128	139
31.0 Equipment .....	100	477	460
93.0 Administrative expenses .....	-9,935	-30,376	-33,040
<b>99.0 Subtotal, reimbursable obligations .....</b>	<b></b>	<b></b>	<b></b>
<b>99.9 Total obligations .....</b>	<b></b>	<b></b>	<b></b>

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	68,327	65,962	64,098
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	75,494	71,799	69,345
Full-time equivalent of overtime and holiday hours and nonceiling employment .....	3,252	1,515	3,330
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	466	571	546
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	293	566	559
Full-time equivalent of overtime and holiday hours .....	7	10	14

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

This chapter presents the budget and program estimates for the Department of Housing and Urban Development. Most of the Department's programs are also discussed in Part 5 of the budget (the Federal program by function) under one of three headings: Commerce and housing credit (mortgage credit and deposit insurance); Community and regional development; and Income security (public assistance and other income supplements).

The major divisions of this chapter conform to the following Department activities:

*Housing programs* cover the Department's major housing subsidy programs except for those activities under the public housing and Indian housing programs. The mortgage insurance activities of the Federal Housing Administration, including loan management and property disposition activities, are also included under this heading. Other activities included under this heading are community disposal operations, the Office of Interstate Land Sales Registration, manufactured home inspection and monitoring, the rental development grant program, and the Transitional Housing Demonstration program. The budget data for the latter program includes the Emergency Shelter Grants program which is administered by Community Planning and Development.

*Public and Indian Housing programs* cover public housing management and development activities (including modernization) and provision of Indian Housing assistance. Also included are credit and financing activities related to development and modernization.

*Government National Mortgage Association (GNMA)* covers the Department's programs to assist in the availability of mortgage credit and stabilize financing of selected types of mortgage loans. This heading also covers GNMA management and liquidating functions, the guarantee of mortgage-backed securities, and trustee activities in connection with participation certificates that are backed by loan obligations of various trustor agencies.

*Community planning and development* covers the Community development grant and Urban development action grant programs authorized by the Housing and Community Development Act of 1974, as amended. This organization is also responsible for the administration of the Rental rehabilitation grant and the Urban homesteading programs as well as the Rehabilitation loan (section 312) program, the Emergency shelter grants program, terminated categorical community development programs, and the Revolving fund for liquidating programs. Budget data for the Emergency shelter grants program is included with the Transitional housing demonstration program in the Housing programs section of this chapter.

*Fair Housing and Equal Opportunity* includes the Fair Housing Assistance Program authorized by title VIII of the Civil Rights Act of 1968, as amended, and the proposed Fair Housing Initiatives program.

*Policy development and research* includes the policy development, economic analysis, program evaluation, and research activities of the Department.

### HOUSING PROGRAMS

#### *Federal Funds*

#### General and special funds:

##### ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING\*

##### [(INCLUDING RESCISSION)]

\*See Part II for additional information.

[The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriations Acts, is increased by \$601,259,278: *Provided*, That such amount of contracts for annual contributions is further increased by such amounts as may be necessary to permit the obligation of budget authority heretofore provided in appropriations Acts and carried over into fiscal year 1987: *Provided further*, That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriations Acts by \$7,805,668,000: *Provided further*, That any part of the amount of the increase in budget authority provided for in the immediately foregoing proviso that is available under this Act for public housing development and acquisition costs or which is to be used for amendments for such costs, shall be available as an appropriation of funds, to remain available until expended, for grants, which are hereby authorized in lieu of loans under section 4(a) of the United States Housing Act of 1937 (42 U.S.C. 1437b), and which the Secretary may make on substantially the same terms (except for repayment unless repayment is a properly imposed sanction) as those heretofore set forth in annual contributions contracts for loans and annual contributions: *Provided further*, That during 1987 and thereafter, any amounts of budget authority which are carried over from a prior year, or which are otherwise available for obligation, and which are available for public housing development and acquisition costs, together with any amounts of budget authority which are to be used for amendments for such costs, in accordance with any Act, shall also be made available as an appropriation of funds for grants, under the same terms as those applying under the immediately preceding proviso: *Provided further*, That of the budget authority provided herein, \$137,938,000 shall remain available until expended for assistance in financing the development or acquisition cost of public housing for Indian families; \$1,436,940,000 shall be available as an appropriation of funds, to remain available until expended, for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 1437i); \$1,602,786,540 shall be for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); \$790,950,000 shall be for the section 8 existing housing program (42 U.S.C. 1437f); \$716,287,500 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f); \$1,025,000,000 shall be available for the housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f), for use, notwithstanding the limitations in section 8(o)(1) of such Act that the Secretary conduct a demonstration, and in section 8(o)(4) of such Act that the Secretary use substantially all authority in connection with certain programs, in connection with the rental rehabilitation program under section 17 of such Act and for any other purposes as determined by the Secretary; \$200,000,000 shall be available as an appropriation of funds, to remain available until September 30, 1989, only for rental rehabilitation grants pursuant to section 17(a)(1)(A) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437o); and \$99,550,000 shall be available as an appropriation of funds, to remain available until September 30, 1989, only for development grants pursuant to section 17(a)(1)(B) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437o):

## General and special funds—Continued

## ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING—Continued

## 【 (INCLUDING RESCISSION) 】—Continued

*Provided further*, That with respect to grants as authorized by section 17(a)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437o) which are made using funds made available under this paragraph, notwithstanding the rental housing vacancy rate criteria of the third and sixth sentences of section 17(d)(2) of such Act, no unit of general local government shall be eligible for such a grant unless the percentage of rental dwelling units within its jurisdiction which are vacant is less than the national percentage of rental dwelling units that are vacant and a percentage of rental dwelling units within its jurisdiction which are vacant for more than two months is less than the national percentage of dwelling units that are vacant for more than two months, except that the housing vacancy criteria specified in this paragraph shall not apply to grants authorized by the seventh sentence of such section 17(d)(2): *Provided further*, That of the \$7,805,668,000 of budget authority provided herein, \$200,000,000 shall remain available until expended for assistance in financing the development or acquisition cost of public housing (other than for Indian families) and for major reconstruction of obsolete public housing projects (other than for Indian families), and an amount equal to the amounts of budget authority which have been reserved or obligated for such purpose in a prior year and which are recaptured during fiscal year 1987 (not including such amounts as may be recaptured from amounts heretofore obligated for such assistance for Indian families, and amounts that become available for rescission pursuant to section 4(c)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437(b) shall also be made available as an appropriation of funds for such purpose: *Provided further*, That any part of the \$200,000,000 and the recaptured amount referred to in the immediately foregoing proviso may in the discretion of the Secretary, based on applications submitted by public housing authorities, be used for new construction or major reconstruction of obsolete public housing projects (other than for Indian families): *Provided further*, That an amount equal to the amounts of budget authority which have been reserved or obligated for assistance in financing the development or acquisition cost of public housing for Indian families and which have been recaptured (not including amounts that become available for rescission pursuant to section 4(c)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437(b)), in addition to other amounts of budget authority specified for such purpose under this Act, shall be made available as an appropriation of funds, to remain available until expended for grants for such development or acquisition cost of public housing for Indian families: *Provided further*, That an amount equal to the amounts of budget authority which have been reserved or obligated for assistance for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 1437l) and which are recaptured (not including amounts that become available for rescission pursuant to section 4(c)(3) of the Act (42 U.S.C. 1437(b)) or which are carried over from a prior year or are otherwise available for obligation, shall be made available as an appropriation of funds, to remain available until expended, for grants for modernization of existing public housing projects: *Provided further*, That none of the amounts available for obligation in 1987 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): *Provided further*, That all amounts of budget authority (and contract authority) equal to the amounts of budget authority (and contract authority) reserved or obligated for programs under section 8 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f), which are recaptured during fiscal year 1987 shall be rescinded.】

【Amounts of funds for rental rehabilitation grants as authorized by section 17(a)(1)(A) of the United States Housing Act of 1937 and for development grants as authorized by section 17(a)(1)(B) of such Act (42 U.S.C. 1437o) that were appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371, 98 Stat. 1213, 1215, amending Public Law 98-45, 97 Stat. 219, 220), to become available in part during fiscal year 1984, and in part on October 1, 1984, shall remain available for obligation until September 30, 1987; and the balance of the amounts of funds for rental rehabilitation grants and for development grants, that were appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1986 (Public Law 99-160, 99 Stat. 909), to be available during fiscal year 1986, which remains following sequestration under the President's order of February 1, 1986, pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985

(Public Law 99-177; H. Doc. 99-160, 99th Cong. 2d Sess., pages 462-463), shall remain available until September 30, 1988: *Provided*, That the foregoing extensions of the periods of availability for the respective amounts of funds shall apply only to amounts which are recaptured, and section 17(b)(4) of the United States Housing Act of 1937 (relating to reallocations of fund amounts for rental rehabilitation) shall not apply to the respective amounts for rental rehabilitation grants: *Provided further*, That section 17(d)(4)(G) of such Act is amended by inserting before the semicolon the following: “(36 months after notice in the case of projects for which funding notices were issued prior to July 23, 1985)”】

【Section 17(f) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: “This subsection shall not apply to requirements relating to rents imposed on a structure as a condition of receiving financial assistance under a program of the State of New York for the rehabilitation of the structure if (1) the dollar amount of the State financial assistance (including the principal amount of loans) exceeds the dollar amount of financial assistance provided for the structure under this section, and (2) the structure is privately owned by (A) a person or family whose income does not exceed 80 percent of the median income for the metropolitan statistical area where the structure is located (or the county, if located outside such an area), or (B) a not-for-profit corporation or charitable organization which has as one of its primary purposes the improvement of housing for such persons, or by a wholly owned subsidiary of such a corporation or organization.”】

【The method of calculation, the preliminary fee, and the percentage established for administrative fees paid to a public housing agency administering a contract under this heading shall be the method of calculation, the preliminary fee, and the percentage established by the Secretary as of September 30, 1986.】

*For assistance under the United States Housing Act of 1937, as amended (42 U.S.C. 1437), not otherwise provided for, \$3,919,889,313, to remain available until expended: Provided, That of the total amount provided herein, for assistance under such Act, \$71,520,853 shall be available for the development or acquisition of housing for Indian families; \$563,060,000 shall be available for modernization of existing public housing projects pursuant to section 14 (42 U.S.C. 1437l); and \$2,013,715,000 shall be available for the housing voucher program under section 8(o) (42 U.S.C. 1437f): Provided further, That the foregoing amount for the housing voucher program shall be made available notwithstanding the limitations in section 8(o)(1) that the Secretary conduct a voucher demonstration, and in section 8(o)(4) that the Secretary use substantially all voucher authority in connection with certain programs: Provided further, That any amounts of unreserved budget authority heretofore provided under this head under prior appropriation acts shall be carried over and shall be available for use in fiscal year 1988 as an appropriation of funds without regard to whether such budget authority has heretofore been available as an appropriation of funds: Provided further, That except as specified below, amounts carried over in accordance with the immediately preceding proviso shall be merged with amounts made available hereunder: Provided further, That amounts heretofore provided under this head for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q), for modernization of existing public housing projects pursuant to section 14 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437l), and for rental rehabilitation grants pursuant to section 17(a)(1)(A) of such Act (42 U.S.C. 1437o) shall not be so merged and shall be available in accordance with the terms under which amounts for such programs were appropriated: Provided further, That any amounts of budget authority (and contract authority) provided under this head in any Act with respect to fiscal years prior to 1988 which are recaptured (including by deobligation) or deobligated during fiscal year 1988, except amounts appropriated for rental rehabilitation grants under section 17(a)(1)(A) of the United States Housing Act of 1937, as amended, are rescinded: Provided further, That none of the amounts available for obligation in 1988 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): Provided further, That notwithstanding any other provision of law, the Secretary shall determine the method of calculation, the preliminary fee, and the percentage established for administrative fees paid to a public housing agency administering assistance in fiscal year 1988 or thereafter.*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

RENTAL HOUSING ASSISTANCE  
(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1) is reduced in fiscal year [1987] 1988 by not more than [ \$3,500,000 ] \$2,000,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

[RENT SUPPLEMENT]  
(RESCISSION)

[The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s) is reduced in fiscal year 1987 by not more than \$2,900,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	86-0164-0-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Assistance contracts:				
00.01	Lower income housing (section 8)	7,227,062	5,362,343	2,852,799
00.02	Public and Indian housing	5,155,880	2,507,309	780,063
00.03	Rent supplement	43,666	48,573	41,170
00.04	Homeownership and rental housing assistance (sections 235 and 236)	66,817	204,086	100,327
00.05	Rental housing development grants	79,423	109,550	
00.06	Rental rehabilitation grants	87,307	220,193	10,000
10.00	Total obligations (object class 41.0)	12,660,155	8,452,054	3,784,359
<b>Financing:</b>				
Recovery of prior year obligations:				
17.00	Rental development and rehabilitation grants	-27,177	-29,781	-10,000
17.00	Debt forgiveness	-7,632,431	-7,800,000	-10,000,000
17.00	Sections 235 and 236	-929,130	-1,468,182	-140,000
17.00	Rent supplement	-587,151	-411,318	-21,164
17.00	Other	-663,577	-390,600	-347,800
Unobligated balance, start of year:				
21.40	Grants (available)	-2,871	-412	-2,109,653
21.49	Administrative commitments (reserved)	-45,503,424	-42,577,941	-42,063,590
21.49	Contract authority (available)	-3,824,849	-2,999,054	-1,461,230
22.49	Unobligated balance transferred, net	352	10,000	10,000
Unobligated balance rescinded (Public Laws 93-529, 98-371, 99-160, 99-500, 99-591, and 99-272):				
23.40	Rental housing assistance	134,554	54,000	52,000
23.40	Rent supplement	586,342		
23.40	Debt forgiveness	7,632,431	7,800,000	10,000,000
23.40	Other	1,092,098	199,100	347,800
Unobligated balance, end of year:				
24.40	Grants (available)	412	2,109,653	2,730,871
24.49	Administrative commitments	42,577,941	42,063,590	42,319,792
24.49	Contract authority (available)	2,999,054	1,461,230	740,165
25.00	Unobligated balance lapsing	1,024,358	1,353,329	88,339
39.00	<b>Budget authority</b>	<b>9,537,087</b>	<b>7,825,668</b>	<b>3,919,889</b>
Budget authority:				
Current:				
40.00	Appropriation	3,836,645	4,507,671	3,919,889
49.00	Contract authority (appropriation acts)	5,700,442	3,297,997	
50.00	Reappropriation		20,000	
Permanent:				
60.00	Appropriation	10,539,926	10,023,055	10,826,040
60.49	Portion applied to liquidate contract authority	-10,539,926	-10,023,055	-10,826,040
63.00	<b>Appropriation (adjusted)</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	12,660,155	8,452,054	3,784,359
Obligated balance, start of year:				
72.40	Appropriation	597,037	594,496	825,983

72.49	Contract authority	198,922,759	191,563,027	179,877,303
Obligated balance, end of year:				
74.40	Appropriation	-594,496	-825,983	-2,996,823
74.49	Contract authority	-191,563,027	-179,877,303	-160,379,920
78.00	Adjustments in unexpired accounts	-9,839,466	-10,099,881	-10,518,964
90.00	Outlays	10,182,962	9,806,410	10,591,938
Distribution of outlays by program:				
	Subsidized housing, total	10,182,962	9,806,410	10,591,938
	Lower income housing assistance (sec. 8)	7,430,234	7,841,560	8,298,255
	Public housing	1,700,835	743,003	1,066,865
	Rent supplement	46,577	43,128	43,769
	Homeownership assistance (sec. 235)	209,683	203,232	193,730
	Rental housing assistance (sec. 236)	633,390	619,987	619,119
	College housing grants	20,149	21,000	21,000
	Rental housing development grants	61,811	157,000	211,700
	Rental rehabilitation grants	80,283	177,500	137,500

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

Status of Unfunded Contract Authority (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year:			
Annual contributions for assisted housing	197,047,157	188,453,189	176,964,421
Homeownership and rental housing assistance	35,072,842	33,213,081	31,038,335
Rent supplement	3,546,187	2,832,068	2,753,138
College housing grants	605,134	584,985	563,985
Total unfunded balance, start of year	236,271,320	225,083,323	211,319,879
Contract authority:			
Annual contributions for assisted housing	9,393,537	5,656,040	
Unfunded balances rescinded:			
Rent supplement	-586,342		
Rental assistance	-134,554	-54,000	-52,000
Annual contributions for assisted housing	-8,296,008	-7,999,100	-10,347,800
Total, unfunded balances rescinded	-9,016,904	-8,053,100	-10,399,800
Unobligated balance lapsing or restored:			
Homeownership and rental housing assistance	-881,782	-1,297,527	-53,306
Annual contributions for assisted housing			
Rent supplement	-81,200	-35,802	-35,033
Total, unobligated balance lapsing	-962,982	-1,333,329	-88,339
Unobligated balances transferred for liquidation	-10,539,926	-10,023,055	-10,826,040
Other transfers	-61,722	-10,000	-10,000
Unfunded balance, end of year:			
Annual contributions for assisted housing	188,453,189	176,964,421	156,658,199
Homeownership and rental housing assistance	33,213,081	31,038,335	30,120,180
Rent supplement	2,832,068	2,753,138	2,674,336
College housing grants	584,985	563,985	542,985
Total unfunded balance, end of year	225,083,323	211,319,879	189,995,700

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

Summary of Administrative Commitments

(In thousands of dollars)

Program by activities:	1986 actual	1987 est.	1988 est.
Assistance contracts:			
Lower income housing (section 8)	7,068,307	5,959,100	3,228,008
Public and Indian housing	2,872,273	2,109,653	691,881
Rent supplement	43,666	48,573	41,170
Homeownership and rental housing assistance (sections 235 and 236)	66,817	204,086	100,327
Grants:			
Rental housing development grants	82,648	109,550	
Rental rehabilitation grants	90,532	220,193	10,000
Subtotal	10,224,243	8,651,155	4,071,386
Net recapture of administrative commitments	-489,571	-713,452	-30,825
Administrative commitments, start of year	45,503,424	42,577,941	42,063,590
Administrative commitments, end of year	-42,577,941	-42,063,590	-42,319,792
Total obligations	12,660,155	8,452,054	3,784,359

## General and special funds—Continued

## ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING—Continued

[(RESCISSION)]—Continued

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	9,537,087	7,825,668	3,919,889
Outlays .....	10,182,962	9,806,410	10,591,938
Supplemental under existing legislation:			
Budget authority .....			
Outlays .....			-72,823
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays .....			-60,000
Rescission proposal:			
Budget authority .....		-463,313	
Outlays .....		-12,500	-74,800
Total:			
Budget authority .....	9,537,087	7,362,355	3,919,889
Outlays .....	10,182,962	9,793,910	10,384,315

The subsidized housing schedule reflects appropriations for grants for the public and Indian housing programs starting in 1987. In addition, the schedule reflects the fact that appropriations also are being proposed for 1988 for the section 8 programs rather than release of contract/budget authority.

As part of the Administration's continuing effort to reduce the deficit, rescissions are being proposed for 1987 for Rental Housing Development Grants (\$109.6 million), Rental Rehabilitation Grants (\$125.0 million), and the section 8 moderate rehabilitation program (\$238.8 million). In addition, supplemental appropriation language is being proposed to carry over into 1988 some of the budget authority made available for 1987. This includes \$436.9 million of modernization funding and \$267.2 million of section 8 assistance for the elderly or handicapped.

Several cost-cutting measures and program administration improvements are being proposed for 1988. These include: income recertification of assisted housing tenants, equality between certificate and voucher fees, adjustments to the section 8 existing program vacancy payment procedures and revisions to the annual adjustment factor process.

*Lower-income housing (section 8).*—The budget proposes the reservation of 100,000 units in 1988—1,000 Indian Housing units and 99,000 section 8 units. The total includes 82,000 incremental units—comprised of 2,000 section 202 elderly or handicapped units, 1,000 units for Indian families and 79,000 vouchers. The balance of 18,000 units are for section 8 opt-outs, demolitions, prepayment units, loan management and property disposition. In addition to 2,500 units made available under the regular property disposition program, the budget assumes the use of 1,500 vouchers for this purpose in 1988.

*Public and Indian housing.*—The budget proposes to fund 1,000 units of Indian Housing in 1988. Amounts are also included for amendments to prior year contracts and lease adjustments. A total of \$563 million of new appropriations are being requested for modernization in 1988 which, when combined with the \$436.9 million proposed for carryover from 1987 into 1988, will permit a program level of \$1.0 billion of modernization in 1988.

*Rental rehabilitation and development grants.*—The Housing and Urban-Rural Recovery Act of 1983 authorized programs of assistance grants to States and localities to stimulate the rehabilitation of older multifamily units and the development of new construction units.

Of the \$200 million appropriated for Rental Rehabilitation grants in 1987, a rescission of \$125 million is proposed—leaving a balance of \$75 million of new appropriations for the year and \$20 million of reappropriated funds. For 1988, an appropriation of \$75 million is being requested separate from the subsidized housing account in the Community Planning and Development part of the HUD. The Rental Housing Development Grant program (HoDAG) is proposed to be terminated in 1988 and language is being proposed for 1987 to rescind the \$99.6 million appropriated for 1987 and the estimated recapture of \$10 million.

*Rent supplement.*—The program of reservations for the conversion of units from Rent Supplement to section 8 was completed in 1986. However, recaptures will continue from the pipeline of units for which section 8 authority has been reserved, but which have not yet been recaptured and rescinded. A supplemental is being proposed in 1987 to cancel any recaptured rent supplement or rental housing assistance authority. Rent supplement assistance payments will continue to be made on behalf of qualified low-income tenants in approximately 29,000 units which have not converted to section 8.

*Section 235.*—The Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181) authorized a restructured section 235 program based on a 10-year interest reduction subsidy. A total of \$150 million of budget authority was provided in the Second Supplemental Appropriations Act of 1984 (Public Law 98-396) to fund the program, and it is estimated that the unobligated balances will be reserved in 1987. Recaptures of budget authority from terminations must be transferred into the Homeownership Assistance Fund account established pursuant to Public Law 98-181. Amounts deposited will be available for use to assist program beneficiaries still in need of assistance at the expiration of their present ten-year assistance contracts.

*Section 236.*—The Housing and Urban Development Act of 1968, as amended, authorizes the section 236 Rental Housing Assistance Program which subsidizes the monthly mortgage payment that an owner of a rental or cooperative project is required to make. This interest subsidy reduces rents for lower income tenants.

*College housing grants.*—No new applications for grants have been approved since the program was terminated in 1973. Payments are made pursuant to the existing contracts.

## RENTAL HOUSING DEVELOPMENT GRANTS

## Summary of Obligations

[In thousands of dollars]

Program by activities:	1986 actual	1987 est.	1988 est.
Total obligations .....	82,648		
Financing:			
Recovery of prior year obligations .....	-10,692	-9,781	
Unobligated balance available, start of year .....	-400	-219	
Unobligated balance rescinded .....		10,000	

Unobligated balance available, end of year.....	219		
Budget authority .....	71,775		
Budget authority:			
Appropriation: Grant (P.L. 98-371) .....	75,000	99,550	
Reduction pursuant to P.L. 99-177 .....	-3,225		
Appropriation rescission proposal .....		-99,550	
Appropriation (adjusted) .....	71,775		
Relation of obligations to outlays:			
Obligations incurred, net .....	82,648		
Obligated balance, start of year .....	313,879	324,024	162,243
Obligated balance, end of year .....	-324,024	-162,243	-343
Adjustment in unexpired account .....	-10,692	-4,781	
Outlays.....	61,811	157,000	161,900

The budget proposes language that would terminate the Rental Housing Development Grants program and repeal authorizing language in section 17 of the United States Housing Act of 1937. In addition, language is being proposed to rescind the \$99.6 million of authority provided in 1987 appropriations legislation and another \$10 million of recaptured funds. Under the program, assistance is provided to States and units of local government to enable the development of rental housing.

**RENTAL REHABILITATION GRANTS**

**Summary of Obligations**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Program by activities:			
Total obligations .....	90,532	220,193	85,000
Financing:			
Recovery of prior year obligations .....	-16,485	-20,000	-10,000
Unobligated balance available, start of year .....	-2,471	-193	
Unobligated balance available, end of year .....	193		
Unobligated balance lapsing .....	6	20,000	
Budget authority .....	71,775	220,000	75,000
Budget authority:			
Appropriation: Grant .....	75,000	200,000	75,000
Reduction pursuant to Public Law 99-177 .....	-3,225		
Appropriation rescission proposal .....		-125,000	
Reappropriation .....		20,000	
Appropriation (adjusted) .....	71,775	95,000	75,000
Relation of obligations to outlays:			
Obligations incurred, net .....	90,532	95,193	85,000
Obligated balance, start of year .....	283,158	276,922	187,115
Obligated balance, end of year .....	-276,922	-187,115	-149,615
Adjustments to unexpired accounts .....	-16,485	-20,000	-10,000
Outlays.....	80,283	165,000	112,500

The budget proposes an appropriation for the Rental Rehabilitation Grants Program of \$75 million in 1988. Language is being proposed for 1987 to rescind \$125 million of the \$200 million appropriated for the program. The balance of the appropriation of \$75 million, combined with a reappropriation of \$20 million of 1986 unobligated balances, would result in a \$95 million program level for 1987. The 1988 appropriation is being proposed in the Community Planning and Development Section of the HUD budget. Under this grant program, authorized by section 17 of the U.S. Housing Act of 1937, assistance has been provided to States and cities to enable the rehabilitation of rental properties in support of the section 8 voucher program.

**ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	86-0164-2-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....			
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....			-60,000
24.49	Unobligated balance available, end of year: Contract authority .....			60,000
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
78.00	Adjustments in unexpired account .....			-60,000
90.00	Outlays .....			-60,000

This schedule reflects savings associated with proposed improvements to subsidized housing income verification procedures. The proposal would allow HUD to require tenants to provide their social security numbers or employer identification numbers. In addition, the proposal would authorize and require State employment security agencies to release income/wage data to HUD or other administering agencies in order to verify tenant income using post-audit computer matching. Additional authorizing language will be proposed to implement this change.

**[TROUBLED PROJECTS OPERATING SUBSIDY]**

[For assistance payments to owners of eligible multifamily housing projects insured, or formerly insured, under the National Housing Act, as amended, in the program of operating subsidies for troubled multifamily housing projects under the Housing and Community Development Amendments of 1978, all uncommitted balances of excess rental charges and any collections after September 30, 1986, to remain available until September 30, 1988: *Provided*, That assistance payments to an owner of a multifamily housing project assisted, but not insured, under the National Housing Act may be made if the project owner and the mortgagee have provided or agreed to provide assistance to the project in a manner as determined by the Secretary of Housing and Urban Development.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	86-0172-0-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	11,405	86,491	86,491
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-22,200	-85,308	
17.00	Recovery of prior year obligations .....	-237		
21.40	Unobligated balance available, start of year .....	-76,642	-87,675	-86,491
24.40	Unobligated balance available, end of year .....	87,675	86,491	
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-10,795	1,183	86,491
72.40	Obligated balance, start of year .....	18,477	9,364	5,274
74.40	Obligated balance, end of year .....	-9,364	-5,274	-45,882
77.00	Adjustments in expired accounts .....	-250		
78.00	Adjustments in unexpired accounts .....	-237		
90.00	Outlays .....	-2,170	5,274	45,882

General and special funds—Continued

[(TROUBLED PROJECTS OPERATING SUBSIDY)]—Continued

Troubled projects operating subsidies are provided to financially troubled subsidized projects assisted under certain FHA insuring authorities. The subsidies are intended to prevent potential losses to the FHA fund resulting from project insolvency and to preserve these projects as a viable source of housing for low- and moderate-income tenants.

Funding is provided for essential repairs to correct deficiencies resulting from deferred maintenance. No appropriation is requested for 1988. However, an estimated carryover balance of \$86.5 million will be available in 1988 to provide financial assistance to approximately 219 projects based on current demand for the program.

[CONGREGATE SERVICES]

[For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance with the provisions of the Congregate Housing Services Act of 1978, \$3,400,000, to remain available until September 30, 1988.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-0178-0-1-604			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,821	5,942	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-2,890	-2,542	
24.40 Unobligated balance available, end of year	2,542		
25.00 Unobligated balance lapsing	82		
40.00 Budget authority (appropriation)	2,555	3,400	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2,821	5,942	
72.40 Obligated balance, start of year	8,403	6,450	6,392
74.40 Obligated balance, end of year	-6,450	-6,392	
77.00 Adjustments in expired accounts	-384		
90.00 Outlays	4,390	6,000	6,392

This demonstration program tested whether contracting directly with local public housing agencies and section 202 housing for the elderly or handicapped sponsors to supply congregate services is more effective than alternative Health and Human Services (HHS) and other social services programs. Congregate services can include meal services and other support services. These three- to five-year contracts commenced in 1980 and were evaluated over the life of the contracts. No additional resources are requested for 1988.

[HOUSING COUNSELING ASSISTANCE]\*

\*See Part II for additional information.

[For contracts, grants, and other assistance, not otherwise provided for, for providing counseling and advice to tenants and homeowners—both current and prospective—with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as author-

ized by section 106(a)(1)(iii) and section 106(a)(2) of the Housing and Urban Development Act of 1968, as amended, \$3,500,000.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-0156-0-1-506			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	3,312	3,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	3,312	3,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	3,312	3,500	
72.40 Obligated balance, start of year	3,888	4,267	4,268
74.40 Obligated balance, end of year	-4,267	-4,268	-768
77.00 Adjustments in expired accounts	-132		
90.00 Outlays	2,802	3,500	3,500

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	3,312	3,500	
Outlays	2,802	3,500	3,500
<b>Rescission proposal:</b>			
Budget authority		-3,500	
Outlays			-2,980
<b>Total:</b>			
Budget authority	3,312		
Outlays	2,802	3,500	520

The Housing counseling assistance program provides comprehensive housing counseling services to eligible homeowners or tenants, including default, prepurchase and renter counseling. In light of the inconclusive record of this program and the fact that communities may use Community Development Block Grant funds for this purpose, the Budget proposes the rescission of 1987 appropriated funds (See Part II of this volume) and no additional appropriation is requested in 1988.

SHELTER PROGRAMS

[SEC. 501. SHORT TITLE.]

[This title may be cited as the "Homeless Housing Act of 1986".]

[SEC. 516. LIMITATION ON BUDGET AUTHORITY.]

[The aggregate amount of non-interest bearing advances and annual payments for operating expenses made by the Secretary under this part in fiscal year 1987 may not exceed \$5,000,000 from the amount made available under section 526. Such amount shall remain available until expended.]

[SEC. 526. APPROPRIATIONS FOR PARTS B AND C.]

[There are authorized to be appropriated and there are hereby appropriated to the Department of Housing and Urban Development for fiscal year 1987, \$15,000,000 to remain available until expended to carry out part B and this part.]

*For non-interest bearing advances, annual payments for operating expenses, and related expenses, not otherwise provided for, necessary for carrying out a transitional housing demonstration program, pursuant to title V, Part B, of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as incorporated by reference in Public Laws 99-500 and 99-591, \$5,000,000, to remain available until expended. (Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 86-0181-0-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Transitional housing demonstration .....		5,000	5,000
00.02 Emergency shelter grants.....		10,000	
10.00 Total obligations (object class 41.0).....		15,000	5,000
<b>Financing:</b>			
40.00 <b>Budget authority</b> .....		<b>15,000</b>	<b>5,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		15,000	5,000
72.40 Obligated balance, start of year.....			7,400
74.40 Obligated balance, end of year.....		-7,400	-8,100
90.00 Outlays.....		7,600	4,300

The Homeless Housing Act of 1986 authorizes the Secretary to make Emergency Shelter Grants to States, units of local government, and nonprofit organizations to provide emergency shelter and other support for the homeless. The Assistant Secretary for Community Planning and Development administers this program. In 1987, an appropriation of \$10 million is available. For 1988, funding for similar activity is being assumed by the Federal Emergency Management Administration.

The Transitional Housing Demonstration is also authorized by the Homeless Housing Act of 1986. The Assistant Secretary for Housing administers this demonstration which will test innovative approaches in providing shelter and supportive services designed to assist homeless persons achieve independent living. An appropriation of \$5 million is available for 1987 and \$5 million is proposed for 1988.

**MOBILE HOME STANDARDS PROGRAM**

**Program and Financing** (in thousands of dollars)

Identification code 86-0167-0-1-376	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	198	198	
74.40 Obligated balance, end of year.....	-198		
77.00 Adjustments in expired accounts.....		-198	
90.00 Outlays.....			

The budget assumes that appropriated funds enacted to initiate the Mobile home standards program will be deobligated by the end of 1987.

**MANUFACTURED HOME INSPECTION AND MONITORING**

**Program and Financing** (in thousands of dollars)

Identification code 86-5271-0-2-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Transfer to salaries and expenses.....	884	685	686
00.02 Other program costs.....	4,490	5,643	5,732
10.00 Total obligations (object class 25.0).....	5,374	6,328	6,418
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,289	-2,190	-1,622
24.40 Unobligated balance available, end of year.....	2,190	1,622	964
60.00 <b>Budget authority (appropriation) (permanent, indefinite) (special fund)</b> .....	<b>5,275</b>	<b>5,760</b>	<b>5,760</b>

**Relation of obligations to outlays:**

	1986 actual	1987 est.	1988 est.
71.00 Obligations incurred, net.....	5,374	6,328	6,418
72.40 Obligated balance, start of year.....	890	793	721
74.40 Obligated balance, end of year.....	-793	-721	-700
90.00 Outlays.....	5,471	6,400	6,439

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	5,275	5,760	5,760
Outlays.....	5,471	6,400	6,439
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			
Outlays.....			561
<b>Total:</b>			
Budget authority.....	5,275	5,760	5,760
Outlays.....	5,471	6,400	7,000

Section 620 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended, authorizes enforcement of appropriate construction standards for the construction, design and performance of manufactured homes to assure their quality, durability and safety. All manufactured homes produced since the standards took effect on June 15, 1976 must comply with Federal construction and safety standards. The States are actively encouraged to participate in the program under compliance plans approved by HUD.

A fee is charged to the manufacturers for each manufactured home produced to cover the costs of the monitoring and enforcement activities by HUD contract agents. These fees are deposited in a special fund administered by the Department. Fee receipts are transferred to the Salaries and expenses account to defray the direct administrative expenses of the program.

**MANUFACTURED HOME INSPECTION AND MONITORING**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 86-5271-2-2-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....			561
<b>Financing:</b>			
24.40 Unobligated balance available, end of year.....			-561
39.00 <b>Budget authority</b> .....			
<b>Relations of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			561
90.00 Outlays.....			561

Legislation will be proposed to permit HUD to use current fee collections to cover the full direct administrative expenses associated with the program.

**INTERSTATE LAND SALES**

**Program and Financing** (in thousands of dollars)

Identification code 86-5270-0-2-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	520	750	1,400
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-34	-34

## General and special funds—Continued

## INTERSTATE LAND SALES—Continued

## Program and Financing (in thousands of dollars)—Continued

Identification code	86-5270-0-2-376	1986 actual	1987 est.	1988 est.
24.40	Unobligated balance available, end of year.....	34	34	34
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>554</b>	<b>750</b>	<b>1,400</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	520	750	1,400
72.40	Obligated balance, start of year.....	12	11	11
74.40	Obligated balance, end of year.....	-11	-11	-11
90.00	Outlays.....	521	750	1,400

The Interstate Land Sales Full Disclosure Act provides protection to the public with respect to purchases or leases of subdivision lots. Statements of record must be filed with the Secretary before subdivisions with 100 or more lots may be sold in interstate commerce, except when the subdivision is eligible for exemption.

The Secretary is authorized to charge a fee, to be paid by the developer when filing a statement of record. The fee receipts are permanently appropriated and have helped finance a portion of the direct administrative expenses incurred in program operations. During 1988, the schedule of fees will be changed to provide additional receipts to fully offset program costs. Legislation will be proposed to remove the current \$1,000 fee limit on any one developer.

## HOMEOWNERSHIP ASSISTANCE FUND

## Program and Financing (in thousands of dollars)

Identification code	86-4043-0-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....			
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-3		
21.98	Unobligated balance available, start of year.....		-352	-10,352
22.98	Unobligated balance transferred, net.....	-350	-10,000	-10,000
24.98	Unobligated balance available, end of year.....	352	10,352	20,352
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-3		
72.10	Receivables in excess of obligations, start of year.....		-3	-3
74.10	Receivables in excess of obligations, end of year.....	3	3	3
90.00	Outlays.....			

The Homeownership Assistance Fund was established by the Housing and Urban-Rural Recovery Act of 1983. It provides for the receipt of recaptures of budget authority, cash, and interest earnings under the restructured section 235 program. The funds are authorized to be used, to the extent approved in Appropriation Acts, by the Secretary to provide additional section 235 assistance payments for mortgagors who are unable to assume the full payment due under the mortgage after the termination of the original 10-year assistance payments contract.

## Public enterprise funds:

## TITLE III—CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development and the Federal Home Loan Bank Board which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for [1987] 1988 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

## FEDERAL HOUSING ADMINISTRATION FUND

For payment to cover losses, not otherwise provided for, sustained by the Special Risk Insurance Fund and General Insurance Fund as authorized by the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f)), [272,955,000] \$169,652,000, to remain available until expended.

During [1987] fiscal year 1988, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the National Housing Act, as amended.

During [1987] fiscal year 1988, additional commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, shall not exceed a loan principal of [100,000,000,000] \$79,260,500,000.

During fiscal year [1987] 1988, gross obligations for direct loans of not to exceed [73,800,000] \$82,575,000 are authorized for payments under section 230(a) of the National Housing Act, as amended, from the insurance fund chargeable for benefits on the mortgage covering the property to which the payments made relate, and payments in connection with such obligations are hereby approved.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

## Program and Financing (in thousands of dollars)

Identification code	86-4070-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Administrative.....	246,959	306,962	339,974
00.02	Interest to Treasury.....	277,954	262,125	229,925
00.03	Interest on debentures.....	18,487	17,260	16,600
00.04	Other operating costs.....	28,931	64,000	79,100
00.05	Participation payments.....	123,435	115,000	115,000
00.06	Property expenses.....	195,249	299,090	351,758
00.07	Loss on defaulted guaranteed loans.....	5,159	57,366	160,409
00.91	Total operating expenses.....	896,174	1,121,803	1,292,766
Capital investment:				
01.01	Acquisition of defaulted notes.....	99,362	90,100	85,760
01.02	Assignment of defaulted mortgages.....	303,548	129,340	70,763
01.03	Acquisition of real properties.....	2,497,572	2,732,323	2,843,215
01.04	Temporary mortgage assistance payments.....		49,200	82,575
01.05	Acquisition of other assets.....	1,981	5,000	5,000
01.06	Assignment of current mortgages.....	19,221	52,400	155,500
01.07	Notes taken on sale.....	538		
01.91	Total capital investment.....	2,922,222	3,058,363	3,242,813
10.00	Total obligations.....	3,818,396	4,180,166	4,535,579
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Interest on U.S. securities.....	-452,310	-605,733	-764,387

11.00	Urban homesteading .....	- 5,153	- 11,224	- 9,450
<b>Non-Federal sources:</b>				
14.00	Fees and premiums .....	- 3,116,224	- 3,282,015	- 3,063,587
14.00	Rebate of unearned prepaid premiums collected.....	103,988	144,291	114,585
14.00	Proceeds from sale of real property .....	- 1,243,919	- 2,083,069	- 2,649,596
14.00	Notes taken on sale.....	- 538		
14.00	Proceeds from sale of mortgages .....	- 11,176	- 231,729	- 258,932
14.00	Repayment of mortgage notes and sales contracts.....	- 39,502	- 32,094	- 48,208
14.00	Interest and operating income.....	- 250,199	- 319,887	- 289,377
14.00	Recoveries on defaulted mortgages .....	- 95,020	- 83,784	- 68,115
14.00	Recoveries on defaulted title I notes .....	- 15,618	- 20,200	- 20,200
14.00	Other interest, dividends, and revenue.....	- 28,694	- 30,000	- 30,000
17.00	Recovery of prior year obligations .....	- 4,021		
21.98	Unobligated balance available, start of year: Fund balance .....	- 3,837,936	- 5,286,040	- 7,522,458
24.98	Unobligated balance available, end of year: Fund balance .....	5,275,230	7,522,458	9,915,483
24.98	Unobligated balance available, end of year (P.L. 99-177) .....	10,810		
31.00	Redemption of debt .....	29,385	228,400	590,766
39.00	<b>Budget authority.....</b>	<b>137,499</b>	<b>89,540</b>	<b>432,102</b>
<b>Budget authority:</b>				
<b>Current:</b>				
40.00	Appropriation .....	239,762	272,955	169,652
40.47	Portion applied to debt reduction .....	- 157,000	- 240,915	- 118,250
43.00	<b>Appropriation (adjusted).....</b>	<b>82,762</b>	<b>32,040</b>	<b>51,402</b>
<b>Permanent:</b>				
67.10	<b>Authority to borrow (12 U.S.C. 1701) (indefinite) .....</b>	<b>54,737</b>	<b>57,500</b>	<b>380,700</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	- 1,335,969	- 2,375,278	- 2,551,688
72.98	Obligated balance, start of year: Fund balance.....	137,689	487,631	510,057
74.98	Obligated balance, end of year: Fund balance .....	- 487,631	- 510,057	- 532,541
78.00	Adjustments in unexpired accounts .....	- 4,021		
90.00	Outlays .....	- 1,689,932	- 2,397,704	- 2,574,172

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority .....	137,499	89,540	432,102	
Outlays .....	- 1,689,932	- 2,397,704	- 2,574,172	
Proposed for later transmittal under proposed legislation:				
Budget authority .....				
Outlays .....			- 486,956	
Total:				
Budget authority .....	137,499	89,540	432,102	
Outlays .....	- 1,689,932	- 2,397,704	- 3,061,128	

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4070-0-3-371				
	1986 actual	1987 est.	1988 est.	
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....	84,447	73,800	82,575
1112	Unused balance of direct loan limitation expiring.....	- 84,447	- 24,600	
<b>Obligations exempt from limitation:</b>				
1131	Direct loans to the public .....	538		
1132	Defaulted guaranteed loan claims .....	422,131	271,840	312,023
1150	<b>Total direct loan obligations.....</b>	<b>422,669</b>	<b>321,040</b>	<b>394,598</b>
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	4,204,196	4,246,093	3,852,978
<b>Disbursements:</b>				
1231	Direct loan disbursements.....	538	26,775	60,091
1232	Disbursements for guaranteed loan claims.....	422,130	271,840	312,023
<b>Repayments:</b>				
1251	Repayments and prepayments.....	- 150,477	- 136,078	- 136,523
1253	Loan asset sales to the public.....	- 11,176	- 231,729	- 258,932
<b>Adjustments:</b>				
1262	Write-offs for default .....	- 81,913	- 172,774	- 298,741
1264	Other adjustments, net <sup>1</sup> .....	- 137,205	- 151,149	- 154,120
1290	<b>Outstanding, end of year.....</b>	<b>4,246,093</b>	<b>3,852,978</b>	<b>3,376,776</b>

<sup>1</sup> Includes foreclosures of direct loans and other miscellaneous adjustments.

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 86-4070-0-3-371				
	1986 actual	1987 est.	1988 est.	
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders .....	141,500,000	100,000,000	79,260,500
2112	Unused balance of limitation expiring.....	- 38,908,330	- 13,025,300	
2150	<b>Total guaranteed loan commitments.....</b>	<b>102,591,670</b>	<b>86,974,700</b>	<b>79,260,500</b>
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	195,479,543	223,520,431	280,550,056
2231	Disbursements of new guaranteed loans.....	52,220,091	73,202,993	64,618,887
2251	Repayments and prepayments .....	- 21,254,341	- 13,111,838	- 14,457,671
<b>Adjustments:</b>				
2261	Terminations for default that result in direct loans.....	- 402,910	- 219,440	- 156,523
2262	Terminations for default that result in acquisition of property.....	- 2,497,572	- 2,732,323	- 2,843,215
2263	Terminations for default that result in claim payments.....	- 5,159	- 57,366	- 160,409
2264	Other adjustments, net .....	- 19,221	- 52,401	- 155,499
2290	<b>Outstanding, end of year.....</b>	<b>223,520,431</b>	<b>280,550,056</b>	<b>327,395,626</b>
<b>MEMORANDUM</b>				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	218,545,251	275,618,199	322,335,533

The FHA fund consists of four separate funds. Financial data for each individual fund is maintained for control and reporting purposes.

The Mutual mortgage insurance fund provides for the Department's basic single family mortgage insurance program. It is a mutual fund where mortgagors, upon termination of their mortgages, share surplus premiums paid into the fund that are not required for operating expenses or losses.

The Cooperative management housing insurance fund, also a mutual fund, provides mortgage insurance for management-type cooperatives authorized by section 213 of the National Housing Act, as amended.

The General insurance fund provides for a large number of specialized mortgage insurance programs, including the insurance of loans for property improvements as well as for cooperatives, condominiums, housing for the elderly, land development, group practice medical facilities and nonprofit hospitals.

The Special risk insurance fund provides mortgage insurance on behalf of mortgagors eligible for interest reduction payments who otherwise would not be eligible for mortgage insurance. In addition, the fund provides insurance on mortgages covering experimental housing where strict adherence to State or local building regulations is not observed. Also provided is insurance for high-risk mortgagors who normally would not be eligible for mortgage insurance.

Expenses and losses connected with defaulted notes, assigned mortgages and acquired properties are charged to the appropriate insurance fund by the mortgage insurance program. During 1988, it is estimated that applications for single-family and multifamily mortgage insurance covering 1,300,000 units will be received and that mortgage insurance will be written covering 968,808 single-family and multifamily units. In addition, it is estimated that approximately 65,182 single-family and multifamily units will be acquired by the Department during 1988 and that 73,402 single-family and

## Public enterprise funds—Continued

## FEDERAL HOUSING ADMINISTRATION FUND—Continued

multifamily units will be sold. More detailed activity information follows in the "Program Highlights" table shown below.

## PROGRAM HIGHLIGHTS

[In millions of dollars]

	1986 actual	1987 est.	1988 est.
Insurance initiation:			
Mortgage insurance applications (units).....	2,059,370	1,681,654	1,300,000
Mortgage insurance written:			
Units.....	870,565	1,244,447	968,808
Amount.....	51,109	71,967	58,282
Title I property improvement loans insured:			
Notes.....	142,780	157,000	169,000
Amount.....	1,112	1,236	1,381
Insurance maintenance: Outstanding balance of insurance in force, end of year:			
Mortgage insurance.....	217,778	274,858	316,662
Title I property improvement loan insurance.....	5,742	5,692	5,840
Maximum liability.....	(767)	(760)	(780)
Total outstanding balance of insurance in force, end of year.....	223,520	280,550	322,502
Insurance settlement:			
Property acquired during year (units):			
Homes.....	54,463	56,732	55,764
Multifamily.....	5,439	8,970	9,418
Total property acquired during year (units).....	59,902	65,702	65,182
Direct acquisitions from mortgagee.....	53,624	55,548	54,687
Foreclosure of mortgages.....	6,278	10,154	10,495
Property sales during year (units):			
Homes.....	36,387	55,422	64,629
Multifamily.....	3,292	6,110	8,773
Total property sales during year (units).....	39,679	61,532	73,402
Property on hand, end of year (units):			
Homes.....	45,561	46,871	38,006
Multifamily.....	10,762	13,622	14,267
Total property on hand (units).....	56,323	60,493	52,273
Defaulted mortgage assignments during year (units):			
Homes.....	4,348	2,000	500
Multifamily.....	6,069	3,900	3,120
Total mortgage assignments during year (units).....	10,417	5,900	3,620
Claims on current mortgages during year (units):			
Homes.....	3,726	3,800	3,800
Multifamily.....	244	3,900	19,500
Total claims on current mortgages during year (units)....	3,970	7,700	23,300
Assigned mortgages on hand, end of year (units):			
Homes.....	43,364	47,204	45,124
Multifamily.....	160,362	135,172	111,475
Total assigned mortgages on hand, end of year (units)....	203,726	182,376	156,599
Inventory of property and assigned mortgages on hand, end of year (units):			
Homes.....	88,925	94,075	83,130
Multifamily.....	171,124	148,794	125,742
Total inventory of property and assigned mortgages on hand, end of year (units).....	260,049	242,869	208,872
Claims with no acquisition:			
Number.....		3,265	9,565
Amount.....	5.2	57.4	159.4
Defaulted title I property improvement loans:			
Number.....	21,391	17,000	16,000
Amount.....	99.4	90.1	85.8

Note.—1988 data include impact from legislative changes.

Insurance reserves from operations reflect the interest earned on mortgage notes and the income and expenses applicable to acquired properties.

Insurance reserves from operations at the end of 1988 are estimated to be in a surplus position for the Mutual mortgage insurance and Cooperative management housing insurance funds, but in a deficit status of about \$5.5 billion for the two other funds. The status of estimated insurance reserves from operations (retained income or deficit) through 1988 is as follows:

## STATUS OF INSURANCE RESERVES FROM OPERATIONS

[In millions of dollars]

Insurance fund:	1986 actual	1987 est.	1988 est.
Mutual mortgage.....	4,073	4,699	5,640
Cooperative management housing.....	22	22	22
General.....	-2,389	-2,402	-2,501
Special risk.....	-2,760	-2,850	-3,000
Total FHA Fund.....	-1,054	-531	161

Note.—1988 data include impact of proposed legislation.

The Department has taken several steps to reduce the net loss on acquisition and sale of properties and notes. These include faster foreclosures of properties in default and faster sales of acquired properties to reduce holding costs. In 1987 and 1988, the Department will offer to sell current purchase money mortgage and assigned mortgage notes from its portfolio. The mortgages will be sold without FHA insurance and are expected to result in proceeds of \$200 million and \$155 million, respectively.

For 1987, a new Temporary mortgage assistance payments program is being implemented that is designed to prevent precipitous foreclosure by helping insured homeowners who have experienced temporary financial reverses and cannot make their full monthly mortgage payments. This new program is viewed as a viable alternative to the Home mortgage assignment program currently being carried out by the Department and will assist in the effort to minimize insurance claims against the FHA fund.

**Budget program.**—The budget proposes an appropriation of \$169.7 million to restore the net realized losses from the sale of property and notes covered by the General insurance and Special risk insurance funds.

**Financing.**—An actuarial study will be conducted to determine an appropriate private market equivalent premium rate for FHA insurance. Legislation will be proposed as necessary to effectuate the recommendations of the study. In the interim, this budget assumes that FHA insurance premiums will increase from 3.8 percent to 5.0 percent for applications received after July 1, 1987. Any actual increase in the rate will be determined by the study. In addition, legislation will be proposed to limit insurance eligibility to buyers of primary residences. Also, regulations are being prepared which will require a 5% downpayment for families earning over \$40,000 per year and prohibit customary closing costs from being treated as part of the appraised value of the home. This budget also proposes termination of new insurance for Nursing Homes, section 232, and Hospital insurance, section 242.

**Operating expenses.**—Funds are paid directly into a consolidated account, Salaries and expenses, Department of Housing and Urban Development, for administrative expenses based on workload related to programs financed from the FHA fund.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
<b>Mutual mortgage insurance fund:</b>			
Revenue .....	1,230,058	1,585,177	2,097,053
Expense .....	-767,860	-847,392	-1,045,372
Net operating income .....	462,198	737,785	1,051,681
<b>Cooperative management housing insurance fund:</b>			
Revenue .....	5,755	5,338	5,033
Expense .....	-1,111	-1,134	-1,255
Net operating income .....	4,644	4,204	3,778
<b>General insurance fund:</b>			
Revenue .....	457,309	484,298	463,794
Expense .....	-493,413	-497,434	-562,436
Net operating loss .....	-36,104	-13,136	-98,642
<b>Special risk insurance fund:</b>			
Revenue .....	163,646	157,532	144,916
Expense .....	-181,781	-248,370	-295,367
Net operating loss .....	-18,135	-90,838	-150,451
Net profit or loss (-) for the year .....	412,603	638,015	806,366

Note.—1988 data include impact of proposed legislation.

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury .....	56,810	114,195	65,039	64,503
U.S. securities (par):				
Treasury issuances .....	3,783,431	5,525,440	7,862,440	10,870,476
Other agency issuances, guaranteed .....	135,383	134,036	105,036	
Accounts receivable (net) .....	943,941	1,325,947	1,325,947	1,325,947
<b>Loans receivable (net):</b>				
Mortgage notes and sales contracts .....	343,583	329,701	295,727	279,999
Assigned mortgage notes .....	1,744,923	2,655,373	2,403,173	2,064,566
Defaulted title I notes .....	93,632	190,710	196,760	198,088
Real property (net) .....	739,460	1,320,821	1,582,257	1,362,532
Other assets .....	81,838	77,524	82,524	87,525
Total assets .....	7,923,001	11,673,747	13,918,903	16,253,636
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accounts payable including funded accrued liabilities .....	554,152	738,706	738,706	738,706
Deferred credits .....	1,767,925	4,284,952	6,145,953	7,947,984
<b>Debt issued under borrowing authority:</b>				
Borrowings from Treasury .....	3,439,434	3,308,434	2,882,519	2,469,103
Debentures outstanding .....	117,157	116,509	130,609	215,709
Reserve for foreclosure costs .....	22,244	21,632	21,632	21,632
Total liabilities .....	5,900,912	8,470,233	9,919,419	11,393,134
<b>Government equity:</b>				
<b>Selected equities:</b>				
Unexpended balance: Unobligated balance .....	3,837,935	5,275,230	7,522,458	10,402,438
Unobligated balance available (P.L. 99-177) .....		10,810		
Unfilled orders .....	-1,243,002	-3,212,636	-5,073,635	-6,875,665
Undelivered orders .....	2,555	2,555	24,980	47,464
Invested capital .....	-575,399	1,127,554	1,525,681	1,286,265
Total Government equity .....	2,022,089	3,203,513	3,999,484	4,860,502
<b>Analysis of changes in Government equity:</b>				
<b>Paid-in capital:</b>				
Opening balance .....	4,017,451	4,257,213	4,530,168	
Transactions: Appropriation .....	239,762	272,955	169,652	
Closing balance .....	4,257,213	4,530,168	4,699,820	
<b>Retained income:</b>				
Opening balance .....	-1,995,362	-1,053,699	-530,684	

<b>Transactions:</b>			
Net profit or loss (-) .....	412,603	638,015	806,366
Participation payments .....	-123,435	-115,000	-115,000
Adjustments .....	652,495		
Closing balance .....	-1,053,699	-530,684	160,682
Total Government equity (end of year) .....	3,203,514	3,999,484	4,860,502

Note.—1988 data include impact of proposed legislation.

Object Classification (in thousands of dollars)

Identification code 86-4070-0-3-371	1986 actual	1987 est.	1988 est.
<b>Other services:</b>			
25.0 Fee expenses .....	9,445	14,000	7,000
25.0 Administrative expenses .....	246,959	306,962	339,974
25.0 Miscellaneous .....	20,624	49,000	71,100
32.0 Lands and structures .....	2,691,683	3,031,413	3,194,973
33.0 Investments and loans .....	424,650	326,040	399,598
42.0 Insurance claims and indemnities .....	5,159	57,366	160,409
43.0 Interest and dividends .....	296,441	279,385	246,525
44.0 Refunds .....	123,435	116,000	116,000
99.9 Total obligations .....	3,818,396	4,180,166	4,535,579

FEDERAL HOUSING ADMINISTRATION FUND  
(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 86-4070-2-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.07 Loss on defaulted guaranteed loans .....			-983
01.03 Acquisition of real properties .....			-18,430
10.00 Total obligations .....			-19,413
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Interest on U.S. securities .....			-15,556
<b>Non-Federal sources:</b>			
14.00 Fees and premiums .....			-467,437
14.00 Rebate of unearned prepaid premiums collected .....			2,932
14.00 Proceeds from sale of real property .....			12,518
24.98 Unobligated balance, end of year: Fund balance .....			486,956
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-486,956
90.00 Outlays .....			-486,956

Status of Guaranteed Loans (in thousands of dollars)

Identification code 86-4070-2-3-371	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			-9,260,500
2150 Total guaranteed loan commitments .....			-9,260,500
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....			
<b>Disbursements:</b>			
2231 Disbursements of new guaranteed loans .....			-4,955,869
2251 Repayments: Repayments and prepayments .....			42,783
<b>Adjustments:</b>			
2262 Terminations for default that result in acquisition of property .....			18,430
2263 Terminations for default that result in claim payments .....			983
2290 Outstanding, end of year .....			-4,893,673

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....			-4,893,673
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Public enterprise funds—Continued

FEDERAL HOUSING ADMINISTRATION FUND—Continued

Object Classification (in thousands of dollars)

Identification code	86-4070-2-3-371	1986 actual	1987 est.	1988 est.
32.0	Lands and structures.....			-18,430
42.0	Insurance claims and indemnities.....			-983
99.9	Total obligations.....			-19,413

This schedule reflects the impact of raising the up-front premium charge on FHA insurance from 3.8 percent to 5.0 percent effective July 1, 1987. The financial impact of this change will be felt only beginning in 1988. Insurance applications received in July will not result in premium income receipts until mortgages are actually closed in 1988. Fee and premium income is expected to increase by \$467.4 million. However, the increased charges will result in lower applications and insurance written in the FHA program. It is estimated that insurance commitments will be \$9.3 billion lower in 1988 and insurance written will be reduced by \$4.9 billion.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND\*

\*See Part II for additional information.

In [1987, \$592,661,000 of direct loan obligations may be made] 1988, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$131,474,000 under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q), utilizing the resources of the fund authorized by subsection (a)(4) of such section, in accordance with paragraph (C) of such subsection: *Provided*, That such commitments shall be available only to qualified nonprofit sponsors for the purpose of providing 100 per centum loans for the development of housing for the elderly or handicapped, with any cash equity or other financial commitments imposed as a condition of loan approval to be returned to the sponsor if sustaining occupancy is achieved in a reasonable period of time: *Provided further*, That the full amount shall be available for permanent financing (including construction financing) for housing projects for the elderly or handicapped: *Provided further*, That the Secretary may borrow from the Secretary of the Treasury in such amounts as are necessary to provide the loans authorized herein: *Provided further*, That, notwithstanding any other provision of law, the receipts and disbursements of the aforesaid fund shall be included in the totals of the Budget of the United States Government: *Provided further*, That, notwithstanding section 202(a)(3) of the Housing Act of 1959, loans made in fiscal year [1987] 1988 shall bear an interest rate which does not exceed 9.25 per centum, including the allowance adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program: *Provided further*, That none of the amounts made available for direct loan obligations in 1988 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended. (42 U.S.C. 1439).

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	86-4115-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Capital investment:</b>				
00.01	Housing for the elderly or handicapped loans ..	461,808	614,155	575,249
00.02	Maintenance security and collateral .....		3,500	3,500
00.91	Total capital investment.....	461,808	617,655	578,749
<b>Operating expenses:</b>				
01.01	Interest expense on participation certificates..	5,957	6,077	3,423

01.02	Interest on borrowings.....	505,616	552,624	580,630
01.03	Other expenses.....	460	407	332
01.91	Total operating expenses.....	512,033	559,108	584,385
10.00	Total obligations.....	973,841	1,176,763	1,163,134
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Revenue from participation sales fund.....	-2,386	-3,179	-1,694
Non-Federal sources:				
14.00	Loan repayments.....	-30,917	-32,917	-34,917
14.00	Collection on acquired security.....	-48	-48	-48
14.00	Revenue.....	-478,692	-535,467	-581,931
14.00	Sales proceeds.....			-444,333
17.00	Recovery of prior year obligations.....	-4,589	-5,545	-6,648
21.98	Unobligated balance available, start of year: Fund balance.....	-1,463,648	-1,497,938	-1,403,045
22.98	Unobligated balance transferred, net: Fund balance.....	1,516	1,493	-20,275
24.98	Unobligated balance available, end of year: Fund balance.....	1,497,938	1,403,045	893,000
31.00	Redemption of debt.....			97,323
32.47	Balance of authority to borrow withdrawn.....			339,434
47.00	Authority to borrow (appropriation acts) (current, indefinite).....	493,015	506,207	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	461,798	605,152	100,211
Obligated balance, start of year:				
72.47	Authority to borrow.....	540,858	449,583	548,957
72.98	Fund balance.....	12,113	29,714	14,921
Obligated balance, end of year:				
74.47	Authority to borrow.....	-449,583	-548,957	-595,085
74.98	Fund balance.....	-29,714	-14,921	-15,677
78.00	Adjustments in unexpired accounts.....	-4,589	-5,545	-6,648
90.00	Outlays.....	530,883	515,026	46,679

SUMMARY OF AUTHORITY AND OUTLAYS

[in thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	493,015	506,207	
Outlays.....	530,883	515,026	46,679
Supplemental under existing legislation:			
Budget authority.....		-90,731	
Outlays.....			
Total:			
Budget authority.....	493,015	415,476	
Outlays.....	530,883	515,026	46,679

Status of Direct Loans (in thousands of dollars)

Identification code	86-4115-0-3-371	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....	603,899	592,661	131,474
1112	Unused balance of direct loan limitation expiring.....	-48,158		
1150	Total direct loan obligations.....	555,741	592,661	131,474
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	5,666,573	6,189,126	6,709,663
1231	Disbursements: Direct loan disbursements.....	553,470	553,454	538,056
Repayments:				
1251	Repayments and prepayments.....	-30,917	-32,917	-34,917
1253	Loan asset sales to the public.....			-444,333
1264	Adjustments: Other adjustments, net <sup>1</sup> .....			-55,667
1290	Outstanding, end of year.....	6,189,126	6,709,663	6,712,802

<sup>1</sup> Represents discount from full value on loan asset sales.

The Housing for the elderly or handicapped fund was established pursuant to section 202 of the Housing Act of 1959, as amended. The fund provides direct loans to nonprofit organizations building and managing housing

projects for lower income persons who are elderly or handicapped.

Projects must include an assured range of necessary services for the occupants of such projects. In addition, the section 8 lower income housing assistance payments program is used in conjunction with the section 202 program. Applications under the two programs are processed simultaneously. The budget proposes a loan limitation of \$131.5 million to support 2,000 units in 1988. Also, the Department is proposing a change in authorizing legislation which would permit the sale of section 202 loans. The sales are expected to generate approximately \$444.3 million in proceeds.

The program and financing schedule for this account summarizes the Federal government's obligations for this program. The amounts reflected in the following summary of administrative commitments reflect outstanding section 202 fund reservations, whereas, the obligations portion of the program and financing schedule reflects commitments which have reached the initial loan closing stage of processing.

**SUMMARY OF ADMINISTRATIVE COMMITMENTS <sup>1</sup>**

[In thousands of dollars]				
Program by activities:	1986 actual	1987 est.	1988 est.	
Capital investment:				
Housing for the elderly or handicapped loans.....	555,741	501,930	131,474	
Administrative commitments, start of year .....	1,463,648	1,497,938	1,312,314	
Cancellation of prior year commitment.....	-59,643	-73,399	-64,303	
Administrative commitments, end of year <sup>1</sup> .....	-1,497,938	-1,312,314	-841,436	
Subtotal, capital investment-loan obligations.....	461,808	614,155	538,049	
Maintenance security and collateral.....	3,500	3,500	3,500	
Total capital investment.....	461,808	617,655	541,549	

<sup>1</sup> Includes effects of Public Law 99-177 and proposed supplemental appropriation language. Unobligated balances on program and financing schedule exclude impact of proposed supplemental appropriation language. See Part II for additional information.

**Financing.**—Prior to the implementation of the revised program, funds for loans had been provided by appropriation to a revolving fund. Additional financing had been obtained through issuance of certificates of participation in pools of mortgages financed from this program as provided by the Participation Sales Act of 1966. The following table shows the financing of participation insufficiencies:

**PARTICIPATION INSUFFICIENCIES**

[In thousands of dollars]				
	1986 actual	1987 est.	1988 est.	
Interest expense on participation certificates.....	5,957	6,077	3,423	
Other expenses.....	103	108	108	
Total.....	6,060	6,185	3,531	
Interest earned on pledged bonds.....	-2,480	-2,580	-2,580	
Insufficiency.....	3,580	3,605	951	
Financed by:				
Retained earnings reserved to meet insufficiency.....	-1,194	-426	743	
Investment income from participation sales fund.....	-2,386	-3,179	-1,694	
Budget authority.....				

Repayments and interest income from loans made prior to 1987 continue to be available to pay for commitments of the fund. In addition, borrowing authority as may be necessary is available in sufficient amounts to meet the proposed \$131.5 million needed in 1988.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	481,259	538,646	583,625
Expense.....	-513,233	-562,500	-643,444
Net operating income.....	-31,974	-23,854	-59,819
Net nonoperating loss.....	-103	-108	-108
Net income for the year.....	-32,077	-23,962	-59,927

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	12,113	29,714	14,921	15,677
Accounts receivable (net).....	54,861	60,142	55,663	53,886
Advances made.....	148	435	210	210
Loans receivable (net).....	5,652,380	6,173,653	6,692,889	6,696,020
Acquired security and collateral (net).....	335	287	335	335
Total assets.....	5,719,837	6,264,231	6,764,018	6,766,128

<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	233,476	261,639	287,364	301,928
Advances received.....	814	636		
Debt issued under borrowing authority:				
Borrowing from Treasury.....	4,801,000	5,351,000	5,851,152	5,974,207
Participation certificates outstanding.....	97,323	97,323	97,323	
Principal repayments on loans pledged to redemption of participation certificates.....	-18,735	-20,249	-21,742	
Total liabilities.....	5,113,878	5,690,349	6,214,097	6,276,135

<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority: Un-				
disbursed loans.....	1,837,339	1,775,168	1,735,431	1,255,932
Unfinanced budget authority: Bor-				
rowing authority.....	-2,004,507	-1,947,152	-1,952,002	-1,488,087
Invested capital.....	773,127	745,866	766,491	722,148
Total Government equity.....	605,959	573,882	549,920	489,993

<b>Analysis of changes in Government equity:</b>				
Paid-in capital.....	465,000	465,000	465,000	
Retained income:				
Opening balance.....	140,959	108,882	84,920	
Transactions: Net operating income.....	-32,077	-23,962	-59,927	
Closing balance.....	108,882	84,920	24,993	
Total Government equity (end of year).....	573,882	549,920	489,993	

**Object Classification (in thousands of dollars)**

		1986 actual	1987 est.	1988 est.
Identification code 86-4115-0-3-371				
25.0	Other services.....	460	407	332
32.0	Land and structures.....		3,500	3,500
33.0	Investments and loans.....	461,808	614,155	575,249
43.0	Interest and dividends.....	511,573	558,701	584,053
99.9	Total obligations.....	973,841	1,176,763	1,163,134

**NONPROFIT SPONSOR ASSISTANCE**

During [1987] fiscal year 1988, within the resources and authority available, gross obligations for the principal amounts of direct loans shall not exceed [\$1,000,000] \$250,000.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Public enterprise funds—Continued

NONPROFIT SPONSOR ASSISTANCE—Continued

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-4042-0-3-604			
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0)	923	1,000	250
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-242	-320	-450
17.00 Recovery of prior year obligations	-811		
21.98 Unobligated balance available, start of year: Fund balance	-5,475	-5,605	-4,925
24.98 Unobligated balance available, end of year: Fund balance	5,605	4,925	5,125
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	681	680	-200
72.98 Obligated balance, start of year: Fund balance	772	768	1,518
74.98 Obligated balance, end of year: Fund balance	-768	-1,518	-1,368
78.00 Adjustments in unexpired accounts	-811		
90.00 Outlays	-126	-70	-50

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-4042-0-3-604			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public	1,000	1,000	250
1112 Unused balance of direct loan limitation expiring	-77		
1150 Total direct loan obligations	923	1,000	250
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	1,724	1,597	1,527
1231 Disbursements: Direct loan disbursements	116	250	400
1251 Repayments: Repayments and prepayments	-242	-320	-450
1264 Adjustments: Other adjustments	-1		
1290 Outstanding, end of year	1,597	1,527	1,477

The Nonprofit sponsor assistance fund provides interest-free loans to nonprofit organizations to plan housing projects to be financed under the section 202 Housing for the elderly or handicapped program. To ensure a sufficient commitment by the sponsor to the proposed project, the fund will only finance up to 80% of the start-up costs through these "seed money" loans. Sponsors are required to demonstrate their financial capacity by providing 20% from their own funds which is repaid from the initial proceeds of the section 202 construction loan. Loans may not exceed \$50,000. The Budget proposes a loan limitation of \$250,000 for section 202 projects in the pipeline.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue		34	30
Expense	52		
Net operating income	-52	34	30

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets: Fund balance with Treasury	6,247	6,374	6,443	6,493
Loans receivable (net)	925	782	747	727
Total assets	7,172	7,156	7,190	7,220

Liabilities:	1986 actual	1987 est.	1988 est.
Current	17	53	53

Government equity:	1986 actual	1987 est.	1988 est.
<b>Selected equities:</b>			
<b>Unexpended budget authority:</b>			
Undisbursed loan obligations	577	537	1,287
Undisbursed grant obligations	178	178	178
Unobligated balance	5,475	5,605	4,925
Total unexpended balance	6,230	6,321	6,390
Invested capital	925	782	747
Total Government equity	7,155	7,103	7,137

Analysis of changes in Government equity:	1986 actual	1987 est.	1988 est.
Paid-in capital	10,500	10,500	10,500
<b>Retained income:</b>			
Opening balance	-3,345	-3,397	-3,363
Transactions: Net operating income	-52	34	30
Closing balance	-3,397	-3,363	-3,333
Total Government equity (end of year)	7,103	7,137	7,167

COMMUNITY DISPOSAL OPERATIONS FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-4040-0-3-451			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		1	1
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-141	-119	-106
21.98 Unobligated balance available, start of year: Fund balance	-374	-65	-33
24.98 Unobligated balance available, end of year: Fund balance	65	33	38
27.00 Capital transfer to general fund	450	150	100
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-141	-118	-105
72.98 Obligated balance, start of year: Fund balance	71	100	100
74.98 Obligated balance, end of year: Fund balance	-100	-100	-100
90.00 Outlays	-170	-118	-105

Status of Direct Loans (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	465	347	247
1251 Repayments: Repayments and prepayments	-118	-100	-90
1290 Outstanding, end of year	347	247	157

The community disposition program was established by the Atomic Energy Community Act of 1955 to dispose of federally owned properties.

*Budget program.*—All sales under the program have been completed. The Department will continue to service the mortgage inventory it currently holds.

*Operating results.*—The cumulative deficit in the fund is expected to be about \$14 million at the end of 1988. Total funds recovered and transferred to the Treasury over the life of the program are estimated to reach \$87.1 million by the end of 1988.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income: Revenue	23	19	16
Nonoperating income or loss	1	-1	
Net income for year	24	18	16

**Financial Condition** (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	446	166	134	139
Accounts receivable, net .....	1	1	1	1
Loans receivable, net .....	464	346	246	157
<b>Total assets .....</b>	<b>911</b>	<b>512</b>	<b>381</b>	<b>297</b>
<b>Liabilities:</b>				
Current .....	73	101	102	102
<b>Government equity:</b>				
Selected equities: Unobligated and unexpended balances .....				
Invested capital and earnings .....	374	65	33	38
Invested capital and earnings .....	464	346	246	157
<b>Total Government equity .....</b>	<b>838</b>	<b>411</b>	<b>279</b>	<b>195</b>
<b>Analysis of changes in Government equity:</b>				
Non-interest-bearing capital:				
Opening balance .....	14,599	14,149	13,999	
Capital transfer to Treasury .....	-450	-150	-100	
<b>Closing balance .....</b>	<b>14,149</b>	<b>13,999</b>	<b>13,899</b>	
Retained earnings:				
Opening balance .....	-13,762	-13,738	-13,720	
Net income for the year .....	24	18	16	
<b>Closing balance .....</b>	<b>-13,738</b>	<b>-13,720</b>	<b>-13,704</b>	
<b>Total Government equity (end of year) .....</b>	<b>411</b>	<b>279</b>	<b>195</b>	

**RENTAL HOUSING ASSISTANCE FUND**

Notwithstanding the provision of section 236(f)(3) of the National Housing Act, as amended (12 U.S.C. 1715z-1(f)), Section 201 of the Housing and Community Development Amendments of 1978, as amended (12 U.S.C. 1707), and any other provision of law, the excess of the reserve fund authorized by section 236(g) of the National Housing Act, as amended, shall be transferred to the general fund of the Treasury. (Additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 86-4041-0-3-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	22,401	89,308	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-58,649	-50,000	-50,000
21.98 Unobligated balance available, start of year: Fund balance .....	-4,244	-39,308	
24.98 Unobligated balance available, end of year: Fund balance .....	39,308		
27.00 Capital transfer to general fund .....			50,000
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	1,183		
39.00 <b>Budget authority .....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-36,248	39,308	-50,000
72.10 Receivables in excess of obligations, start of year .....	-4,244	-5,378	
74.10 Receivables in excess of obligations, end of year .....	5,378		
90.00 <b>Outlays .....</b>	<b>-35,113</b>	<b>33,930</b>	<b>-50,000</b>

The Housing and Urban Development Act of 1968 authorized the Secretary to establish a revolving fund into which rental collections in excess of the established basic rents for units in section 236 subsidized projects would be deposited.

The Housing and Community Development Amendments of 1978 authorized the Secretary, subject to approval in appropriation acts, to transfer excess rent collections received after 1978 to the Troubled projects operating subsidy program. Prior to that time, collec-

tions were used for paying tax and utility increases in section 236 projects. The Housing and Community Development Act of 1980 amended the 1978 Act by authorizing the transfer of excess rent collections regardless of when collected. No transfer is proposed for 1988. Appropriation language is being proposed to transfer excess rent collections to the Treasury.

**Revenue and Expense** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss:</b>			
Revenue .....	58,649	50,000	50,000
Expense .....	-22,401	-89,308	
<b>Net operating income or loss .....</b>	<b>36,248</b>	<b>-39,308</b>	<b>50,000</b>

**Financial Condition** (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....		33,930		
Accounts receivable (net) .....	4,243	5,378		
<b>Total assets .....</b>	<b>4,243</b>	<b>39,308</b>		
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority: Unobligated balance .....	4,243	39,308		
<b>Total Government equity .....</b>	<b>4,243</b>	<b>39,308</b>		
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance .....	4,243	39,308		
Transactions: Net operating income or loss .....	36,248	-39,308	50,000	
Sequestration (P.L. 99-177) .....	-1,183			
Transfer to Treasury .....				-50,000
<b>Total Government equity (end of year) .....</b>	<b>39,308</b>			

**PUBLIC AND INDIAN HOUSING**

**Federal Funds**

**General and special funds:**

**PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS\***

\*See Part II for additional information.

For payments to public housing agencies and Indian housing authorities for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), **[\$1,350,000,000] \$1,376,862,000, to remain available for obligation in accordance with section 9(a), notwithstanding section 9(d), of such Act, until September 30, 1989.**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 86-0163-0-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	1,248,563	1,523,138	1,376,862
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-263,157	-173,138	
24.40 Unobligated balance available, end of year .....	173,138		
40.00 <b>Budget authority (appropriation) .....</b>	<b>1,158,544</b>	<b>1,350,000</b>	<b>1,376,862</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,248,563	1,523,138	1,376,862
72.40 Obligated balance, start of year .....	681,904	739,155	881,081
74.40 Obligated balance, end of year .....	-739,155	-881,081	-758,494

General and special funds—Continued

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	86-0163-0-1-604	1986 actual	1987 est.	1988 est.
77.00	Adjustments in expired accounts.....	-10,447		
90.00	Outlays.....	1,180,865	1,381,212	1,499,449

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	1,158,544	1,350,000	1,376,862
Outlays.....	1,180,865	1,381,212	1,499,449
Supplemental under existing legislation:			
Budget authority.....		85,338	
Outlays.....		-37,547	-10,244
Total:			
Budget authority.....	1,158,544	1,435,338	1,376,862
Outlays.....	1,180,865	1,343,665	1,489,205

Payments are provided to assist local Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to meet certain deficits in the operation of PHA-owned and IHA-owned low-income housing. These payments are in addition to the debt service and capital funding provided by HUD from the annual contributions account. The operating subsidy estimates for 1988 are based upon the Performance Funding System (PFS) formula.

In addition, the estimates are based on PHAs/IHAs holding changes to their 1988 non-utility expense levels to the lower of the local rent inflation factor or the local section 8 annual adjustment factor.

Public enterprise funds:

LOW-RENT PUBLIC HOUSING—LOANS AND OTHER EXPENSES

During 1988, within the resources and authority available, gross obligations for the principal amount of direct loans are authorized in such amounts as may be necessary to carry out the purposes of the low-rent public housing loan fund.

Program and Financing (in thousands of dollars)

Identification code	86-4098-0-3-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Capital investment: Loans to public housing agencies and Indian housing authorities.....	1,453,121	1,769,600	1,507,000
01.01	Operating expenses: Interest on Treasury borrowings.....	104,222	59,300	45,200
10.00	Total obligations.....	1,557,343	1,828,900	1,552,200
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-363,612		
14.00	Non-Federal sources.....	-34,743	-37,036	-39,422
21.40	Unobligated balance available, start of year.....	-348,696	-50,224	-50,224
24.40	Unobligated balance available, end of year.....	50,224	50,224	50,224
31.00	Redemption of debt.....	34,743	37,036	39,422
67.10	<b>Budget authority (authority to borrow)</b> (P.L. 75-412) (permanent, indefinite) (12 U.S.C. 2281-96).....	<b>895,259</b>	<b>1,828,900</b>	<b>1,552,200</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,158,989	1,791,864	1,512,778
Obligated balance, start of year:				
72.40	Appropriation.....	2,584,726	2,442,902	2,303,345
72.98	Fund balance.....	-324,618	-806	58,494
Obligated balance, end of year:				
74.40	Appropriation.....	-2,442,902	-2,303,345	-2,166,019

74.98	Fund balance.....	806	-58,494	-103,694
90.00	Outlays.....	977,001	1,872,121	1,604,904

Status of Direct Loans (in thousands of dollars)

Identification code	86-4098-0-3-604	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	2,146,150	2,111,407	2,074,371
1251	Repayments: Repayments and prepayments.....	-34,743	-37,036	-39,422
1290	Outstanding, end of year.....	2,111,407	2,074,371	2,034,949

Status of Guaranteed Loans (in thousands of dollars)

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	8,887,009	8,612,311	8,300,275
2251	Repayments: Repayments and prepayments.....	-274,698	-312,036	-339,422
2290	Outstanding, end of year.....	8,612,311	8,300,275	7,960,853

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	8,612,311	8,300,275	7,960,853
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Note.—The guaranteed loan schedules includes HUD's guarantees of FFB direct loans shown in the direct loan schedule.

The Low-Rent Public Housing Loan Fund currently is used to fund direct Federal loans to finance remaining Public Housing Agency (PHA) and Indian Housing Authority (IHA) construction, acquisition, and modernization activities reserved under the Annual Contributions appropriation through 1986. These loans are made from available resources of this fund and from borrowings from the Treasury. Under legislation enacted during 1986 (Public Law 99-272), the borrowings from the Treasury now are forgiven at the end of each fiscal year and the loans to PHAs/IHAs are forgiven as construction, acquisition, and modernization activities are completed. For these reasons, these loans are not included in the status of direct loans table shown above. Amounts of loans to PHAs/IHAs outstanding at the end of the fiscal year are shown below (in millions of dollars):

PUBLIC HOUSING AGENCIES/INDIAN HOUSING AUTHORITIES

	Loans Outstanding		
	1986 actual	1987 est.	1988 est.
Outstanding, start of year.....	14,694	15,482	11,851
Direct loan disbursements.....	1,453	1,770	1,507
Repayments and prepayments.....	-655	-5,400	-3,500
Outstanding, end of year.....	15,482	11,851	9,858

Starting in 1987, new funding reservations for construction, acquisition, and modernization activities will be funded directly from the Annual Contributions appropriation on a capital grant basis.

During 1986, action was taken to recover Annual Contributions budget authority related to \$2.6 billion of direct loans outstanding. The actual contract change to forgive the loans, however, will take place in 1987. During 1987, an additional \$2.8 billion of direct loans are expected to be identified for forgiveness for a cumulative two-year total of \$5.4 billion. An additional \$3.5 billion is expected to be forgiven in 1988.

**Operating results.**—The estimated net operating income of \$2.5 million in 1988 will result in retained income of \$1.62 million.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue .....	1,171,417	139,557	137,326
Expense .....	-1,485,840	-137,326	-134,813
Net operating income .....	-314,423	2,231	2,513

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	2,608,805	2,492,319	2,352,762	2,215,436
Accounts receivable (net) .....	706,494	9,841	9,841	9,841
Advances made .....	192	192	192	192
Loans receivable (net) .....	14,685,893	82,969	82,969	82,969
Real property and equipment (net) .....	51			
Total assets .....	18,001,435	2,585,321	2,445,764	2,308,438
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable, including funded accrued liabilities .....	523,892	148,783	146,552	144,039
Borrowings from Treasury .....	14,726,582			
Total liabilities .....	15,250,474	148,783	146,552	144,039
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance .....	348,696	50,224	50,224	50,224
Unliquidated obligations—FFB .....	2,442,902	2,303,345	2,166,019	2,031,206
Unfinanced budget authority:				
Invested capital .....	-40,637	82,969	82,969	82,969
Total Government equity .....	2,750,961	2,436,538	2,299,212	2,164,399

Analysis of changes in Government equity:

<b>Paid-in capital:</b>				
Opening balance .....	2,584,726	2,442,902	2,303,345	
Payments to the FFB .....	-141,824	-139,557	-137,326	
Closing balance .....	2,442,902	2,303,345	2,166,019	
<b>Retained income:</b>				
Opening balance .....	166,235	-6,364	-4,133	
Transactions: Net operating income .....	-172,599	2,231	2,513	
Closing balance .....	-6,364	-4,133	-1,620	
Total Government equity (end of year) .....	2,436,538	2,299,212	2,164,399	

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-4098-0-3-604			
33.0 Investments and loans .....	1,453,121	1,769,600	1,507,000
43.0 Interest and dividends .....	104,222	59,300	45,200
99.9 Total obligations .....	1,557,343	1,828,900	1,552,200

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

Federal Funds

General and special funds:

[PAYMENT OF PARTICIPATION SALES INSUFFICIENCIES]

[For the payment of such insufficiencies as may be required by the Government National Mortgage Association, as trustee, on account of outstanding beneficial interest or participations in assets of the Department of Housing and Urban Development (including the Government National Mortgage Association) authorized by the Independent Offices and Department of Housing and Urban Development Appropriation Act, 1968, to be issued pursuant to section 302(c) of the Federal National Mortgage Association Charter Act, as amended (12 U.S.C. 1717), \$1,079,000.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-0145-0-1-371			
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....		1,079	
40.00 Budget authority (appropriation) .....		1,079	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

Appropriations are authorized to cover the excess of interest payments to holders of participation certificates over the interest payments received from pooled mortgages or other obligations. No insufficiency is expected for 1988.

Public enterprise funds:

LOANS TO FEDERAL NATIONAL MORTGAGE ASSOCIATION

The Treasury is authorized to make up to \$2.25 billion of loans to the Federal National Mortgage Association. Such loans were made in the first few months of the Association's existence as a private corporation while it arranged lines of credit with commercial banks. No loans have been made since that time and the loan authority will be used only in emergency situations.

MANAGEMENT AND LIQUIDATING FUNCTIONS FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
86-4016-0-3-371			
<b>Program by activities:</b>			
00.01 Mortgage servicing and miscellaneous expense .....	1,471	795	325
00.02 Interest on participation certificates .....	26,117	24,690	13,057
00.03 Administrative expense .....	1,246	1,246	1,246
00.04 Functional services .....	1,986	1,538	505
10.00 Total obligations .....	30,820	28,269	15,133
<b>Financing:</b>			
Offsetting collections from:			
Federal funds:			
11.00 Interest income from: Participation sales fund, net..	-46,582	-46,176	-23,196
11.00 Interest on U.S. securities .....	-56,328	-17,350	-5,916
Non-Federal sources:			
14.00 Mortgage loan repayments and other credits .....	-52,702	-76,688	-17,508
14.00 Receipts from sales .....	-765,403	-437,376	
14.00 Interest on mortgage loans .....	-74,641	-38,836	-11,726
14.00 Purchasing and marketing and other revenue .....	-15,084	-2,924	
17.00 Recovery of prior year obligations .....	-408,230	-88,124	
21.98 Unobligated balance available, start of year: Fund balance .....	-8,235	-278,293	-213,955
22.98 Unobligated balance transferred, net: Participation sales fund .....	18,092	6,800	-366,606
24.98 Unobligated balance available, end of year: Fund balance .....	278,293	213,955	87,951
27.00 Capital transfer to general fund .....	1,100,000	679,145	164,572
31.00 Redemption of debt .....		57,598	371,251
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-979,920	-591,081	-43,213
72.10 Receivables in excess of obligations, start of year .....			-114,322
72.98 Obligated balance, start of year: Fund balance .....	843,663	213,710	
74.10 Receivables in excess of obligations, end of year .....		114,322	2,606
74.98 Obligated balance, end of year: Fund balance .....	-213,710		

**Public enterprise funds—Continued****MANAGEMENT AND LIQUIDATING FUNCTIONS FUND—Continued****Program and Financing (in thousands of dollars)—Continued**

Identification code	86-4016-0-3-371	1986 actual	1987 est.	1988 est.
78.00	Adjustments in unexpired accounts.....	-408,230	-88,124	.....
90.00	Outlays.....	-758,197	-351,173	-154,929

**Status of Direct Loans (in thousands of dollars)**

Identification code	86-4016-0-3-371	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	1,634,016	883,552	361,176
1233	Disbursements: Purchase of loan assets from the public..	179,784	204,312	.....
Repayments:				
1251	Repayments and prepayments.....	-52,702	-76,688	-17,508
1253	Loan asset sales to the public.....	-765,403	-437,376	.....
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-112,143	-212,624	-27,838
1290	Outstanding, end of year <sup>2</sup> .....	883,552	361,176	315,830

<sup>1</sup> Represents primarily discounts from face value on loan asset sales.<sup>2</sup> Includes \$301,162 thousand of loans that have been sold to the public but scored as borrowing in 1988.**STATUS OF MORTGAGE PURCHASE COMMITMENTS OUTSTANDING**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Commitments outstanding, start of year.....	880,450	292,436	.....
Cancellation of prior year commitments.....	-408,230	-88,124	.....
Commitments presented for purchase.....	-179,784	-204,312	.....
Commitments outstanding, end of year.....	292,436	.....	.....

The Association is required to manage and liquidate its initial mortgage portfolio and other mortgages, loans or obligations. Liquidation of the portfolio is accomplished through regular principal repayments according to their amortization schedules, by sales of mortgages when they can be absorbed by private investors without disruption of normal market conditions and through principal credits arising from prepayments and foreclosures.

The fund's initial portfolio consisted of mortgages on hand, or purchased under contracts made before November 1, 1954. Certain additional mortgages, loans, and other obligations may be acquired for this portfolio from the Secretary of Housing and Urban Development. Residential housing mortgages may also be acquired from any Federal instrumentality.

**Budget program.**—Congress approved appropriation language included in the 1985 Budget that: (1) forgave all outstanding Treasury borrowing issued under the Special Assistance Functions Fund and Emergency Mortgage Purchase Assistance Fund and (2) transferred all remaining assets and liabilities of these funds to the Management and Liquidating Functions Fund.

Mortgage purchases, representing deliveries from commitment contracts in prior years of the Special Assistance Functions Fund are estimated at \$204 million in 1987 which would exhaust all remaining outstanding commitment contracts. Sales of these mortgages which are based on the above purchases are estimated at \$650 million in 1987 and \$329 million in 1988. Because of a change in budget scorekeeping procedures, the proceeds from these sales in 1988 will be treated as borrowing from the public rather than offsetting collections (as had been the case in previous years).

**Financing.**—These functions are financed principally by portfolio liquidations and by the sales of portfolio mortgages and participation certificates in mortgage pools.

**Operating results.**—Net losses of \$135.6 million and \$2.1 million are estimated for 1987 and 1988, respectively.

**PARTICIPATION INSUFFICIENCIES**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Interest accrued on participation certificates.....	26,117	24,690	13,057
Interest accrued on an equal amount of loans in the pool.....	-4,466	-2,303	-211
Insufficiency.....	21,651	22,387	12,846
Financed by:			
Applicable investment income from Participation sales fund.....	-46,582	-47,944	-26,306
Retained earnings reserved to meet insufficiencies.....	-24,931	-25,557	-13,460
Budget authority.....	.....	.....	.....

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	192,635	105,286	40,838
Expense.....	-142,962	-240,893	-42,971
Net operating income.....	49,673	-135,607	-2,133

**Financial Condition (in thousands of dollars)**

	1984 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	1,390	957	10,200	303,362
Public debt securities.....	765,695	417,186	18,069	12,957
U.S. securities (par): Agency securities.....	84,812	73,860	71,364	70,164
Accounts receivable (net).....	13,000	10,704	10,842	3,070
Advances made: Interest advances to Participation sales fund.....	86,126	106,608	114,315	.....
Loans receivable (net).....	1,634,016	883,552	361,176	14,668
Total assets.....	2,585,039	1,492,867	585,966	404,221
<b>Liabilities:</b>				
Selected liabilities: Accounts payable including funded accrued liabilities.....				
	62,339	38,586	10,835	440
Borrowing from the public.....	.....	.....	.....	301,162
Participation certificates outstanding.....	428,849	428,849	371,251	.....
Principal collections held by trustee.....	-341,714	-359,806	-366,606	.....
Total liabilities.....	149,474	107,629	15,480	301,602
<b>Government equity:</b>				
Selected equities: Unexpended balances:				
Undelivered orders.....	880,450	292,436	.....	.....
Unobligated balance.....	8,234	278,293	213,955	87,951
Invested capital.....	1,546,881	814,509	356,531	14,668
Total Government equity.....	2,435,565	1,385,238	570,486	102,619
<b>Analysis of changes in Government equity:</b>				
Paid in capital:				
Opening balance.....	80,917	80,917	80,917	80,917
Closing balance.....	80,917	80,917	80,917	80,917
Retained income:				
Opening balance.....	2,354,648	1,304,321	489,569	.....
Transactions: Net operating (loss) income.....	49,673	-135,607	-2,133	.....
Transfer to Treasury.....	-1,100,000	-679,145	-164,572	.....
Reserve for Treasury payments.....	.....	.....	.....	-301,162
Closing balance.....	1,304,321	489,569	21,702	.....
Total Government equity (end of year).....	1,385,238	570,486	102,619	.....

Object Classification (in thousands of dollars)

Identification code 86-4016-0-3-371	1986 actual	1987 est.	1988 est.
25.0 Other services .....	4,703	3,579	2,076
43.0 Interest and dividends .....	26,117	24,690	13,057
99.9 Total obligations .....	30,820	28,269	15,133

GUARANTEES OF MORTGAGE-BACKED SECURITIES

During [1987] fiscal year 1988, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721g), shall not exceed [\$150,000,000,000] \$100,000,000,000 of loan principal.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 86-4238-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Administrative expenses .....	3,737	4,730	4,654
00.02 Functional services .....	2,328	3,224	4,022
00.03 Claims .....	204	4,412	2,895
00.04 Mobile home expenses .....	29,094	6,755	6,755
00.05 Other expenses .....	9,479	12,728	15,053
00.91 Total operating expenses .....	15,748	54,188	33,379
01.01 Capital investment: Advances of guaranty payments .....	7,531	801,575	305,804
10.00 Total obligations .....	23,279	855,763	339,183
<b>Financing:</b>			
Offsetting collections from:			
Federal funds:			
11.00 Investment interest .....	-123,861	-138,876	-151,747
11.00 Insurance claims .....	-30,992	-17,421	-17,421
Non-Federal sources:			
14.00 Guarantee fees .....	-149,540	-190,280	-246,723
14.00 Repayments of guaranteed payments .....	-595	-169,365	-139,527
14.00 Other .....	-39,919	-48,401	-37,232
14.00 Mobile home services income .....	-15,445	-6,576	-6,576
14.00 Receipts from sale of modified pools .....	-595,566	-144,977	-144,977
21.98 Unobligated balance available, start of year: Fund balance .....	-1,049,263	-1,339,899	-1,673,061
24.98 Unobligated balance available, end of year: Fund balance .....	1,339,899	1,673,061	2,078,081
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-290,636	-333,162	-405,020
72.10 Receivables in excess of obligations, start of year .....	-31,170	-29,143	-47,160
74.10 Receivables in excess of obligations, end of year .....	29,143	47,160	53,073
90.00 Outlays .....	-292,663	-315,145	-399,107

Status of Direct Loans (in thousands of dollars)

Identification code 86-4238-0-3-371	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			
1131 Obligations exempt from limitation: Direct loans to the public .....	7,531	801,575	305,804
1150 Total direct loan obligations .....	7,531	801,575	305,804
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	3,143	10,079	9,995
1231 Disbursements: Direct loan disbursements .....	7,531	801,575	305,804
1251 Repayments: Repayments and prepayments .....	-595	-795,923	-301,925
1262 Adjustments: Write-offs for default .....		-5,736	-3,447
1290 Outstanding, end of year .....	10,079	9,995	10,427

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....	175,000,000	150,000,000	100,000,000
2112 Unused balance of limitation expiring .....	-37,038,000	-17,500,000	
2150 Total guaranteed loan commitments .....	137,962,000	132,500,000	100,000,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	201,025,661	241,229,527	292,046,754
2231 Disbursements of new guaranteed loans .....	81,778,758	87,700,000	67,000,000
2251 Repayments and prepayments .....	-41,574,892	-36,882,773	-32,754,500
2290 Outstanding, end of year .....	241,229,527	292,046,754	326,292,254

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	241,229,527	292,046,754	326,292,254
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The Housing and Urban Development Act of 1968 authorized the Government National Mortgage Association (GNMA) to guarantee the timely payment of principal and interest on trust certificates or other securities issued by any financial institution approved for this purpose, and based on and backed by a trust or pool of FHA-insured, FmHA-insured, or VA-guaranteed mortgages.

GNMA guarantees the timely payment of principal and interest on the guaranteed securities. Actual losses for 1986 and estimated losses for 1987 and 1988 are presented below.

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Mobile home pools .....		4,187	2,647
Single-family pools .....	86	95	105
Project pools .....	118	130	143
Total .....	204	4,412	2,895

Budget program.—Program activity is summarized in the following table.

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Commitments issued .....	137,962,000	132,500,000	100,000,000
Guarantees issued .....	81,778,758	87,700,000	67,000,000
Securities outstanding .....	241,229,527	292,046,754	326,292,254

Financing.—In addition to an application fee, guarantee fees and other charges are assessed issuers of guaranteed securities to cover costs incurred by GNMA in connection with the guarantees and to establish a reserve against possible future payments of claims under the guarantee. The budget reflects a guarantee fee increase from six basis points to ten basis points in guarantee fees for the basic MBS program to take effect in the second quarter of fiscal year 1987. The fee increase is to gradually bring GNMA's fee structure closer to that charged by other private issuers of mortgage-backed securities who provide similar guarantees, and is part of a Government-wide effort to facilitate additional private sector activity in the secondary market for home mortgages.

Operating results.—Fee collections and other income are expected to exceed expenses by \$405 million in 1988. This amount will be retained to cover future year expenses and as a reserve against losses that may be incurred on guarantees.

Public enterprise funds—Continued

GUARANTEES OF MORTGAGE-BACKED SECURITIES—Continued

Advances to security holders will increase substantially in 1987 (\$801.5 million) and 1988 (\$305.8 million) because GNMA has had to assume the security servicing responsibilities for several defaulted title I mobile home lenders. Write-offs will be \$5.7 million in 1987 and \$3.4 million in 1988 because most all the advances are offset by collections from mortgagors, insurance proceeds, and other receipts from servicing operations (\$795.9 million in 1987 and \$301.9 million in 1988).

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	313,320	393,002	442,278
Expense.....	— 15,758	— 59,934	— 36,836
Net income for the year.....	297,562	333,068	405,442

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Equipment.....	78	68	58	48
Fund balance with Treasury.....	38	788	100	100
Conventional mortgages.....	1,406	1,283	1,265	1,247
U.S. securities (par):				
Public debt securities.....	1,015,204	1,300,931	1,614,801	2,012,908
Agency securities.....	2,852	9,037	11,000	12,000
Accounts receivable (net).....	34,100	33,613	50,160	56,273
Loan advances on MBS pool.....	1,737	8,796	8,730	9,180
Total assets.....	1,055,415	1,354,516	1,686,114	2,091,756
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities.....	2,931	4,470	3,000	3,200
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	1,049,263	1,339,899	1,673,061	2,078,081
Invested capital.....	3,221	10,147	10,053	10,475
Total Government equity.....	1,052,484	1,350,046	1,683,114	2,088,556
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....	1,052,484	1,350,046	1,683,114	
Transactions: Net operating income.....	297,562	333,068	405,442	
Closing balance.....	1,350,046	1,683,114	2,088,556	
Total Government equity (end of year).....	1,350,046	1,683,114	2,088,556	

Note.—GNMA guarantees timely payment of principal and interest installments on securities which are issued upon the basis and backing of FHA-insured, FmHA-insured, or VA-guaranteed mortgages. Such guarantees are excluded from the Government total of guaranteed obligations as duplicating FHA, FmHA, and VA guarantees. Amounts excluded are as follows: 1986, \$241,230 million; 1987, \$292,047 million; 1988, \$326,292 million.

Object Classification (in thousands of dollars)

Identification code 86-4238-0-3-371	1986 actual	1987 est.	1988 est.
25.0 Other services.....	15,748	54,188	33,378
33.0 Investments and loans.....	7,531	801,575	305,804
99.9 Total obligations.....	23,279	855,763	339,183

PARTICIPATION SALES FUND

Program and Financing (in thousands of dollars)

Identification code 86-4206-0-3-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administrative expenses.....	105	70	35
00.02 Distribution of net revenue to trustors.....	226,203	216,392	100,374
10.00 Total obligations.....	226,308	216,462	100,409
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	— 226,308	— 216,462	— 100,409
21.98 Unobligated balance available, start of year: Fund balance.....	— 1,673,008	— 1,739,379	— 1,698,404
22.98 Unobligated balance transferred, net: Fund balance.....	— 66,371	40,975	1,698,404
24.98 Unobligated balance available, end of year: Fund balance.....	1,739,379	1,698,404	
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.98 Obligated balance, start of year: Fund balance....	427,659	515,991	480,132
74.98 Obligated balance, end of year: Fund balance....	— 515,991	— 480,132	
90.00 Outlays.....	— 88,332	35,859	480,132

The National Housing Act, as amended, authorized the Association to create trusts to facilitate the financing of mortgages and other loan obligations owned by Government agencies. Under this authority, participations in the interest and principal collections on pooled loan obligations pledged by various trustor agencies were sold to private investors.

The budget schedules of the trustor agencies originally owning the loan obligations reflected sale of participation certificates as borrowing from the public. Collections on the pooled obligations are transferred to the Association and invested until distributed to the holders of participation certificates as required by the trust agreement. Collections are then redistributed to trustor agencies for payment of interest and retirement of certificates.

Whenever interest collections on pooled obligations, together with investment income, are insufficient to cover required interest payments and a share of administrative and other costs, the trustor agencies pay to the Association, as trustee, amounts equal to the insufficiencies. The costs of any such insufficiencies are covered by appropriations which appear in the accounts of the trustor agencies or by balances available in those accounts.

In the event the principal collections on pooled loans are not sufficient to meet scheduled retirements of participation certificates, the Association, as trustee, may either borrow from the Treasury or sell additional certificates to redeem those coming due. Alternatively, those trustor accounts with unobligated balances available may repurchase pooled loans to provide the cash required for scheduled redemptions.

All remaining outstanding certificates are scheduled to be redeemed in 1988. No further activity is anticipated in this account.

**SOLD AND OUTSTANDING PARTICIPATION SALES CERTIFICATES**

(In millions of dollars)

	Sold cumulative through 1985	1986 actual	Outstanding 1987 estimate	1988 estimate
Sold and outstanding at end of year:				
Veterans Administration.....	2,095	578	578	
Small Business Administration.....	1,350	156	56	
Department of Education.....	2,400	559	534	
Public Health Service.....	15	10	10	
Farmers Home Administration.....	1,350	259	259	
Department of Housing and Urban Development:				
Public facility loans.....	160	77	60	
Housing for the elderly.....	100	97	97	
Government National Mortgage Association.....	2,150	429	371	
<b>Total.....</b>	<b>9,620</b>	<b>2,165</b>	<b>1,965</b>	

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	226,308	216,462	100,409
Expense.....	-105	-70	-35
<b>Net income for the year.....</b>	<b>226,203</b>	<b>216,392</b>	<b>100,374</b>

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	116	38	3,063	
U.S. securities (par):				
Public debt securities.....	2,088,171	2,242,952	2,163,093	
Agency securities.....	12,380	12,380	12,380	
Accrued interest on investments.....	47,580	50,753	48,946	
Deferred income.....	-18,883	-11,675	-11,259	
Due from trustors on pooled obligations: In- terest.....	354	287	301	
Accounts receivable from trustors.....	1,093,653	1,221,210	1,078,766	
<b>Total assets.....</b>	<b>3,223,371</b>	<b>3,515,945</b>	<b>3,295,290</b>	
<b>Liabilities:</b>				
Selected liabilities:				
Accrued interest payable on participation cer- tificates.....	33,728	33,728	28,770	
Accounts payable.....	78	78	5	
Liabilities to trustors.....	1,516,557	1,742,760	1,568,111	
<b>Total liabilities.....</b>	<b>1,550,363</b>	<b>1,776,566</b>	<b>1,596,886</b>	
<b>Government equity:</b>				
Unobligated balance.....	1,673,008	1,739,379	1,698,404	

Note.—GNMA acts as trustee for participation certificates liabilities and guarantees timely payment of principal and interest; principal totals are supported by loan receivables.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
86-4206-0-3-999			
25.0 Other services.....	105	70	35
92.0 Distribution of net revenue to trustors.....	226,203	216,392	100,374
<b>99.9 Total obligations.....</b>	<b>226,308</b>	<b>216,462</b>	<b>100,409</b>

**SOLAR ENERGY AND ENERGY CONSERVATION BANK**

**Federal Funds**

**General and special funds:**

**ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS**

【The funds appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1985 (Public Law 98-371) shall remain available until Sep-

tember 30, 1987: *Provided*, That all funds recaptured from prior year appropriations under this heading shall be reallocated to eligible financial institutions.】 *All funds previously appropriated under this head that are recaptured or that otherwise are or become available for obligation, in fiscal year 1988 or thereafter, including all such amounts affected by an order of the United States District Court, Southern District of New York, in LORRAINE DABNEY, ET AL. V. RONALD REAGAN, ET AL., 82 Civ. 2231-CSH, dated March 20, 1985, shall be withdrawn, pursuant to 31 U.S.C. 1551 et seq.*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
86-0179-0-1-272			
<b>Program by activities:</b>			
00.01 Assistance for solar and conservation improvements.....	9,380	2,200	
00.02 Administrative expenses.....	274		
<b>10.00 Total obligations.....</b>	<b>9,654</b>	<b>2,200</b>	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-4,624	-1,401	
21.40 Unobligated balance available, start of year.....	-5,841	-811	
24.40 Unobligated balance available, end of year.....	811		
25.00 Unobligated balance lapsing.....		1,212	
<b>50.00 Budget authority (reappropriation).....</b>	<b></b>	<b>1,200</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	9,654	2,200	
72.40 Obligated balance, start of year.....	40,601	13,758	1,100
74.40 Obligated balance, end of year.....	-13,758	-1,100	
77.00 Adjustments in expired accounts.....			-600
78.00 Adjustments in unexpired accounts.....	-4,624	-1,401	
<b>90.00 Outlays.....</b>	<b>31,874</b>	<b>13,457</b>	<b>500</b>

Note.—The recovery of prior year obligations in 1986 reflects monies made available due to court order.

Title V of the Energy Security Act of 1980 authorized the creation of the Solar Energy and Energy Conservation Bank to encourage energy conservation and the use of solar energy. It has provided funds to subsidize loans and grants for the installation of energy conservation and solar energy improvements in single and multifamily residences, and agricultural and commercial buildings.

In 1986, the Bank reallocated \$3.9 million of recaptured funds to the States and territories participating in the program. A total of \$9.7 million was obligated to the States from recaptured funds. No funds were appropriated for 1987, but it is anticipated that approximately \$1.2 million of the 1985 appropriation will be recaptured and treated as a reappropriation. These funds will be obligated to States during 1987. The remaining \$1.0 million of obligations for 1987 represents funds recaptured from pre-1985 appropriations. The authorization for the Solar Bank program expires on September 30, 1987, and no appropriation is requested for 1988.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
86-0179-0-1-272			
25.0 Other services.....	274		
41.0 Grants, subsidies, and contributions.....	9,380	2,200	
<b>99.9 Total obligations.....</b>	<b>9,654</b>	<b>2,200</b>	

**COMMUNITY PLANNING AND DEVELOPMENT**

*Federal Funds*

**General and special funds:**

**COMMUNITY DEVELOPMENT GRANTS\***

(INCLUDING TRANSFER OF FUNDS)

\*See Part II for additional information.

For grants to States and units of general local government and for related expenses, not otherwise provided for, necessary for carrying out a community development grant program as authorized by title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), **[\$3,000,000,000] \$2,624,800,000, including the unobligated balance available at the end of fiscal year 1987 in the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), which balance is hereby transferred to and merged into this account, to remain available until September 30, [1989] 1990: Provided, That not to exceed 20 percent of any grant made with funds appropriated herein [(other than a grant using funds set aside in the next following proviso)] shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department of Housing and Urban Development: *Provided further, That [not more than \$2,000,000 shall be made available from the foregoing \$3,000,000,000 to carry out a neighborhood development demonstration under section 123 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181)] the third and fourth paragraphs under this head in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as incorporated by reference in Public Laws 99-500 and 99-591, are repealed.***

[During 1987, total commitments to guarantee loans, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), shall not exceed \$150,000,000 of contingent liability for loan principal.]

[During 1987 and each succeeding fiscal year, any city within a metropolitan area shall be considered to be a metropolitan city under section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) if such city—

(1) was entitled to a grant of a hold-harmless amount under section 106(h) of such Act as such section was in effect prior to the enactment of Public Law 96-399;

(2) had, according to the 1980 decennial census, a population of 36,957; and

(3) received a preliminary grant approval on March 8, 1984, for an urban development action grant under section 119 of the Housing and Community Development Act of 1974.

A city which qualifies as a metropolitan city pursuant to paragraphs (1), (2), and (3) of this section shall be eligible in fiscal year 1987 for a grant under section 106(b)(1) of the Housing and Community Development Act of 1974, as amended, notwithstanding the provisions of section 102(d) of such Act: *Provided, That any such city which had entered into a cooperation agreement to include its population in that of an urban county, as provided in section 102(a)(6)(B)(ii) of such Act, shall only be eligible for such a grant if both the city and urban county mutually agree to terminate such cooperation agreement for such fiscal year.* (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 86-0162-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct obligations:</b>			
00.01 Community development grants .....	2,793,169	3,203,767	2,627,800
00.02 Community development grants, FFB direct loans.....	32,400		
01.01 Reimbursable obligations.....	468	1,000	1,000
10.00 Total obligations .....	2,826,037	3,204,767	2,628,800
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-468	-1,000	-1,000
14.00 Loan repayments.....	-77,836	-74,000	-80,000
17.00 Recovery of prior year obligations .....	-3,512	-3,000	-3,000
21.40 Unobligated balance available, start of year.....	-100,651	-300,767	-100,000

22.40 Unobligated balance transferred, net .....			-115,000
24.40 Unobligated balance available, end of year.....	300,767	100,000	100,000
25.00 Unobligated balance lapsing.....	661		
31.00 Redemption of debt .....	77,836	74,000	80,000
39.00 <b>Budget authority.....</b>	<b>3,022,834</b>	<b>3,000,000</b>	<b>2,509,800</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation (current) .....</b>	<b>2,990,434</b>	<b>3,000,000</b>	<b>2,509,800</b>
67.10 <b>Authority to borrow (12 U.S.C. 2281-96) (permanent, indefinite) .....</b>	<b>32,400</b>		
<b>Relation of obligations to outlays:</b>			
71.00 <b>Obligations incurred, net.....</b>	<b>2,747,733</b>	<b>3,129,767</b>	<b>2,547,800</b>
<b>Obligated balance, start of year:</b>			
72.40 <b>Appropriation.....</b>	<b>5,890,030</b>	<b>5,349,042</b>	<b>5,249,809</b>
72.47 <b>Authority to borrow.....</b>	<b>183,832</b>	<b>127,400</b>	<b>61,400</b>
<b>Obligated balance, end of year:</b>			
74.40 <b>Appropriation.....</b>	<b>-5,349,042</b>	<b>-5,249,809</b>	<b>-4,684,609</b>
74.47 <b>Authority to borrow.....</b>	<b>-127,400</b>	<b>-61,400</b>	<b>-32,400</b>
77.00 <b>Adjustments in expired accounts.....</b>	<b>-4,793</b>		
78.00 <b>Adjustments in unexpired accounts.....</b>	<b>-3,512</b>	<b>-3,000</b>	<b>-3,000</b>
90.00 <b>Outlays .....</b>	<b>3,336,848</b>	<b>3,292,000</b>	<b>3,139,000</b>
<b>Distribution of outlays by account:</b>			
Community development grants.....	3,227,049	3,265,258	3,184,000
Jobs bill.....	94,525	28,742	
Categorical Program Financial Settlement Fund.....	4,278	6,000	6,000
FFB Direct Loans.....	10,996	-8,000	-51,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

<b>Enacted/requested:</b>	<b>1986 actual</b>	<b>1987 est.</b>	<b>1988 est.</b>
Budget authority .....	3,022,834	3,000,000	2,509,800
Outlays.....	3,336,848	3,292,000	3,139,000
<b>Rescission proposal:</b>			
Budget authority .....		-375,200	
Outlays.....		-7,504	-142,576
<b>Total:</b>			
Budget authority .....	3,022,834	2,624,800	2,509,800
Outlays.....	3,336,848	3,284,496	2,996,424

**Status of Direct Loans<sup>1</sup> (in thousands of dollars)**

Identification code 86-0162-0-1-451	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	50,000		
1112 Unused balance of direct loan limitation expiring.....	-17,600		
1150 Total direct loan obligations .....	32,400		
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	289,373	300,369	292,369
1231 Disbursements: Direct loan disbursements .....	88,832	66,000	29,000
1251 Repayments: Repayments and prepayments .....	-77,836	-74,000	-80,000
1290 Outstanding, end of year.....	300,369	292,369	241,369

<sup>1</sup> Loans guaranteed by HUD and disbursed by the FFB are shown as direct loans in this schedule. However, the limitation enacted or proposed to be enacted in appropriations acts applies to the guaranteed loan commitments of the originating agency. The amount of the guaranteed loan commitment limitation reflected in this schedule is \$50,000,000 in 1986.

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 86-0162-0-1-451	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriation act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders...	162,956	150,000	
2112 Unused balance of limitation expiring.....	82,066		
2150 Total guaranteed loan commitments.....	80,890	150,000	
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....			147,000
2231 Disbursements of new guaranteed loans .....		147,000	84,000
2251 Repayments and prepayments .....			-20,000
2290 Outstanding, end of year.....		147,000	211,000

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year ..... 147,000 211,000

Title I of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary to make grants to units of general local government and States to fund local community development programs.

Funds are distributed to eligible entitlement applicants using the higher of two objective formulas. Funds must be allocated between entitlement cities and urban counties and States and small cities.

Legislation is being proposed to target entitlement funds toward those recipients with the greatest need to mitigate the funding reductions on those communities. Legislation also is being proposed to allow new construction as an eligible activity.

**Guaranteed loans.**—Guaranteed loan assistance under section 108 has been provided to permit eligible communities to finance acquisition of real property and rehabilitation of publicly owned real property, plus certain related expenses. The Federal Financing Bank has financed these guaranteed loans. The Consolidated Omnibus Budget Reconciliation Act of 1985 requires private financing of all loan guarantees committed after July 1, 1986. Consequently, only \$50 million of the \$213 million commitment limitation for 1986 was available for FFB financing. FFB will continue disbursing loans for commitments approved prior to July 1, 1986. No guarantee commitments are proposed for 1988, and legislation is being proposed to repeal section 108.

**Budget program.**—An appropriation of \$2,509.8 million is proposed for 1988. This amount, together with an estimated unobligated balance of \$115.0 million proposed for transfer from the section 312 Rehabilitation Loan Fund, will provide a \$2,624.8 million funding level for the CDBG program in 1988. To the extent the actual amount of Rehabilitation Loan Fund balance available for transfer is less than estimated, the direct appropriation for the Community Development Grants program will be increased accordingly. Outlays are estimated at \$3.3 billion in 1987 and \$3.2 billion in 1988.

In 1987, the Department is funding a \$2 million Neighborhood Development Demonstration as authorized by section 123 of the Housing and Urban-Rural Recovery Act of 1983. No additional funds are requested for the demonstration in 1988.

Object Classification (in thousands of dollars)

Identification code	86-0162-0-1-451	1986 actual	1987 est.	1988 est.
33.0	Investments and loans.....	32,400		
41.0	Grants, subsidies, and contributions.....	2,793,637	3,204,767	2,628,800
99.9	Total obligations.....	2,826,037	3,204,767	2,628,800

【URBAN DEVELOPMENT ACTION GRANTS】\*

\*See Part II for additional information.

【For grants to carry out urban development action grant programs authorized in section 119 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), pursuant to section 103 of that Act, \$225,000,000, to remain available until September 30, 1990.】

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	86-0170-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	365,436	407,117	25,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-77,792	-40,000	-25,000
21.40	Unobligated balance available, start of year.....	-113,999	-142,117	
24.40	Unobligated balance available, end of year.....	142,117		
25.00	Unobligated balance lapsing.....	48		
40.00	<b>Budget authority (appropriation).....</b>	<b>315,810</b>	<b>225,000</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	365,436	407,117	25,000
72.40	Obligated balance, start of year.....	1,315,540	1,119,156	1,046,273
74.40	Obligated balance, end of year.....	-1,119,156	-1,046,273	-643,773
77.00	Adjustments in expired accounts.....	-23,081		
78.00	Adjustments in unexpired accounts.....	-77,792	-40,000	-25,000
90.00	Outlays.....	460,947	440,000	402,500

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority.....	315,810	225,000		
Outlays.....	460,947	440,600	402,500	
Rescission proposal:				
Budget authority.....		-205,400		
Outlays.....		-11,875	-47,500	
Total:				
Budget authority.....	315,810	19,600		
Outlays.....	460,947	428,125	355,000	

Title I of the Housing and Community Development Act of 1974, as amended, authorizes grants to distressed cities and distressed urban counties to fund economic development projects.

A rescission of \$237.5 million, including \$205.4 million of 1987 appropriated funds, (see Part II of this volume), and legislation to terminate this program by repeal of section 119 of the 1974 Act, as amended, will be proposed.

RENTAL REHABILITATION GRANTS

For the rental rehabilitation grant program, pursuant to section 17(a)(1)(A) of the Housing Act of 1937, as amended (42 U.S.C. 1437o), including \$1,000,000 which shall be available for technical assistance, \$75,000,000, to remain available until September 30, 1990. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	86-0182-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....			75,000
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation).....</b>			<b>75,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			75,000
74.40	Obligated balance, end of year.....			-67,500
90.00	Outlays.....			7,500

This program is authorized under section 17(a)(1)(A) of the United States Housing Act of 1937, which was added by section 301 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181). Rental Rehabilitation grants are made to States, urban counties,

General and special funds—Continued

RENTAL REHABILITATION GRANTS—Continued

and cities with populations in excess of 50,000 to help support the rehabilitation of privately owned rental housing.

Funding for this program before 1988 was provided under the Annual Contributions for Assisted Housing account. Legislation is proposed to provide a separate authorization for the program, independent of the Assisted Housing account. An appropriation of \$75 million, together with estimated recaptures of \$10 million (within the Assisted Housing account), will provide a 1988 program level of \$85 million.

URBAN HOMESTEADING

For reimbursement to the Federal Housing Administration Fund or the Rehabilitation Loan Fund for losses incurred under the urban homesteading program (12 U.S.C. 1706e), and for reimbursement to the Administrator of Veterans Affairs and the Secretary of Agriculture for properties conveyed by the Administrator of Veterans Affairs and the Secretary of Agriculture, respectively, for use in connection with an urban homesteading program approved by the Secretary of Housing and Urban Development pursuant to section 810 of the Housing and Community Development Act of 1974, as amended, \$12,000,000, to remain available until expended. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	86-0171-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)	12,145	13,774	12,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations	-387	-450	
21.40	Unobligated balance available, start of year	-1,724	-1,324	
24.40	Unobligated balance available, end of year	1,324		
40.00	<b>Budget authority (appropriation)</b>	<b>11,358</b>	<b>12,000</b>	<b>12,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	12,145	13,774	12,000
72.40	Obligated balance, start of year	5,106	6,953	5,277
74.40	Obligated balance, end of year	-6,953	-5,277	-2,000
78.00	Adjustments in unexpired accounts	-387	-450	
90.00	<b>Outlays</b>	<b>9,911</b>	<b>15,000</b>	<b>15,277</b>

Section 810 of the Housing and Community Development Act of 1974, as amended, authorizes the Secretary of HUD to transfer one- to four-unit HUD-owned properties, without payment, to units of local government for use in an urban homesteading program. In addition, the Act authorizes the Administrator of Veterans Affairs and the Secretary of Agriculture to transfer their unoccupied, single family properties for use in such programs.

**Budget program.**—An appropriation of \$12 million is proposed for 1988 which will support the transfer of an estimated 705 single family properties.

MISCELLANEOUS APPROPRIATIONS

MODEL CITIES PROGRAM

Notwithstanding any other provision of law or other requirement, the Secretary of Housing and Urban Development may not require the City of New Orleans in the State of Louisiana to pay any amount relating to ineligible costs incurred with respect to the model cities grant numbered ME-17-001 under title I of the Demonstration Cities and Metropolitan Development Act of 1966.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	86-9911-0-1-451	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	1,002	129	
74.40	Obligated balance, end of year	-129		
77.00	Adjustments in expired accounts	-1,037		
90.00	<b>Outlays</b>	<b>-165</b>	<b>129</b>	
<b>Distribution of outlays by account:</b>				
	Planning assistance	-133	129	
	Neighborhood self-help development program	9		
	Model cities	-41		

The budget schedule for Miscellaneous appropriations includes the Model Cities program which was terminated on January 1, 1975, pursuant to title I of the Housing and Community Development Act of 1974 (Public Law 93-383).

This schedule also includes the Planning Assistance program which was terminated in 1981, pursuant to section 313(b) of the Housing and Community Development Amendments of 1981 (Public Law 97-35), as well as the Neighborhood Self-Help Development program, which was terminated by the Housing and Community Development Amendments of 1981.

Public enterprise funds:

REHABILITATION LOAN FUND

During 1987, collections, unexpended balances of prior appropriations (including any recoveries of prior reservations) and any other amounts in the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), after September 30, 1985, are available and may be used for commitments for loans and operating costs and the capitalization of delinquent interest on delinquent or defaulted loans notwithstanding section 312(h) of such Act. The Secretary shall transfer all assets (other than those transferred to the Community Development Grants program) and liabilities of the fund to the Revolving Fund (liquidating programs), established pursuant to title II of the Independent Offices Appropriation Act, 1955, as amended (12 U.S.C. 1701g-5). (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	86-4036-0-3-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Capital investment:</b>				
00.01	Rehabilitation loans	40,411	85,000	
00.02	Maintenance of acquired security and collateral	3,708	8,000	8,000
00.03	Administrative expenses	8,635		
00.91	<b>Total capital investment</b>	<b>52,754</b>	<b>93,000</b>	<b>8,000</b>

01.01	Operating expenses: Loan servicing and other.....	11,107	15,044	15,044
10.00	Total obligations.....	63,861	108,044	23,044
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Loan repayments.....	-99,828	-101,269	-95,044
14.00	Fees and premiums.....	-205		
14.00	Sale of assets.....			-35,000
17.00	Recovery of prior year obligations.....	-11,291	-10,000	-5,000
21.98	Unobligated balance available, start of year: Fund balance.....	-64,312	-111,775	-115,000
22.98	Unobligated balance transferred, net.....			115,000
24.98	Unobligated balance available, end of year: Fund balance.....	111,775	115,000	112,000
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-36,172	6,775	-107,000
72.98	Obligated balance, start of year: Fund balance.....	79,009	47,783	32,558
74.98	Obligated balance, end of year: Fund balance.....	-47,783	-32,558	
78.00	Adjustments in unexpired accounts.....	-11,291	-10,000	-5,000
90.00	Outlays.....	-16,238	12,000	-79,442

**Status of Direct Loans (in thousands of dollars)**

Identification code 86-4036-0-3-451		1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....			
1131	Obligations exempt from limitation: Direct loans to the public.....	40,411	85,000	
1150	Total direct loan obligations.....	40,411	85,000	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	717,516	709,702	729,927
1231	Disbursements: Direct loan disbursements.....	59,015	100,225	38,358
Repayments:				
1251	Repayments and prepayments.....	-66,880	-70,000	-70,000
1253	Loan asset sales to the public.....			-35,000
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	51	-10,000	-320,000
1290	Outstanding, end of year.....	709,702	729,927	343,285

<sup>1</sup> Net adjustments in 1986 and 1987 are due entirely to refinancing delinquent loans. For 1988, net adjustment includes \$5 million due to refinancing delinquent loans and \$315 million for the discount from face value on the sale of loan assets.

Section 312 of the Housing Act of 1964, as amended, authorizes loans for the rehabilitation of residential and commercial properties. Approximately \$200 million will be available to local agencies participating, in the program in 1987. Of that amount, the Budget estimates new loan obligations of \$85 million. The Budget proposes the transfer of the unobligated balance of \$115 million to partially fund the Community Development Grants program in 1988.

The budget also proposes the sale of \$350 million of the loan portfolio during 1988 and the estimated remaining balance of \$343 million during 1989. In addition, all remaining assets and liabilities of the Rehabilitation Loan Fund will be transferred to the Revolving Fund (liquidating programs).

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	29,058	31,269	60,044
Expense.....	66,118	-106,461	22,401
Net income or loss (-) for the year.....	95,176	-75,192	82,445

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets: Fund balance with Treasury.....	143,321	159,559	147,559	112,000
Accounts receivable (net).....	10,092	14,897	14,897	
Loans receivable (net).....	628,109	706,477	643,285	302,088
Acquired security and collateral.....	1,914	1,741	1,741	1,741
Other.....	1,685	1,597	1,597	1,597
Total assets.....	785,121	884,271	809,079	417,426
<b>Liabilities:</b>				
Selected liabilities: Accounts payable and accrued liabilities.....	404	1,224	1,224	
Deferred credits.....	4,720	7,874	7,874	
Total liabilities.....	5,124	9,098	9,098	
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Undisbursed loan obligations.....	83,977	53,583	38,357	
Unobligated balance.....	64,311	111,775	115,000	112,000
Invested capital.....	631,709	709,815	646,623	305,426
Total Government equity.....	779,997	875,173	799,980	417,426

**Analysis of changes in Government equity:**

Paid-in-capital:				
Opening balance.....		738,248	738,248	738,248
Sale of assets.....				-350,000
Transfer to CDBG.....				-115,000
Closing balance.....		738,248	738,248	273,248
Retained income:				
Opening balance.....		41,749	136,925	61,733
Transactions: Net income or loss for the year.....		95,176	-75,192	82,445
Closing balance.....		136,925	61,733	144,178
Total Government equity (end of year).....		875,173	799,981	417,426

**Object Classification (in thousands of dollars)**

Identification code 86-4036-0-3-451		1986 actual	1987 est.	1988 est.
25.0	Other services.....	23,450	23,044	23,044
33.0	Investments and loans.....	40,411	85,000	
99.9	Total obligations.....	63,861	108,044	23,044

**URBAN RENEWAL PROGRAMS**

**Program and Financing (in thousands of dollars)**

Identification code 86-4034-0-3-451		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Urban renewal loans.....	-169		
00.02	Urban renewal grants.....	569		
10.00	Total obligations.....	400		
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Loan repayments.....	-51		
14.00	Revenue.....	-39		
17.00	Recovery of prior year obligations.....	-2,853		
Unobligated balance available, start of year: Fund balance:				
21.98	Loans.....	-10,353	-10,612	
21.98	Grants.....	-28,607	-30,891	
Unobligated balance transferred to Revolving fund (liquidating programs): Fund balance:				
22.98	Loans.....		10,612	
22.98	Grants.....		30,891	
Unobligated balance available, end of year: Fund balance:				
24.98	Loans.....		10,612	
24.98	Grants.....		30,891	
39.00	<b>Budget authority</b> .....			

**Public enterprise funds—Continued**

**URBAN RENEWAL PROGRAMS—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	86-4034-0-3-451	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	310		
Obligated balance, start of year: Fund balance:				
72.98	Loans.....	3,537	3,368	
72.98	Grants.....	41,232	26,216	
Obligated balance transferred, net: Fund balance:				
73.98	Loans.....		-3,368	
73.98	Grants.....		-26,216	
Obligated balance, end of year: Fund balance:				
74.98	Loans.....		-3,368	
74.98	Grants.....		-26,216	
78.00	Adjustments in unexpired accounts.....		-2,853	
90.00	Outlays.....	12,641		

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	814	763	
1251	Repayments: Repayments and prepayments.....	-51		
1264	Adjustments: Other adjustments, net <sup>1</sup> .....		-763	
1290	Outstanding, end of year.....	763		

<sup>1</sup> Represents transfer to Revolving Fund (liquidating programs).

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	14,914	13,741	
2251	Repayments and prepayments.....	-1,173		
2264	Other adjustments, net <sup>1</sup> .....		-13,741	
2290	Outstanding, end of year.....	13,741		

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	13,741		
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<sup>1</sup> Represents transfer to Revolving Fund (liquidating programs).

Title I of the Housing Act of 1949, as amended (42 U.S.C. 1450 et seq.), authorized Federal capital grants and development loans to local public agencies for rehabilitation and redevelopment of slums and blighted areas.

Title I of the Housing and Community Development Act of 1974 (Public Law 93-383) terminated this program on January 1, 1975. No commitments for new grants or loans have been made since that date. Eligible activities of the terminated program may be funded, at the option of the grant recipient, under the Community development block grant program, authorized by the 1974 Act.

The assets and liabilities of the Urban Renewal program were transferred to the Revolving Fund (liquidating programs) on October 1, 1986, as authorized by the 1974 Act. Loan commitments previously made under this program are still outstanding and will continue until financial settlement of the projects involved is reached. The status of loan commitments outstanding at the end of 1986 is as follows:

**URBAN RENEWAL PROGRAMS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Total outstanding Federal loans and commitments, end of year.....	14,504		
Federal loans and advances outstanding.....	-763		

Guaranteed non-Federal loans outstanding.....	-13,741		
Unused commitments.....			

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	39		
Expense.....			
Net income for the year.....	39		

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Drawing account with Treasury.....	83,729	71,089		
Accounts receivable, net.....	12	11		
Loans receivable.....	814	763		
Total.....	84,555	71,863		

<b>Liabilities:</b>				
Selected liabilities: Accounts payable and accrued liabilities.....				
	40	40		
Total liabilities.....	40	40		

<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Undisbursed capital grant obligations.....	41,232	26,216		
Undisbursed loan obligations.....	3,509	3,340		
Unobligated balances:				
Grants.....	28,607	30,891		
Loans and planning advances.....	1,010,353	1,010,613		
Unfinanced budget authority: Borrowing.....				
	-1,000,000	-1,000,000		
Invested capital.....	814	763		
Total Government equity.....	84,515	71,823		

<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	98,978			
Transactions: Grant payments.....	-12,732			
Closing balance.....	86,246			
Retained income:				
Opening balance.....	-14,463			
Transactions: Net income for the year.....	39			
Closing balance.....	-14,424			
Total Government equity (end of year).....	71,823			

**Object Classification (in thousands of dollars)**

Identification code	86-4034-0-3-451	1986 actual	1987 est.	1988 est.
33.0	Investments and loans.....	-169		
41.0	Grants, subsidies, and contributions.....	569		
99.9	Total obligations.....	400		

**REVOLVING FUND (LIQUIDATING PROGRAMS)**

**Program and Financing (in thousands of dollars)**

Identification code	86-4015-0-3-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Disposition and management expenses.....	1	10	
Public facility loans:				
00.02	Interest on participation certificates.....	4,634	4,215	2,125
00.03	Other expenses.....	208	220	150
00.04	Project operations.....	7		
00.05	Urban renewal loans.....		-3,012	-31

00.06	Urban renewal grants .....	1,782		
10.00	Total obligations .....	4,850	3,215	2,244
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-5,552	-6,741	-3,966
Non-Federal sources:				
14.00	Repayments .....	-20,270	-20,046	-10,046
14.00	Revenue .....	-16,150	-20,000	-10,000
14.00	Sale of assets .....		-21,000	-120,000
17.00	Recovery of prior year obligations .....	-661	-1,000	
21.98	Unobligated balance available, start of year: Fund balance .....			
	Unobligated balance transferred, net: Fund balance:			
22.98	Participation sales fund, net .....	24,593	-783	-59,489
22.98	Loans .....		-10,612	
22.98	Grants .....		-30,892	
24.98	Unobligated balance available, end of year: Fund balance .....	11,272	50,638	53,837
27.00	Capital transfer to general fund .....	20,000	50,000	136,000
31.00	Redemption of debt .....	1,300	18,493	62,058
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	-37,122	-64,572	-141,768
72.98	Obligated balance, start of year: Fund balance .....	64,514	57,732	58,252
Obligated balance transferred, net:				
73.98	Urban renewal fund: Fund balance: Loans .....		3,368	
73.98	Urban renewal: Fund balance: Grants .....		26,216	
74.98	Obligated balance, end of year: Fund balance .....	-57,732	-58,252	-44,531
78.00	Adjustments in unexpired accounts .....	-661	-1,000	
90.00	Outlays .....	-30,999	-36,509	-128,047
Distribution of outlays:				
	Revolving fund .....	-29,699	-34,884	-126,422
	FFB Direct Loans .....	-1,300	-1,625	-1,625

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	418,549	391,580	335,672
Repayments:				
1251	Repayments and prepayments .....	-21,166	-21,671	-11,671
1253	Loan asset sales to the public .....		-21,000	-120,000
Adjustments:				
1262	Write-offs for default .....	-7,234		
1264	Other adjustments, net <sup>1</sup> .....	1,431	-13,237	-80,000
1290	Outstanding, end of year .....	391,580	335,672	124,001

<sup>1</sup> Net adjustment in 1987 represents transfer of \$763 thousand from Urban Renewal programs and \$14 million from the discount from face value on the sale of loan assets. In 1988, \$80 million adjustment reflects the discount from face value on the sale of loan assets.

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	57,374	54,374	52,898
2251	Repayments and prepayments .....	-3,000	-3,770	-4,370
2264	Adjustments: Other adjustments, net <sup>1</sup> .....		2,294	
2290	Outstanding, end of year .....	54,374	52,898	48,528

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	41,374	39,524	37,324
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<sup>1</sup> Represents transfer of \$13,741 thousand and principal reduction of \$11,447 thousand from Urban Renewal programs in 1987.

The Revolving fund (liquidating programs) was established by the Independent Offices Appropriation Act of 1955 for the more efficient liquidation of assets acquired under a number of housing and urban development programs. The budget reflects the transfer of assets and liabilities of the Urban Renewal program to the Revolving fund (liquidating programs) on October 1, 1986, as authorized by the Housing and Community Development Act of 1974.

The budget also reflects receipts from the sale of public facility loan assets of \$21 million in 1987 and

\$120 million in 1988. These proceeds will be returned to the Treasury.

The activity in this account also reflects repayments of loans that were guaranteed by HUD and disbursed by the Federal Financing Bank. These loan repayments are attributed to the originating agency consistent with the Balanced Budget and Emergency Deficit Control Act of 1985.

**Financing.**—In the past, certificates of participation in pools of public facility loans were sold. Funds were appropriated annually to cover the difference between interest due on the participation certificates and interest collections on the loans underlying the certificates.

The budget authority required for interest insufficiencies was transferred to the Revolving fund (liquidating programs) when public facility loan assets and liabilities were transferred to this account in 1975. Budget authority no longer is required for public facility loans as shown in the following table:

**PARTICIPATION INSUFFICIENCIES**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Interest expense on participation certificates .....	4,634	4,215	2,125
Interest earned on pledged bonds .....	-1,353	-416	-20
Net interest costs .....	3,281	3,799	2,105
Servicing expenses .....	4		
Investment income from Participation sales fund, net .....	-4,252	-5,116	-2,341
Insufficiency .....	-967	-1,317	-236
Excess funds (-), unfinanced deficit (+), start of year .....	-624	-1,591	-2,908
Excess funds (+), unfinanced deficit (-), end of year .....	1,591	2,908	3,144
Budget authority .....			

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue .....	20,538	46,116	132,341
Expense .....	-11,781	-7,408	3,053
Net income for the year .....	8,757	38,708	135,394

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Drawing account with Treasury .....	83,898	69,004	108,890	98,368
Accounts receivable (net) .....	15,349	12,976	12,987	12,987
Loans receivable (net) .....	367,422	346,708	292,922	91,271
Acquired security and collateral .....	1	1	1	1
Receivables from purchasers .....	2,288	122	122	122
Total assets .....	468,958	428,811	414,922	202,749
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities .....	4,216	2,705	2,745	2,745
Participation certificates outstanding ...	77,301	77,301	60,433	
Principal payments to be applied to redemption of participation certificates .....	-35,679	-60,272	-59,489	
Total liabilities .....	45,838	19,734	3,689	2,745
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Undisbursed loans .....	181		327	297
Undisbursed grants .....	5,231	4,559	11,557	4,559
Unobligated balance:				
Reserved .....	842			
Unreserved .....	13,417	11,272	36,968	40,090
Loans and planning advances .....			1,013,671	1,013,747

**Public enterprise funds—Continued**

**REVOLVING FUND (LIQUIDATING PROGRAMS)—Continued**

**Financial Condition (in thousands of dollars)—Continued**

	1985 actual	1986 actual	1987 est.	1988 est.
Invested capital.....	328,089	329,802	292,101	91,394
Undelivered orders.....	75,360	63,444	56,609	49,917
Unfinanced borrowing authority.....			-1,000,000	-1,000,000
<b>Total Government equity.....</b>	<b>423,120</b>	<b>409,077</b>	<b>411,233</b>	<b>200,004</b>

**Analysis of changes in Government equity:**

<b>Paid-in capital:</b>				
Opening balance.....		3,412,027	3,392,027	3,373,273
<b>Transactions:</b>				
Transfer from urban renewal: Paid in capital.....			86,246	
Capital Transfers to Treasury.....		-20,000	-50,000	-136,000
Urban renewal grants.....			-20,000	-6,998
Sale of assets.....			-35,000	-200,000
Closing balance.....		3,392,027	3,373,273	3,030,275
<b>Retained income:</b>				
Opening balance.....		-2,988,907	-2,982,950	-2,962,041
Transactions: Net income for the year.....		8,757	38,708	135,394
Liquidation of New Communities Debentures.....		-2,800	-3,375	-3,625
Transfer from: Urban renewal.....			-14,424	
Closing balance.....		-2,982,950	-2,962,041	-2,830,272
<b>Total Government equity (end of year).....</b>	<b>409,077</b>	<b>411,233</b>	<b>411,233</b>	<b>200,004</b>

**Object Classification (in thousands of dollars)**

Identification code		1986 actual	1987 est.	1988 est.
86-4015-0-3-451				
25.0	Other services.....	216	-1,000	119
43.0	Interest and dividends.....	4,634	4,215	2,125
99.9	<b>Total obligations.....</b>	<b>4,850</b>	<b>3,215</b>	<b>2,244</b>

**POLICY DEVELOPMENT AND RESEARCH**

*Federal Funds*

**General and special funds:**

**RESEARCH AND TECHNOLOGY**

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, **[\$17,000,000]** \$18,900,000, to remain available until September 30, **[1988]** 1989. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code		1986 actual	1987 est.	1988 est.
86-0108-0-1-451				
<b>Program by activities:</b>				
00.01	Direct program.....	15,029	18,500	19,000
01.01	Reimbursable program.....	205	300	300
10.00	<b>Total obligations.....</b>	<b>15,234</b>	<b>18,800</b>	<b>19,300</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-205	-300	-300
17.00	Recovery of prior year obligations.....	-85	-100	-100
21.40	Unobligated balance available, start of year.....	-171	-1,400	
24.40	Unobligated balance available, end of year.....	1,400		
40.00	<b>Budget authority (appropriation).....</b>	<b>16,173</b>	<b>17,000</b>	<b>18,900</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	15,029	18,500	19,000

72.40	Obligated balance, start of year.....	18,874	19,623	21,223
74.40	Obligated balance, end of year.....	-19,623	-21,223	-22,323
77.00	Adjustments in expired accounts.....	-539		
78.00	Adjustments in unexpired accounts.....	-85	-100	-100
90.00	<b>Outlays.....</b>	<b>13,656</b>	<b>16,800</b>	<b>17,800</b>

The Housing and Urban Development Act of 1970 directs the Secretary to undertake programs of research, studies, testing, and demonstrations related to the HUD mission. These functions are carried out internally and through contracts with industry, nonprofit research organizations, and educational institutions, and through agreements with State and local governments and other Federal agencies.

In 1988, the Department will maintain its emphasis on improving the efficiency, effectiveness, and equity of HUD programs, and on identifying ways of achieving cost reductions.

**Object Classification (in thousands of dollars)**

Identification code		1986 actual	1987 est.	1988 est.
86-0108-0-1-451				
<b>Direct obligations:</b>				
25.0	Other services.....	14,192	17,500	17,800
41.0	Grants, subsidies, and contributions.....	837	1,000	1,200
99.0	<b>Subtotal, direct obligations.....</b>	<b>15,029</b>	<b>18,500</b>	<b>19,000</b>
99.0	Reimbursable obligations.....	205	300	300
99.9	<b>Total obligations.....</b>	<b>15,234</b>	<b>18,800</b>	<b>19,300</b>

**FAIR HOUSING AND EQUAL OPPORTUNITY**

*Federal Funds*

**General and special funds:**

**FAIR HOUSING ASSISTANCE**

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended, **[\$6,341,300]** \$6,400,000, to remain available until September 30, **[1988]** 1989: Provided, That \$1,400,000 of the amount appropriated herein shall be withheld from obligation pending transfer to the Fair Housing Initiatives program upon enactment of authorizing legislation for that program: Provided further, That if such authorizing legislation is not enacted prior to January 1, 1988, the amount set aside in the above proviso shall be made available for obligation under this heading.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code		1986 actual	1987 est.	1988 est.
86-0144-0-1-751				
<b>Program by activities:</b>				
00.01	State and local agency assistance grants.....	4,924	8,157	4,550
00.02	Community housing resource boards assistance.....	696	3,822	1,050
10.00	<b>Total obligations (object class 41.0).....</b>	<b>5,620</b>	<b>11,979</b>	<b>5,600</b>
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-155	-600	-600
21.40	Unobligated balance available, start of year.....	-4,164	-5,038	
24.40	Unobligated balance available, end of year.....	5,038		
25.00	Unobligated balance lapsing.....	3		
39.00	<b>Budget authority.....</b>	<b>6,341</b>	<b>6,341</b>	<b>5,000</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	6,341	6,341	6,400
41.00	Transferred to other accounts.....			-1,400
43.00	<b>Appropriation (adjusted).....</b>	<b>6,341</b>	<b>6,341</b>	<b>5,000</b>

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,620	11,979	5,600
72.40	Obligated balance, start of year .....	7,663	7,323	11,102
74.40	Obligated balance, end of year .....	-7,323	-11,102	-3,402
77.00	Adjustments in expired accounts .....	-367		
78.00	Adjustments in unexpired accounts .....	-155	-600	-600
90.00	Outlays .....	5,439	7,600	12,700

The fair housing assistance program, authorized by title VIII of the Civil Rights Act of 1968, provides funding to State and local agencies and community housing resource boards to aid in eliminating housing discrimination.

The budget proposes an appropriation of \$6.4 million in 1988 of which \$4.0 million will be available to State and local agencies to assure prompt and effective processing of title VIII (Civil Rights Act of 1968) complaints. The budget also proposes funding of \$1.0 million for community housing resource boards which assist HUD, realtors and builders in designing, implementing, and monitoring voluntary affirmative marketing agreements and programs.

The balance of the 1988 appropriation (\$1.4 million) would be available for transfer to the proposed "Fair Housing Initiatives Program," as part of a comprehensive fair housing strategy, following enactment of that new program. If the legislation is not enacted, the \$1.4 million will be used within the existing Fair Housing Assistance Program.

**FAIR HOUSING INITIATIVES**

(Proposed for later transmittal, proposed legislation)

*For contracts, grants, and other assistance, not otherwise provided for, necessary for carrying out the Fair Housing Initiatives Program, \$3,600,000, to remain available until September 30, 1989: Provided, That this amount shall be available only upon enactment into law of authorizing legislation.*

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0) .....		5,000
<b>Financing:</b>			
39.00	<b>Budget authority</b> .....		<b>5,000</b>
<b>Budget authority:</b>			
40.00	Appropriation .....		3,600
42.00	Transferred from other accounts .....		1,400
43.00	<b>Appropriation (adjusted)</b> .....		<b>5,000</b>
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....		5,000
74.40	Obligated balance, end of year .....		-3,750
90.00	Outlays .....		1,250

The budget proposes a new Fair Housing Initiatives Program for 1988. This program is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities.

**MANAGEMENT AND ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES\***

(INCLUDING TRANSFER OF FUNDS)

\*See Part II for additional information.

For necessary administrative and nonadministrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed \$4,000 for official reception and representation expenses, [and] during [1987 notwithstanding any other provision of law, the Department of Housing and Urban Development shall maintain an average employment of at least 1,270 for Public and Indian Housing Programs \$647,385,000] 1988, \$650,183,000, of which [\$306,962,000] \$339,974,000 shall be provided from the various funds of the Federal Housing Administration.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	
86-0143-0-1-999				
<b>Program by activities:</b>				
00.01	Housing, mortgage credit, regulatory and energy conservation programs .....	256,543	304,099	306,879
00.02	Community planning and development programs .....	48,707	48,393	44,058
00.03	Equal opportunity and research programs .....	32,545	36,148	37,999
00.04	Departmental management, legal and audit services .....	153,568	180,835	180,786
00.05	Field direction and administration .....	86,268	88,321	91,447
10.00	Total obligations .....	577,631	657,796	661,169
<b>Financing:</b>				
Offsetting collections from: Federal funds: Non-operating receipts:				
11.00	Federal Housing Administration .....	-246,959	-306,962	-339,974
11.00	Other .....	-18,606	-10,411	-10,986
25.00	Unobligated balance lapsing .....	9,894		
40.00	<b>Budget authority (appropriation)</b> .....	<b>321,960</b>	<b>340,423</b>	<b>310,209</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	312,066	340,423	310,209
72.40	Obligated balance, start of year .....	64,625	75,041	76,594
74.40	Obligated balance, end of year .....	-75,041	-76,594	-73,893
77.00	Adjustments in expired accounts .....	-704		
90.00	Outlays .....	300,947	338,870	312,910

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	321,960	340,423	310,209
Outlays .....	300,947	338,870	312,910
<b>Rescission proposal:</b>			
Budget authority .....		-19,042	
Outlays .....		-18,280	-762
<b>Total:</b>			
Budget authority .....	321,960	321,381	310,209
Outlays .....	300,947	320,590	312,148

This appropriation finances all salaries and related costs associated with administering the programs of the Department of Housing and Urban Development, including: housing and mortgage credit programs; community planning and development programs; equal opportunity, research, regulatory and insurance programs; departmental management, legal and audit services; and field direction and administration. A rescission of \$19.0 million (see Part II of this volume), and legislation to remove the requirement that Public Housing maintain a minimum staffing level are proposed.

General and special funds—Continued

SALARIES AND EXPENSES\*—Continued

[(INCLUDING TRANSFER OF FUNDS)]—Continued

Object Classification (in thousands of dollars)

Identification code	86-0143-0-1-999	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	360,833	414,278	405,407
11.3	Other than full-time permanent.....	12,618	14,487	14,177
11.5	Other personnel compensation.....	4,470	4,939	5,022
11.8	Special personal services payments.....	123	136	138
11.9	Total personnel compensation.....	378,044	433,840	424,744
12.1	Personnel benefits: Civilian.....	46,805	53,738	52,587
13.0	Benefits for former personnel.....	811	1,000	1,000
21.0	Travel and transportation of persons.....	11,227	14,260	13,850
22.0	Transportation of things.....	632	700	700
23.1	Rental payments to GSA.....	31,026	36,900	45,072
23.3	Communications, utilities, and miscellaneous charges.....	22,942	23,640	24,118
24.0	Printing and reproduction.....	6,013	7,200	6,400
25.0	Other services.....	64,107	76,814	82,043
26.0	Supplies and materials.....	4,071	5,154	5,975
31.0	Equipment.....	11,697	4,300	4,430
42.0	Insurance claims and indemnities.....	256	250	250
99.9	Total obligations.....	577,631	657,796	661,169

Personnel Summary

Total number of full-time permanent positions.....	10,959	11,801	11,710
Total compensable workyears:			
Full-time equivalent employment.....	11,488	12,266	12,171
Full-time equivalent of overtime and holiday hours.....	154	98	78

NEW COMMUNITY ASSISTANCE GRANTS

Program and Financing (in thousands of dollars)

Identification code	86-0149-0-1-451	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			
72.40	Obligated balance, start of year.....	225	186	
74.40	Obligated balance, end of year.....	-186		
90.00	Outlays.....	39	186	

New community assistance grants were authorized by the Housing and Urban Development Act of 1970, as amended.

*Budget program.*—Grants were distributed to new community developers under section 718 to supplement public facility projects in existing new communities. Public Law 96-7, dated April 9, 1979, rescinded all budget authority not administratively committed. Any amounts recovered subsequent to that date will be rescinded automatically. All remaining commitments are estimated to be disbursed by the end of 1987.

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code	86-4586-0-4-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	Printing and reproduction services.....	4,650	4,439	4,393
00.02	Visual arts services.....	614	696	686
00.03	Data processing services.....	51,501	59,314	62,032
00.91	Total operating expenses.....	56,765	64,449	67,111
01.01	Capital investment: Data processing services.....	7	3,542	2,500
10.00	Total obligations.....	56,772	67,991	69,611

<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-47,273	-67,903	-69,530
17.00	Recovery of prior year obligations.....	-1,133		
21.98	Unobligated balance available, start of year: Fund balance.....	-10,750	-2,384	-2,296
24.98	Unobligated balance available, end of year: Fund balance.....	2,384	2,296	2,215
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	9,499	88	81
72.98	Obligated balance, start of year: Fund balance.....	-5,574	6,873	6,961
74.98	Obligated balance, end of year: Fund balance.....	-6,873	-6,961	-7,042
78.00	Adjustments in unexpired accounts.....	-1,133		
90.00	Outlays.....	-4,082		

The Working capital fund, authorized by the Department of Housing and Urban Development Act of 1965, finances administrative services which can be performed more efficiently on a centralized basis. The fund is financed from fees charged for services performed.

Object Classification (in thousands of dollars)

Identification code	86-4586-0-4-451	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	9,234	11,072	11,160
11.3	Other than full-time permanent.....	92	110	111
11.5	Other personnel compensation.....	114	137	138
11.9	Total personnel compensation.....	9,440	11,319	11,409
12.1	Personnel benefits: Civilian.....	982	1,177	1,187
13.0	Benefits for former personnel.....	1	3	3
21.0	Travel and transportation of persons.....	39	61	61
22.0	Transportation of things.....	20	53	23
23.3	Communications, utilities, and miscellaneous charges.....	11,642	10,633	15,043
24.0	Printing and reproduction.....	3,235	3,281	3,281
25.0	Other services.....	27,771	36,537	35,441
26.0	Supplies and materials.....	865	667	633
31.0	Equipment.....	2,777	4,260	2,530
99.9	Total obligations.....	56,772	67,991	69,611

Personnel Summary

Total number of full-time permanent positions.....	219	255	255
Total compensable workyears:			
Full-time equivalent employment.....	232	270	267
Full-time equivalent of overtime and holiday hours.....	3	2	2

Trust Funds

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code	86-8093-0-7-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	17	5	5
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-17		
21.98	Unobligated balance available, start of year: Fund balance.....	-4	-4	-4
24.98	Unobligated balance available, end of year: Fund balance.....	4	4	4
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b> .....		5	5
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		5	5
90.00	Outlays.....		5	5

This fund is the repository of gifts and bequests which the Secretary of Housing and Urban Develop-

ment is authorized to accept and use for the purposes of aiding the work of the Department. The provision of section 7(k)(1) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(k)(1), authorizes the installment of a fund amount for the above purpose.

**【ADMINISTRATIVE PROVISION】**

【None of the funds appropriated by this or any other Act shall be used to implement or enforce the regulations published on April 1, 1986, at 51 Fed. Reg. 11198-11231.】

【No part of the funds made available by this or any other Act in fiscal year 1987 may be used to close any field office of the Department of Housing and Urban Development. Of the funds made available by this Act, the Secretary of the Department of Housing and Urban Development shall utilize such sums as are necessary to reopen any such field office closed by the Department in the twelve months preceding the date of enactment of this Act.】

【Section 119(n)(1) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following: Such term also includes the counties of Kauai, Maui and Hawaii in the State of Hawaii.】

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**TITLE IV—GENERAL PROVISIONS**

SEC. 401. Where appropriations in titles I and II of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans Administration; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Disaster Relief Act of 1974; to site-related travel performed in connection with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; to site-related travel under the Solid Waste Disposal Act, as amended; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I and II exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal home loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—  
(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of the Secretary of the Department of Housing and Urban Development, who, under title 5, United States Code, section 101, is exempted from such limitation.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the maximum rate paid for GS-18, unless specifically authorized by law.

【SEC. 409. No part of any appropriation contained in this Act for personnel compensation and benefits shall be available for other object classifications set forth in the budget estimates submitted for the appropriations.】

SEC. 【410】 409. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 【411】 410. Except as otherwise provided under existing law or under an existing Executive order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 【412】 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared and (B) the contractor who prepared the report pursuant to such contract.

SEC. 【413】 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 【414】 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.



## DEPARTMENT OF THE INTERIOR

### LAND AND MINERALS MANAGEMENT

#### BUREAU OF LAND MANAGEMENT

The Bureau of Land Management (BLM) is responsible for the conservation, management and development of 270 million acres of public lands. The Bureau also has full responsibility for mineral leasing and supervision of minerals operations on the public lands and on some 300 million acres of Federal mineral estate underlying other agency jurisdictions and ownerships.

#### Federal Funds

#### General and special funds:

##### MANAGEMENT OF LANDS AND RESOURCES\*

\*See Part II for additional information.

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau of Land Management, **[\$483,610,000, of which \$83,000,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, and \$5,000,000 for insect and disease control projects, including grasshoppers, shall remain available until expended: *Provided*, That regulations pertaining to mining operations on public lands conducted under the Mining Law of 1872 (30 U.S.C. 22, et seq.) and sections 302, 303, and 603 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732, 1733, and 1782) shall be modified to include a requirement for the posting of reclamation bonds by operators for all operations which involve significant surface disturbance, (a) at the discretion of the authorized officer for operators who have a record of compliance with pertinent regulations concerning mining on public lands, and (b) on a mandatory basis only for operators with a history of noncompliance with the aforesaid regulations: *Provided further*, That surety bonds, third party surety bonds, or irrevocable letters of credit shall qualify as bond instruments: *Provided further*, That evidence of an equivalent bond posted with a State agency shall be accepted in lieu of a separate bond: *Provided further*, That the amount of such bonds shall be sufficient to cover the costs of reclamation as estimated by the Bureau of Land Management] \$407,952,000. (16 U.S.C. 594; 30 U.S.C. 181 et seq., 351-359; 43 U.S.C. 2, 31(a), 52, 315, 1181, a, b, d-f, 1701; 78 Stat. 986; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)**

#### Program and Financing (in thousands of dollars)

Identification code	14-1109-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Energy and minerals management .....	79,789	77,872	84,039
00.02	Lands and realty management .....	39,532	42,204	45,513
00.03	Renewable resources management .....	112,427	119,198	114,090
00.04	Planning and data management .....	22,123	24,413	30,758
00.05	Cadastral survey .....	25,554	26,681	24,021
00.06	Firefighting and rehabilitation .....	86,899	87,076	4,076
00.07	Mormon cricket and grasshopper control .....	.....	5,000	.....
00.08	Technical services .....	14,740	16,065	17,874
00.09	General administration .....	79,519	85,101	87,581
00.91	Total direct program .....	460,583	483,610	407,952
01.01	Reimbursable program .....	12,118	13,000	11,000
10.00	Total obligations .....	472,701	496,610	418,952

<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-10,701	-11,000	-11,000
14.00	Non-Federal sources .....	-1,417	-2,000	.....
21.40	Unobligated balance available, start of year .....	-281	.....	.....
22.40	Unobligated balance transferred, net .....	-83,000	.....	.....
25.00	Unobligated balance lapsing .....	1,664	.....	.....
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	172	.....	.....
40.00	<b>Budget authority (appropriation) .....</b>	<b>379,139</b>	<b>483,610</b>	<b>407,952</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	460,583	483,610	407,952
72.40	Obligated balance, start of year .....	64,293	76,426	79,432
73.40	Obligated balance transferred, net .....	-3,710	.....	.....
74.40	Obligated balance, end of year .....	-76,426	-79,432	-68,658
77.00	Adjustments in expired accounts .....	1,407	.....	.....
90.00	<b>Outlays .....</b>	<b>446,147</b>	<b>480,604</b>	<b>418,726</b>

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	(In thousands of dollars)		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	379,139	483,610	407,952
Outlays .....	446,147	480,604	418,726
Rescission proposal:			
Budget authority .....	-6,500	.....	.....
Outlays .....	-5,395	-1,105	.....
Total:			
Budget authority .....	379,139	477,110	407,952
Outlays .....	446,147	475,209	417,621

**Energy and minerals management.**—Provides for leasing of Federal minerals onshore, for Federal mineral resource and economic evaluation, and for the supervision of minerals development activities on Federal and Indian lands, including oil and gas, coal, geothermal, oil shale, tar sands, phosphates, sodium, and potash. Emphasis is also placed on surface management regulation and compliance for mining on public lands.

**Lands and realty management.**—Includes processing rights-of-way applications; processing land selections under the Alaska Native Claims Settlement Act and the Alaska Statehood Act; processing State indemnity selections, land exchanges, and other lands and realty cases; review and processing of public land withdrawals, and sale of lands under the terms of the Federal Land Policy and Management Act and other laws. BLM is also responsible for the system of public land records, some of which date back nearly 200 years.

**Renewable resources management.**—Provides for development, utilization, protection, preservation and sustained yield management of the natural resources on the public lands through such activities as forest management; range management; recreation management; soil, water, and air management; wildlife habitat management; and fire management.

**Planning and data management.**—Includes resource management and land use planning, and automated data management.

**Cadastral survey.**—Provides for identification of Federal land boundaries and legal property descriptions.

BUREAU OF LAND MANAGEMENT—Continued

General and special funds—Continued

MANAGEMENT OF LANDS AND RESOURCES —Continued

**Firefighting and rehabilitation.**—Provides for suppression of wildfires on or threatening the public lands; and rehabilitation of public land resources.

**Mormon cricket and grasshopper control.**—Provides for control of insect and pest infestations on Federal rangelands.

**Technical services.**—Provides for enforcement of laws and regulations governing the management, use, and protection of public lands; and for maintenance of buildings, roads, and trails.

**General administration.**—Includes executive management, equal employment opportunity programs, general administrative services, and Bureau-wide fixed costs.

Object Classification (in thousands of dollars)

Identification code	14-1109-0-1-302	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	199,418	206,953	208,708
11.3	Other than full-time permanent .....	18,295	26,484	4,171
11.5	Other personnel compensation .....	11,671	11,912	1,926
11.8	Special personal services payments .....	5,067		
11.9	<b>Total personnel compensation .....</b>	<b>234,451</b>	<b>245,349</b>	<b>214,805</b>
12.1	Personnel benefits: Civilian .....	39,549	40,856	52,510
13.0	Benefits for former personnel .....	1,623	1,400	400
21.0	Travel and transportation of persons .....	13,187	16,500	16,500
22.0	Transportation of things .....	12,474	12,000	12,000
23.1	Rental payments to GSA .....	25,237	25,057	26,355
23.2	Rental payments to others .....	5,860	6,000	6,000
23.3	Communications, utilities, and miscellaneous charges .....	11,709	12,000	11,000
24.0	Printing and reproduction .....	5,764	6,000	4,000
25.0	Other services .....	75,939	82,398	38,332
26.0	Supplies and materials .....	24,686	25,000	15,000
31.0	Equipment .....	9,222	10,000	10,000
32.0	Lands and structures .....	832	1,000	1,000
42.0	Insurance claims and indemnities .....	50	50	50
99.0	Subtotal, direct obligations .....	460,583	483,610	407,952
99.0	Reimbursable obligations .....	12,118	13,000	11,000
99.9	<b>Total obligations .....</b>	<b>472,701</b>	<b>496,610</b>	<b>418,952</b>

Personnel Summary

<b>Direct:</b>				
	Total number of permanent positions .....	7,017	7,121	7,130
	Total compensable workyears:			
	Full-time equivalent employment .....	8,151	8,360	8,249
	Full-time equivalent of overtime and holiday hours .....	337	337	337
<b>Reimbursable:</b>				
	Total number of permanent positions .....	139	111	47
	Total compensable workyears:			
	Full-time equivalent employment .....	200	148	92
	Full-time equivalent of overtime and holiday hours .....	3	3	3

CONSTRUCTION AND ACCESS\*

\*See Part II for additional information.

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, **[\$2,800,000]** \$1,281,000, to remain available until expended. (43 U.S.C. 1701, 1715, 1762; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	14-1110-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Construction .....	7,366	1,600	
00.02	Access .....	1,466	1,236	1,631
00.91	Total direct program .....	8,832	2,836	1,631
01.01	Reimbursable program .....	71		
10.00	<b>Total obligations .....</b>	<b>8,903</b>	<b>2,836</b>	<b>1,631</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-71		
17.00	Recovery of prior year obligations .....	-47		
21.40	Unobligated balance available, start of year .....	-1,438	-1,187	-1,187
24.40	Unobligated balance available, end of year .....	1,187	1,187	837
39.00	<b>Budget authority .....</b>	<b>8,535</b>	<b>2,836</b>	<b>1,281</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	1,335	2,800	1,281
42.00	Transferred from other accounts .....	7,200		
43.00	<b>Appropriation (adjusted) .....</b>	<b>8,535</b>	<b>2,800</b>	<b>1,281</b>
46.40	Transfer in for retirement contributions (P.L. 99-335) .....		36	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	8,832	2,836	1,631
72.40	Obligated balance, start of year .....	1,708	7,157	2,557
74.40	Obligated balance, end of year .....	-7,157	-2,557	
78.00	Adjustments in unexpired accounts .....	-47		
89.00	<b>Outlays .....</b>	<b>3,337</b>	<b>7,436</b>	<b>4,188</b>
<b>Outlays:</b>				
90.00	Outlays, excluding retirement supplemental .....	3,337	7,400	4,188
91.40	Outlays from retirement contribution supplemental .....		36	

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	8,535	2,836	1,281
Outlays .....	3,337	7,436	4,188
<b>Rescission proposal:</b>			
Budget authority .....		-1,600	
Outlays .....		-1,280	-320
<b>Total:</b>			
Budget authority .....	8,535	1,236	1,281
Outlays .....	3,337	6,156	3,868

**Construction.**—Provides for the construction of buildings, recreation facilities, roads and trails. No new construction is proposed for 1988.

**Access.**—Provides for the acquisition of easements for legal access to public land areas.

Object Classification (in thousands of dollars)

Identification code	14-1110-0-1-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	915	935	943
11.3	Other than full-time permanent .....	46	47	47
11.5	Other personnel compensation .....	7	7	7
11.9	<b>Total personnel compensation .....</b>	<b>968</b>	<b>989</b>	<b>997</b>
12.1	Personnel benefits: Civilian .....	140	155	216
21.0	Travel and transportation of persons .....	104	100	100
22.0	Transportation of things .....	42	40	40
23.2	Rental payments to others .....	3	3	3
23.3	Communications, utilities, and miscellaneous charges .....	27	25	25
24.0	Printing and reproduction .....	2	2	2
25.0	Other services .....	633	50	50
26.0	Supplies and materials .....	87	30	30
31.0	Equipment .....	19		
32.0	Lands and structures .....	6,807	1,442	168
99.0	<b>Subtotal, direct program .....</b>	<b>8,832</b>	<b>2,836</b>	<b>1,631</b>

99.0	Reimbursable obligations .....	71		
99.9	Total obligations .....	8,903	2,836	1,631

**Personnel Summary**

Total number of full-time permanent positions.....	26	26	26
Total compensable workyears: Full-time equivalent employment .....	30	30	30

**PAYMENTS IN LIEU OF TAXES**

For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 6901-07), \$105,000,000, of which not to exceed \$400,000 shall be available for administrative expenses. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code 14-1114-0-1-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	99,584	105,000	105,000
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	298		
40.00 Budget authority (appropriation) .....	99,882	105,000	105,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	99,584	105,000	105,000
72.40 Obligated balance, start of year .....	4	8	8
74.40 Obligated balance, end of year .....	-8	-8	-8
77.00 Adjustments in expired accounts .....	161		
90.00 Outlays .....	99,741	105,000	105,000

Public Law 94-565 (31 U.S.C. 6901), as amended, authorizes payments in lieu of taxes to counties and other units of local government for lands within their boundaries which are administered by the Bureau of Land Management, Forest Service, National Park Service, Fish and Wildlife Service and certain other agencies (entitlement land payments).

**Object Classification (in thousands of dollars)**

Identification code 14-1114-0-1-852	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent .....	37	38	38
12.1 Personnel benefits: Civilian .....	3	3	7
23.2 Rental payments to others .....	1		
24.0 Printing and reproduction .....	5	5	5
25.0 Other services .....	60	50	50
26.0 Supplies and materials .....	2	4	
31.0 Equipment .....	3		
41.0 Grants, subsidies, and contributions .....	99,474	104,900	104,900
99.9 Total obligations .....	99,584	105,000	105,000

**Personnel Summary**

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment .....	1	1	1

**OREGON AND CALIFORNIA GRANT LANDS**

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; [\$54,524,000] \$53,937,000, to remain available until expended: *Provided*, That the amount appropriated herein for road construction shall be transferred to the Federal Highway Administration, Depart-

ment of Transportation: *Provided further*, That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876). (16 U.S.C. 594; 43 U.S.C. 1181, 1701; 53 Stat. 753; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code 14-1116-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Construction and acquisition .....	512	528	556
00.02 Maintenance .....	4,517	4,120	3,758
00.03 Renewable resources management .....	48,771	48,931	48,678
00.04 Planning and data management .....	469	945	945
10.00 Total obligations .....	54,269	54,524	53,937
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-1,752	-862	-862
24.40 Unobligated balance available, end of year .....	862	862	862
40.00 Budget authority (appropriation) .....	53,379	54,524	53,937
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	54,269	54,524	53,937
72.40 Obligated balance, start of year .....	13,484	13,190	13,500
74.40 Obligated balance, end of year .....	-13,190	-13,500	-18,044
90.00 Outlays .....	54,563	54,214	49,933

The Oregon and California grant lands appropriation provides for the management, development and protection by BLM of 2.1 million acres of revested railroad and wagon road lands located in western Oregon, primarily for permanent forest production under the principle of sustained yield.

**Object Classification (in thousands of dollars)**

Identification code 14-1116-0-1-302	1986 actual	1987 est.	1988 est.
<b>BUREAU OF LAND MANAGEMENT</b>			
Personnel compensation:			
11.1 Full-time permanent .....	24,759	25,090	24,919
11.3 Other than full-time permanent .....	2,429	2,422	2,394
11.5 Other personnel compensation .....	920	938	948
11.8 Special personal services payments .....	21		
11.9 Total personnel compensation .....	28,129	28,450	28,260
12.1 Personnel benefits: Civilian .....	3,817	4,543	6,615
21.0 Travel and transportation of persons .....	553	550	550
22.0 Transportation of things .....	2,141	2,000	2,000
23.2 Rental payments to others .....	372	350	350
23.3 Communications, utilities, and miscellaneous charges .....	709	700	700
24.0 Printing and reproduction .....	163	200	200
25.0 Other services .....	13,694	12,331	9,858
26.0 Supplies and materials .....	2,447	3,000	3,000
31.0 Equipment .....	1,180	1,500	1,500
32.0 Lands and structures .....	281	500	500
42.0 Insurance claims and indemnities .....	8		
99.0 Subtotal, Bureau of Land Management .....	53,494	54,124	53,534

**FEDERAL HIGHWAY ADMINISTRATION**

Personnel compensation:			
11.1 Full-time permanent .....	68	95	96
11.3 Other than full-time permanent .....	6	8	
11.5 Other personnel compensation .....	2	3	
11.9 Total personnel compensation .....	76	106	96
12.1 Personnel benefits: Civilian .....	4	5	16
21.0 Travel and transportation of persons .....	22	25	25
22.0 Transportation of things .....	1	10	10
23.3 Communications, utilities, and miscellaneous charges .....	5	10	10
24.0 Printing and reproduction .....		1	1
31.0 Equipment .....	1	64	63

**BUREAU OF LAND MANAGEMENT—Continued**  
**General and special funds—Continued**  
**OREGON AND CALIFORNIA GRANT LANDS—Continued**  
**Object Classification (in thousands of dollars)—Continued**

Identification code	14-1116-0-1-302	1986 actual	1987 est.	1988 est.
32.0	Lands and structures.....	666	179	182
99.0	Subtotal, Federal Highway Administration.....	775	400	403
99.9	Total obligations.....	54,269	54,524	53,937
Obligations are distributed as follows:				
	Interior—Bureau of Land Management.....	53,494	54,124	53,534
	Transportation—Federal Highway Administration.....	775	400	403

**Personnel Summary**

BUREAU OF LAND MANAGEMENT				
Total number of full-time permanent positions.....	875	870	855	
Total compensable workyears:				
Full-time equivalent employment.....	1,014	1,006	988	
Full-time equivalent of overtime and holiday hours.....	23	23	23	
FEDERAL HIGHWAY ADMINISTRATION				
Total number of full-time permanent positions.....	4	4	4	
Total compensable workyears: Full-time equivalent employment.....	4	4	4	

**SPECIAL ACQUISITION OF LANDS AND MINERALS**

**Program and Financing (in thousands of dollars)**

Identification code	14-1117-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 43.0).....	1,088	1,300	1,300
<b>Financing:</b>				
67.10	Authority to borrow (Public Law 96-476, as amended).....	1,088	1,300	1,300
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,088	1,300	1,300
90.00	Outlays.....	1,088	1,300	1,300

**Rattlesnake NRA and Wilderness Area.**—Represents the monetary value of bidding rights issued under the authority of Public Law 96-476 and the estimated value of the quarterly adjustments to those rights required by section 7 of the Lee Metcalf Wilderness and Management Act of 1983. The bidding rights may be used as monetary credits against that portion of any coal lease bonus payments, rentals or royalties payable under the Mineral Leasing Act of 1920, as amended, and retained by the Federal Government, on any Federal coal lease won or otherwise held by the holder. The value of unused bidding rights increases at a rate set quarterly by the Secretary of the Treasury, pursuant to section 11 of the Debt Collection Act of 1982 (31 U.S.C. 3717).

**LAND ACQUISITION\***

\*See Part II for additional information.

**[(INCLUDING RESCISSION)]**

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94-579 including administrative expenses and acquisition of lands or waters, or interest therein, **[\$6,220,000]** \$10,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

【Of the funds appropriated under this head in Public Law 98-396 to carry out the provisions of Public Law 93-531, as amended, \$3,200,000 are rescinded.】 (16 U.S.C. 460y, 460i; 43 U.S.C. 1715; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code	14-5033-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Operating expenses.....	667	300	
01.01	Capital investment.....	1,700	5,884	1,310
10.00	Total obligations.....	2,367	6,184	1,310
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-4,714	-4,536	-1,372
22.40	Unobligated balance transferred, net.....		-36	
23.40	Unobligated balance rescinded (P.L. 99-591).....		3,200	
24.40	Unobligated balance available, end of year.....	4,536	1,372	72
39.00	<b>Budget authority</b> .....	<b>2,188</b>	<b>6,184</b>	<b>10</b>
Budget authority:				
40.00	Appropriation (special fund).....	2,188	6,220	10
45.00	Transfers out for pay raises and retirement contributions.....		-36	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	2,367	6,184	1,310
72.40	Obligated balance, start of year.....	777	653	3,439
74.40	Obligated balance, end of year.....	-653	-3,439	-1,014
90.00	Outlays.....	2,490	3,398	3,735

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority.....	2,188	6,184	10	
Outlays.....	2,490	3,398	3,735	
Rescission proposal:				
Budget authority.....		-2,700		
Outlays.....		-810	-1,890	
Total:				
Budget authority.....	2,188	3,484	10	
Outlays.....	2,490	2,588	1,845	

This appropriation provides for the acquisition of lands or interests in lands when necessary for public recreation use and other purposes related to the management of the public lands.

**Object Classification (in thousands of dollars)**

Identification code	14-5033-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	303	276	
11.3	Other than full-time permanent.....	28	14	
11.5	Other personnel compensation.....	5	5	
11.9	Total personnel compensation.....	336	295	
12.1	Personnel benefits: Civilian.....	38	34	
21.0	Travel and transportation of persons.....	16	15	
22.0	Transportation of things.....	5	5	
23.3	Communications, utilities, and miscellaneous charges.....	3	3	
24.0	Printing and reproduction.....	2	2	
25.0	Other services.....	258	250	
26.0	Supplies and materials.....	7	5	
31.0	Equipment.....	1		
32.0	Lands and structures.....	1,701	5,575	1,310
99.9	Total obligations.....	2,367	6,184	1,310

**Personnel Summary**

Total number of full-time permanent positions.....	9	8	
Total compensable workyears: Full-time equivalent employment.....	11	10	

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315, et seq.), but not less than **[\$9,253,000] \$8,506,000, [43 U.S.C. 1901]** and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, to remain available until expended: *Provided*, That not to exceed \$600,000 shall be available for administrative expenses. (7 U.S.C. 1010; 30 U.S.C. 355; 43 U.S.C. 1751, and 1901; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	5,940	6,370	6,370
Collections (offsetting receipts).....	16,640	16,091	16,512
Transferred to general fund receipts.....	-5,180	-5,041	-5,174
Transferred to payments to States from grazing receipts, etc., public lands outside grazing districts.....	-1,000	-988	-1,024
Transferred to payments to States from grazing receipts, etc., public lands within grazing districts.....	-1,520	-1,512	-1,558
Transferred to payments to counties from grazing and mineral leasing receipts from National Grasslands.....	-620	-504	-500
Total available for appropriation.....	14,260	14,416	14,626
Appropriation.....	-8,320	-8,046	-8,256
Reduction pursuant to P.L. 99-177.....	430		
Unappropriated balance, end of year <sup>1</sup> .....	6,370	6,370	6,370

<sup>1</sup> Payments to States and to the Range Improvements Fund are derived from statutory percentages of collections in the prior fiscal year.

Program and Financing (in thousands of dollars)

Identification code 14-5132-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Improvements to public lands.....	8,066	7,703	6,956
00.02 Farm tenant act lands.....	1,443	950	950
00.03 Administrative expenses.....	600	600	600
10.00 Total obligations.....	10,110	9,253	8,506
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,622	-2,082	-2,082
24.40 Unobligated balance available, end of year.....	2,082	2,082	2,082
39.00 Budget authority.....	9,570	9,253	8,506
<b>Budget authority:</b>			
40.00 Appropriation (indefinite, special fund).....	7,890	8,046	8,256
40.00 Appropriation (indefinite, general fund).....	1,680	1,207	250
43.00 Appropriation (adjusted).....	9,570	9,253	8,506
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	10,110	9,253	8,506
72.40 Obligated balance, start of year.....	2,604	2,405	2,310
74.40 Obligated balance, end of year.....	-2,405	-2,310	-2,310
90.00 Outlays.....	10,309	9,348	8,506

The appropriation is derived from a percentage of receipts received from grazing of livestock on the public lands, and from grazing and mineral leasing receipts on Bankhead-Jones Farm Tenant Act lands transferred from the Department of Agriculture by various Executive orders. On public lands, the fee from grazing includes a range improvement fee, which is available for the construction and development of range improvements when appropriated.

Object Classification (in thousands of dollars)

Identification code 14-5132-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,975	3,149	3,178
11.3 Other than full-time permanent.....	343	140	141
11.5 Other personnel compensation.....	108	110	111
11.8 Special personal services payments.....	2		
11.9 Total personnel compensation.....	3,428	3,399	3,430
12.1 Personnel benefits: Civilian.....	422	477	793
21.0 Travel and transportation of persons.....	144	140	140
22.0 Transportation of things.....	776	750	750
23.3 Communications, utilities, and miscellaneous charges.....	14	14	14
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	1,343	1,200	700
26.0 Supplies and materials.....	2,240	1,621	1,127
31.0 Equipment.....	84	50	50
32.0 Lands and structures.....	1,657	1,600	1,500
99.9 Total obligations.....	10,110	9,253	8,506

Personnel Summary

Total number of full-time permanent positions.....	108	112	112
Total compensable workyears:			
Full-time equivalent employment.....	128	120	120
Full-time equivalent of overtime and holiday hours.....	4	4	4

RECREATION DEVELOPMENT AND OPERATION OF RECREATION FACILITIES

Program and Financing (in thousands of dollars)

Identification code 14-5011-0-2-302	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-19	-19	-19
24.40 Unobligated balance available, end of year.....	19	19	19
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

Prior to 1981, recreation user fees were available to BLM for operation of recreation facilities.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under sections 209(b), 304(a), 304(b), 305(a), and 504(g) of the Act approved October 21, 1976 (43 U.S.C. 1701), and sections 101 and 203 of Public Law 93-153, to be immediately available until expended: *Provided*, That notwithstanding any provision to the contrary of subsection 305(a) of the Act of October 21, 1976 (43 U.S.C. § 1735(a)), any moneys that have been or will be received pursuant to that subsection, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to subsection 305(c) of that Act (43 U.S.C. § 1735(c)), shall be available and may be expended under the authority of this or subsequent appropriations acts by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such forfeiture, compromise, or settlement are used on the exact lands damage to which led to the forfeiture, compromise, or settlement. (43 U.S.C. 1719, 1734, 1735, and 1764; 30 U.S.C. 185; 87 Stat. 584; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

BUREAU OF LAND MANAGEMENT—Continued

General and special funds—Continued

SERVICE CHARGES, DEPOSITS, AND FORFEITURES—Continued

Program and Financing (in thousands of dollars)

Identification code 14-5017-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Rights-of-way processing.....	1,898	2,695	2,695
00.02 Adopt-a-horse program.....	1,299	500	500
00.03 Repair of lands and facilities.....	591	650	650
00.04 Cost recoverable realty cases.....	131	150	150
00.05 Timber contract expenses.....	1,578	1,200	1,200
00.06 Copy fees.....			2,000
10.00 Total obligations.....	5,497	5,195	7,195
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-5,823	-5,324	-5,324
24.40 Unobligated balance available, end of year.....	5,324	5,324	5,324
40.00 Budget authority (appropriation).....	4,998	5,195	7,195
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,497	5,195	7,195
72.40 Obligated balance, start of year.....	905	2,539	2,578
74.40 Obligated balance, end of year.....	-2,539	-2,578	-2,778
90.00 Outlays.....	3,863	5,156	6,995

This appropriation is derived from: (1) revenues received to offset administrative and other costs incurred to process applications for rights-of-way, and the monitoring of construction, operation, and termination of rights-of-ways; (2) recovery of costs associated with the adopt-a-horse program; (3) revenues received for rehabilitation of damages to lands and facilities; (4) fees for processing specified categories of realty actions under FLPMA; (5) revenues received from contractors for slash burning and timber extension expenses; and (6) fees for costs of production and administrative services involved in providing requested copies of materials.

Object Classification (in thousands of dollars)

Identification code 14-5017-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,120	1,403	2,942
11.3 Other than full-time permanent.....	198	202	204
11.5 Other personnel compensation.....	175	179	180
11.9 Total personnel compensation.....	1,493	1,784	3,326
12.1 Personnel benefits: Civilian.....	233	307	673
21.0 Travel and transportation of persons.....	105	100	200
22.0 Transportation of things.....	619	120	200
23.2 Rental payments to others.....	4	5	5
23.3 Communications, utilities, and miscellaneous charges.....	-2		
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	2,915	2,272	2,184
26.0 Supplies and materials.....	121	100	100
31.0 Equipment.....	5	5	5
32.0 Lands and structures.....		500	500
99.9 Total obligations.....	5,497	5,195	7,195

Personnel Summary

Total number of full-time permanent positions.....	40	49	102
Total compensable workyears:			
Full-time equivalent employment.....	48	57	110
Full-time equivalent of overtime and holiday hours.....	6	6	6

OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code 14-5048-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	212	250	250
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-128	-128
24.40 Unobligated balance available, end of year.....	128	128	128
60.00 Budget authority (permanent, indefinite) (special fund).....	340	250	250
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	212	250	250
72.40 Obligated balance, start of year.....		40	40
74.40 Obligated balance, end of year.....	-40	-40	-40
90.00 Outlays.....	172	250	250

This account provides for the maintenance of quarters used by Bureau employees in areas where other housing alternatives are unavailable. Expenses are offset by collections in the form of rental payments. This account was established in 1986 under provisions of the 1985 Interior Appropriations Act.

Object Classification (in thousands of dollars)

Identification code 14-5048-0-2-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	87	87	90
11.3 Other than full-time permanent.....	5	5	5
11.5 Other personnel compensation.....	1	1	1
11.9 Total personnel compensation.....	93	93	96
12.1 Personnel benefits: Civilian.....	11	11	16
21.0 Travel and transportation of persons.....	2	2	2
22.0 Transportation of things.....	6	5	5
25.0 Other services.....	40	50	50
26.0 Supplies and materials.....	41	72	64
31.0 Equipment.....	12	10	10
32.0 Lands and structures.....	5	5	5
99.9 Total obligations.....	212	250	250

Personnel Summary

Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	3	3	3

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9921-0-2-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Payments to Oklahoma (royalties).....	22	6	6
00.02 Payments to Coos and Douglas Counties, Ore., from receipts, Coos Bay Wagon Road grant lands.....	426	580	580
00.03 Payments to counties, Oregon and California grant lands.....	129,852	68,500	42,900
00.04 Payments to States (proceeds of sales).....	1,209	904	880
00.05 Payments to States from grazing receipts, etc., public lands outside grazing districts.....	1,425	1,024	1,024
00.06 Payments to States from grazing receipts, etc., public lands within districts.....	2,226	1,550	1,550
00.07 Payments to States from grazing receipts, etc., public lands within grazing districts, miscellaneous.....	7	8	8
00.08 Payments to Alaska National Petroleum Reserve.....	2,566	2,000	2,000
00.09 Payments to counties, national grasslands.....	1,022	500	500
00.10 Expenses, road maintenance deposits.....	7,616	5,600	5,600
00.11 Payments to Nevada from receipts on land sales.....	1,353	750	600
10.00 Total obligations.....	147,724	81,422	55,648

<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-61,709	-5,078	-5,078
24.40	Unobligated balance available, end of year.....	5,078	5,078	5,078
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>91,093</b>	<b>81,422</b>	<b>55,648</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	147,724	81,422	55,648
72.40	Obligated balance, start of year.....	-48,341	74,456	74,456
74.40	Obligated balance, end of year.....	-74,456	-74,456	-74,456
90.00	Outlays.....	24,927	81,422	55,648
Distribution of budget authority by account:				
	Payments to Oklahoma (royalties).....	22	6	6
	Payments to Coos and Douglas Counties, Oregon, from receipts, Coos Bay Wagon Road grant lands.....	426	580	580
	Payments to counties, Oregon and California grant lands.....	80,678	68,500	42,900
	Payments to States (proceeds of sales) (receipt limitations) ...	1,209	904	880
	Payments to States from grazing receipts, etc., public lands outside grazing districts.....	1,425	1,024	1,024
	Payments to States from grazing receipts, etc., public lands within grazing districts.....	2,226	1,550	1,550
	Payments to States from grazing receipts, etc., public lands within districts, miscellaneous.....	7	8	8
	Payments to Alaska, National Petroleum Reserve.....	2,566	2,000	2,000
	Payments to counties, national grasslands.....	1,022	500	500
	Expenses, road maintenance deposits.....	7,616	5,600	5,600
	Payments to Nevada from receipts on land sales.....	1,353	750	600
Distribution of outlays by account:				
	Payments to Oklahoma (royalties).....	17	5	6
	Payments to Coos and Douglas Counties, Oregon, from receipts, Coos Bay Wagon Road grant lands.....	426	580	580
	Payments to counties, Oregon and California grant lands.....	10,171	73,621	68,500
	Payments to States (proceeds of sales) (receipt limitation)....	765	807	904
	Payments to States from grazing receipts, etc., public lands outside grazing districts.....	1,000	989	1,024
	Payments to States from grazing receipts, etc., public lands within grazing districts.....	1,519	1,505	1,550
	Payments to States from grazing receipts, etc., public lands within districts, miscellaneous.....	5	5	8
	Payments to Alaska, National Petroleum Reserve.....	1,590	2,000	2,000
	Payments to counties, national grasslands.....	632	411	500
	Expenses, road maintenance deposits.....	6,178	5,600	5,600
	Payments to Nevada from receipts on land sales.....	1,258	750	750

**Payments to Oklahoma (royalties).**—The State of Oklahoma is paid 37½% of the Red River oil and gas royalties in lieu of State and local taxes on Kiowa, Comanche, and Apache tribal lands to be used for construction and maintenance of public roads and support of public schools (65 Stat. 252).

**Payments to Coos and Douglas Counties, Oreg., from receipts, Coos Bay Wagon Road grant lands.**—Out of receipts from the Coos Bay Wagon Road grant lands in Oregon, payments in lieu of taxes are made to Coos and Douglas Counties for schools, roads, highways, bridges, and port districts (53 Stat. 753-754).

**Payments to counties, Oregon and California grant lands.**—Fifty percent of the receipts of Oregon and California land-grant funds are paid to the counties in which the lands are situated, to be used as other county funds (39 Stat. 218; 50 Stat. 876). Starting in 1987, these payments will be based upon the "net receipts" remaining once the costs of the Oregon and California Grant Lands program have been deducted from total receipts.

**Payments to States (proceeds of sales).**—The States are paid 5% of the net proceeds from sale of public land and public land products (31 U.S.C. 1305).

**Payments to States from grazing receipts, etc., public lands outside grazing districts.**—The States are paid 50% of the grazing receipts from public lands outside of grazing districts (43 U.S.C. 315i, 315m).

**Payments to States from grazing receipts, etc., public lands within districts.**—The States are paid 12½% of grazing receipts from public lands inside grazing districts (43 U.S.C. 315b, 315i).

**Payments to States from grazing receipts, etc., public lands within grazing districts, miscellaneous.**—The States are paid specifically determined amounts from grazing receipts derived from miscellaneous lands within grazing districts when payment is not feasible on a percentage basis (43 U.S.C. 315).

**Payments to Alaska, National Petroleum Reserve.**—Alaska is paid 50% of the receipts derived from bonuses, royalties, and rentals resulting from the leasing of oil and gas in the National Petroleum Reserve in Alaska (94 Stat. 2964).

**Payments to counties, national grasslands.**—Of the revenues received from the use of national grasslands, 25% is paid to the counties in which such lands are situated, for school and road purposes (7 U.S.C. 1012).

**Expenses, road maintenance deposits.**—Users of certain roads under jurisdiction of the Bureau of Land Management make deposits for maintenance purposes, and moneys collected are appropriated for necessary road maintenance. Moneys collected on Oregon and California grant lands are available only for those lands (43 U.S.C. 1701 et seq.).

**Payments to Nevada from receipts on land sales.**—Public Law 96-586 authorizes and directs the Secretary to sell not more than 700 acres of public lands per calendar year in and around Las Vegas, Nevada, proceeds of which are to be used to acquire environmentally sensitive lands in the Lake Tahoe Basin of California and Nevada. Annual revenues are distributed to the State of Nevada (5%) and the county in which the land is located (10%).

Object Classification (in thousands of dollars)

Identification code 14-9921-0-2-999	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,035	2,081	2,096
11.3 Other than full-time permanent.....	533	545	549
11.5 Other personnel compensation.....	70	72	72
11.9 Total personnel compensation.....	2,638	2,698	2,717
12.1 Personnel benefits: Civilian.....	299	351	477
21.0 Travel and transportation of persons.....	1	1	1
22.0 Transportation of things.....	1,628	1,500	1,500
23.2 Rental payments to others.....	24	25	25
23.3 Communications, utilities, and miscellaneous charges.....	7	5	5
25.0 Other services.....	1,000	750	750
26.0 Supplies and materials.....	404	350	350
31.0 Equipment.....	12	10	10
32.0 Lands and structures.....	11	10	10
41.0 Grants, subsidies, and contributions.....	141,700	75,722	49,803
99.9 Total obligations.....	147,724	81,422	55,648

Personnel Summary

Total number of full-time permanent positions.....	70	70	70
Total compensable workyears:			
Full-time equivalent employment.....	91	91	91
Full-time equivalent of overtime and holiday hours.....	2	2	2

BUREAU OF LAND MANAGEMENT—Continued

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 14-4525-0-4-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Land management related supplies and support:			
00.01 Operating expenses.....	8,456	9,564	9,945
00.02 Capital investment.....	3,766	4,540	3,900
10.00 Total obligations.....	12,222	14,104	13,845
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds: Revenue.....	-14,221	-16,400	-17,000
21.98 Unobligated balance available, start of year: Fund balance.....	-7,293	-9,292	-11,588
24.98 Unobligated balance available, end of year: Fund balance.....	9,292	11,588	14,743
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-1,999	-2,296	-3,155
72.98 Obligated balance, start of year: Fund balance.....	4,622	4,512	5,141
74.98 Obligated balance, end of year: Fund balance.....	-4,512	-5,141	-4,501
90.00 Outlays.....	-1,888	-2,925	-2,515

Section 306 of the Federal Land Policy and Management Act of 1976 authorizes a BLM working capital fund. The fund is managed as a self-sustaining revolving fund for purchase and maintenance of vehicles and equipment, purchase of materials for resource conservation projects, aviation management, services, quarters maintenance, and other business-type functions.

Object Classification (in thousands of dollars)

Identification code 14-4525-0-4-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	919	937	947
11.3 Other than full-time permanent.....	17	17	18
11.5 Other personnel compensation.....	9	9	9
11.9 Total personnel compensation.....	945	964	974
12.1 Personnel benefits: Civilian.....	129	132	167
21.0 Travel and transportation of persons.....	37	40	40
22.0 Transportation of things.....	119	120	120
23.3 Communications, utilities, and miscellaneous charges.....	3	3	3
24.0 Printing and reproduction.....	2	2	2
25.0 Other services.....	1,212	1,500	1,500
26.0 Supplies and materials.....	6,014	6,843	7,139
31.0 Equipment.....	3,761	4,500	3,900
99.9 Total obligations.....	12,222	14,104	13,845

Personnel Summary

Total number of full-time permanent positions.....	28	28	28
Total compensable workyears: Full-time equivalent employment.....	30	30	30

Trust Funds

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing law, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended. (43 U.S.C. 315h, 315i, 355, 759, 761, 775, 887, 1719, 1721, 1737; 48 Stat. 1224-36, 74 Stat. 506; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-9971-0-7-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Land and resource management trust fund.....	2,784	1,099	999
00.02 Trustee funds, Alaska townsites.....	14	1	1
10.00 Total obligations.....	2,798	1,100	1,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,042	-2,578	-2,178
24.40 Unobligated balance available, end of year.....	2,578	2,178	1,878
39.00 <b>Budget authority</b> .....	3,334	700	700
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> (indefinite).....		100	100
60.00 <b>Appropriation</b> (permanent, indefinite).....	3,334	600	600
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,798	1,100	1,000
72.40 Obligated balance, start of year.....	763	575	387
74.40 Obligated balance, end of year.....	-575	-387	-200
90.00 Outlays.....	2,986	1,288	1,187
<b>Distribution of budget authority by account:</b>			
Land and resource management trust fund.....	3,334	699	699
Trustee funds, Alaska townsites.....		1	1
<b>Distribution of outlays by account:</b>			
Land and resource management trust fund.....	2,971	1,287	1,186
Trustee funds, Alaska townsites.....	15	1	1

*Land and resource management trust fund.*—Applicants for conveyance of lands omitted in original surveys pay the cost of surveys and the administrative costs of conveyance. Advances are also made to pay the costs of other types of surveys. Cooperators in the management of the public lands, including the Federal Range, contribute funds for conservation practices, acquisition, protection, improvements to benefit the off-road vehicle program, and other purposes (43 U.S.C. 315, 1719, 1721, and 1737; 31 U.S.C. 1305).

*Trustee funds, Alaska townsites.*—Amounts received from sale of Alaska town lots are available for expenses incident to the maintenance and sale of townsites (31 U.S.C. 1321; Comp. Gen. Dec. of Nov. 18, 1935).

Object Classification (in thousands of dollars)

Identification code 14-9971-0-7-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	606	618	624
11.3 Other than full-time permanent.....	148	151	152
11.5 Other personnel compensation.....	24	24	25
11.9 Total personnel compensation.....	778	793	801
12.1 Personnel benefits: Civilian.....	97	114	191
21.0 Travel and transportation of persons.....	90	40	2
22.0 Transportation of things.....	116	30	2
23.2 Rental payments to others.....	22	20	2
23.3 Communications, utilities, and miscellaneous charges.....	24	20	2
24.0 Printing and reproduction.....	61	40	
25.0 Other services.....	340		
26.0 Supplies and materials.....	321	43	
31.0 Equipment.....	30		
32.0 Lands and structures.....	919		
99.9 Total obligations.....	2,798	1,100	1,000

Personnel Summary

Total number of full-time permanent positions.....	21	21	21
Total compensable workyears: Full-time equivalent employment.....	29	29	29

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to \$10,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau of Land Management; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed \$10,000: *Provided*, That appropriations herein made for Bureau of Land Management expenditures in connection with the reconstituted Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the General Fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further*, That appropriations herein made may be expended for surveys of Federal lands of the United States and on a reimbursable basis for surveys of Federal lands of the United States and for protection of lands for the State of Alaska: *Provided further*, That an appeal of any reductions in grazing allotments on public rangelands must be taken within thirty days after receipt of a final grazing allotment decision. Reductions of up to 10 per centum in grazing allotments shall become effective when so designated by the Secretary of the Interior. Upon appeal any proposed reduction in excess of 10 per centum shall be suspended pending final action on the appeal, which shall be completed within two years after the appeal is filed: *Provided further*, That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Bureau. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

MINERALS MANAGEMENT SERVICE

Federal Funds

General and special funds:

LEASING MINERALS AND ROYALTY MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; [\$160,697,000, of which not less than \$44,904,000 shall be available for royalty management activities including general administration: *Provided*, That not less than \$11,059,000 is to be used for the mineral revenue compliance audit program: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d): *Provided further*, That in fiscal year 1987 and thereafter, the Minerals Management Service is authorized to accept land, buildings, equipment and other contributions, from public and private sources, which shall be available for the purposes provided for in this account.] \$168,563,000: *Provided*, That of the above enacted amounts, \$250,000 proposed for data gathering to help determine the boundary between State and Federal lands offshore of Alaska shall be available only if an equal amount is provided by the State of Alaska from State revenues to match the Federal support for this project. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

Program and Financing (in thousands of dollars)

Identification code	14-1917-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	OCS lands	94,981	92,796	92,788
00.02	Royalty management	42,825	44,904	50,179

00.03	General administration	21,501	22,997	25,596
00.91	Total direct program	159,307	160,697	168,563
01.01	Reimbursable program		1,500	1,500
10.00	Total obligations	159,307	162,197	170,063
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds		-250	-250
14.00	Non-Federal sources		-1,250	-1,250
25.00	Unobligated balance lapsing	722		
40.00	Budget authority (appropriation)	160,029	160,697	168,563
Relation of obligations to outlays:				
71.00	Obligations incurred, net	159,307	160,697	168,563
72.40	Obligated balance, start of year	69,789	76,246	67,859
73.40	Obligated balance transferred, net	3,710		
74.40	Obligated balance, end of year	-76,246	-67,859	-69,969
77.00	Adjustment in expired accounts	602		
90.00	Outlays	157,162	169,084	166,453

The Minerals Management Service supervises exploration for and the development and production of oil, gas, and other minerals on the Outer Continental Shelf (OCS) lands and collects royalties, rentals, and bonuses due the Federal Government and Indian lessors from minerals produced on Federal, Indian, and OCS lands.

**Outer Continental Shelf (OCS) lands.**—The program provides for: (1) performance of environmental assessments to insure compliance with the National Environmental Policy Act (NEPA); (2) conduct of lease offerings; (3) selection and evaluation of tracts offered for lease by competitive bidding; (4) assurance that the Federal Government receives fair market value for leased lands; and (5) regulation and supervision of energy and mineral exploration, development, and production operations on the OCS lands.

**Royalty management.**—The Royalty Management program provides accounting, auditing, and compliance activities for royalties, rentals, and bonuses due from minerals produced on Federal, Indian, allotted and OCS lands. The program includes an automated accounting system to ensure that all royalties are properly collected.

**General administration.**—General administrative expenses provide for management, executive direction and coordination, administrative support, Federal building space and general support services.

Object Classification (in thousands of dollars)

Identification code	14-1917-0-1-302	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Permanent positions	62,705	66,519	68,209
11.3	Other than full-time permanent	2,855	3,029	3,111
11.5	Other personnel compensation	1,219	1,293	1,328
11.8	Special personal services payments	78	83	85
11.9	Total personnel compensation	66,857	70,924	72,733
12.1	Personnel benefits: Civilian	10,253	12,646	18,150
13.0	Benefits for former personnel	177	136	137
21.0	Travel and transportation of persons	2,808	3,625	3,509
22.0	Transportation of things	250	952	959
23.1	Rental payments to GSA	6,235	7,366	9,300
23.2	Rental payments to others	945	849	377
23.3	Communications, utilities, and miscellaneous charges	2,947	2,861	2,741
24.0	Printing and reproduction	1,245	1,566	1,566
25.0	Other services	60,492	55,750	54,672
26.0	Supplies and materials	1,908	1,682	1,685
31.0	Equipment	4,829	2,340	2,734
41.0	Grants, subsidies, and contributions	338		
42.0	Insurance claims and indemnities	23		
99.0	Subtotal, direct obligations	159,307	160,697	168,563

MINERALS MANAGEMENT SERVICE—Continued

General and special funds—Continued

【LEASING】 MINERALS AND ROYALTY MANAGEMENT—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	14-1917-0-1-302	1986 actual	1987 est.	1988 est.
99.0	Reimbursable obligations .....		1,500	1,500
99.9	Total obligations .....	159,307	162,197	170,063

Personnel Summary

Total number of full-time permanent positions .....	1,898	1,897	1,890
Total compensable workyears:			
Full-time equivalent employment .....	2,066	2,038	2,041
Full-time equivalent of overtime and holiday hours .....	11	11	11

PAYMENTS TO STATES FROM RECEIPTS UNDER MINERAL LEASING ACT

Notwithstanding any other provision of law, \$128,600,000 shall be deducted from Federal onshore mineral leasing receipts prior to the division and distribution of such receipts between the States and the Treasury and shall be credited to miscellaneous receipts of the Treasury. In fiscal year 1988, from moneys received from sales, bonuses, royalties (including interest charges collected under the Federal Oil and Gas Royalty Management Act of 1982), and rentals of the public lands under the provisions of the Mineral Lands Leasing Act of 1920, as amended, and the Geothermal Steam Act of 1970, which are not payable to a State or to the Reclamation Fund, such amounts as may be necessary shall be available for the payment of interest in accordance with 30 U.S.C. 191 and 1721 (b) and (d) and for the payment of interest on refunds made to royalty payers upon successful appeal of royalty payment orders; in addition, from amounts collected, such amounts as may be necessary shall be paid as rewards to persons who provide information to the Government which results in the collection of additional mineral revenues owed to the Government in accordance with 30 U.S.C. 1723.

Program and Financing (in thousands of dollars)

Identification code	14-5003-0-2-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Payments to States .....	422,559	434,725	389,870
00.02	Miscellaneous payments .....			750
10.00	Total obligations .....	422,559	434,725	390,620
<b>Financing:</b>				
39.00	Budget authority .....	422,559	434,725	390,620
<b>Budget authority:</b>				
40.00	Appropriation (current, indefinite) (special fund) .....			750
60.00	Appropriation (permanent, indefinite) (special fund) ....	422,559	434,725	389,870
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	422,559	434,725	390,620
90.00	Outlays .....	422,559	434,725	390,620

Alaska is paid 90 percent and other States 50 percent of the receipts from bonuses, royalties, and rentals resulting from development of mineral resources under the Mineral Leasing Act (30 U.S.C. 191), and from leases of potash deposits (30 U.S.C. 285), on both public domain and acquired lands.

Object Classification (in thousands of dollars)

Identification code	14-5003-0-2-852	1986 actual	1987 est.	1988 est.
25.0	Other services .....			250
41.0	Grants, subsidies, and contributions .....	422,559	434,725	390,170
43.0	Interest and dividends .....			200
99.9	Total obligations .....	422,559	434,725	390,620

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

Federal Funds

General and special funds:

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not to exceed 14 passenger motor vehicles, of which 9 shall be for replacement only; and uniform allowances of not to exceed \$400 for each uniformed employee of the Office of Surface Mining Reclamation and Enforcement; 【\$100,003,000】 \$105,605,000, and notwithstanding 31 U.S.C. 3302, an additional amount, to remain available until expended, equal to receipts to the General Fund of the Treasury from performance bond forfeitures in fiscal year 【1987.】 1988: Provided, That notwithstanding any other provision of law, the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States in fiscal year 1988, monies collected pursuant to the assessment of civil penalties under Section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	14-1801-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	State regulatory program grants .....	35,387	45,110	45,110
00.02	Federal regulatory programs .....	38,087	41,888	45,253
00.03	General administration .....	7,124	14,312	15,242
10.00	Total obligations .....	80,598	101,310	105,605
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-32		
25.00	Unobligated balance lapsing .....	226		
39.00	Budget authority .....	80,792	101,310	105,605
<b>Budget authority:</b>				
40.00	Appropriation .....	80,792	100,003	105,605
<b>Transfers in for:</b>				
46.20	Civilian pay raises .....		642	
46.40	Retirement contributions (P.L. 99-335) .....		665	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	80,566	101,310	105,605
72.40	Obligated balance, start of year .....	40,313	28,426	36,162
74.40	Obligated balance, end of year .....	-28,426	-36,162	-38,353
77.00	Adjustments in expired accounts .....	-6,422		
89.00	Outlays .....	86,031	93,574	103,414
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals .....	86,031	92,317	103,364
91.20	Outlays from civilian pay raise .....		618	24
91.40	Outlays from retirement contribution supplemental .....		639	26

State regulatory program grants.—This program activity is to provide grants to States for the operation of permanent enforcement programs under the terms of the Act. As of September 30, 1986, 24 States with actual or planned coal mining facilities had approved State programs.

Federal regulatory programs.—This activity includes programs for Federal oversight of State permanent regulatory programs, for monitoring State inspection and enforcement, for the provision of technical assistance to States, for the assessment and collection of civil penalties imposed pursuant to the Act, and for the administration of the Federal regulatory program in States without approved permanent enforcement programs. In addition, it also includes funding for OSMRE to perform reclamation in cases where performance bonds

have been forfeited and OSMRE is the regulatory authority.

**General administration.**—This activity includes: the Offices of the Director and Deputy Directors; the Headquarters staffs for Public Affairs, Equal Employment Opportunity, Congressional Liaison, Information Management Systems, and Regulatory Development and Issues Management; and the Divisions of Planning, Budget and Management Analysis; Financial Management; Personnel; and Management Services. This activity represents only that portion of the total General Administration expenses which is attributable to the Regulation and Technology appropriation. The remainder has been requested from the Abandoned Mine Reclamation Fund.

**Object Classification** (in thousands of dollars)

Identification code 14-1801-0-1-302	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	22,760	25,200	25,383
11.3 Other than full-time permanent.....	2,583	914	694
11.5 Other personnel compensation.....	446	700	700
11.9 Total personnel compensation.....	25,789	26,814	26,777
12.1 Personnel benefits: Civilian.....	3,248	4,412	5,268
13.0 Benefits for former personnel.....	33	60	60
21.0 Travel and transportation of persons.....	1,417	2,279	2,144
22.0 Transportation of things.....	305	817	117
23.1 Rental payments to GSA.....	1,471	2,719	2,719
23.3 Communications, utilities, and miscellaneous charges.....	1,254	2,772	2,587
24.0 Printing and reproduction.....	132	833	833
25.0 Other services.....	10,116	13,113	17,599
26.0 Supplies and materials.....	827	911	911
31.0 Equipment.....	508	1,470	1,480
41.0 Grants, subsidies, and contributions.....	35,447	45,110	45,110
42.0 Insurance claims and indemnities.....	16		
43.0 Interest and dividends.....	35		
99.9 Total obligations.....	80,598	101,310	105,605

**Personnel Summary**

Total number of full-time permanent positions.....	734	750	750
Total compensable workyears:			
Full-time equivalent employment.....	777	731	724
Full-time equivalent of overtime and holiday hours.....	7	8	8

**ABANDONED MINE RECLAMATION FUND**

For necessary expenses to carry out the provisions of title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not more than 21 passenger motor vehicles, of which 15 shall be for replacement only, to remain available until expended, **[\$203,720,000] \$186,799,000**, to be derived from receipts of the Abandoned Mine Reclamation Fund: *Provided*, That pursuant to Public Law 97-365, the Department of the Interior is authorized to utilize up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That of the funds made available to the States to contract for reclamation projects authorized in section 406(a) of Public Law 95-87, administrative expenses may not exceed 15 per centum: *Provided further*, That none of these funds shall be used for a reclamation grant to any State if the State has not agreed to participate in a nationwide data system established by the Office of Surface Mining Reclamation and Enforcement through which all permit applications are reviewed and approvals withheld if the applicants (or those who control the applicants) applying for or receiving such permits have outstanding State or Federal air or water quality violations in accordance with section 510(c) of the Act of August 3, 1977 (30 U.S.C. 1260(c)), or failure to abate cessation orders, outstanding civil penalties associated with such failure to abate cessation orders, or uncontested past due Abandoned Mine Land fees: *Provided further*, That notwithstanding any legislative or judicial requirement, the Office of Surface Mining Rec-

lamation and Enforcement may delay the finalization of the proposed rulemaking amending Parts 773 and 778 of the Code of Federal Regulations as published in the Federal Register on April 5, 1985 (50 FR 13724) until March 31, 1987: *Provided further*, That the Secretary of the Interior may deny fifty percent of an Abandoned Mine Reclamation fund grant, available to a State pursuant to title IV of Public Law 95-87, in accordance with the procedures set forth in section 521(b) of the Act, when the Secretary determines that a State is systematically failing to administer adequately the enforcement provisions of the approved State regulatory program. Funds will be denied until such time as the State and Office of Surface Mining Reclamation and Enforcement have agreed upon an explicit plan of action for correcting the enforcement deficiency. A State may enter into such agreement without admission of culpability. If a State enters into such agreement, the Secretary shall take no action pursuant to section 521(b) of the Act as long as the State is complying with the terms of the agreement: *Provided further*, That expenditure of moneys as authorized in section 402(g)(3) of Public Law 95-87 shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property from extreme danger of adverse effects of coal mining practices, as stated in section 403 of Public Law 95-87. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

**Amounts Available for Appropriation** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	372,347	394,232	422,378
Receipts (net) authorized.....	219,162	231,866	237,149
Total available for appropriation.....	591,509	626,098	659,527
Appropriation: Abandoned mine reclamation fund.....	-206,141	-203,720	-186,799
Reduction pursuant to P.L. 99-177.....	8,864		
Unappropriated balance, end of year.....	394,232	422,378	472,728

**Program and Financing** (in thousands of dollars)

Identification code 14-5015-0-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 State reclamation program grants.....	194,277	186,141	150,660
00.02 Federal reclamation programs.....	43,255	48,106	29,849
00.03 Small operator assistance payments.....	1,471	1,500	1,469
00.04 General administration.....	4,889	5,951	6,290
10.00 Total obligations.....	243,892	241,698	188,268
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-24	5,000	
17.00 Recovery of prior year obligations.....	-76,266		
21.40 Unobligated balance available, start of year.....	-31,080	-45,754	-1,469
22.40 Unobligated balance transferred, net.....	15,000		
24.40 Unobligated balance available, end of year.....	45,754	1,469	
39.00 <b>Budget authority</b> .....	<b>197,277</b>	<b>202,413</b>	<b>186,799</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation (special fund)</b> .....	<b>197,277</b>	<b>203,720</b>	<b>186,799</b>
45.00 <b>Transfers out for pay raises and retirement contributions</b> .....		<b>-1,307</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	243,868	246,698	188,268
72.40 Obligated balance, start of year.....	551,936	478,210	473,610
74.40 Obligated balance, end of year.....	-478,210	-473,610	-438,579
78.00 Adjustments in unexpired accounts.....	-76,266		
90.00 <b>Outlays</b> .....	<b>241,329</b>	<b>251,298</b>	<b>223,299</b>

**State reclamation program grants.**—Each State with an approved reclamation program is entitled, subject to appropriation, to receive 50 percent of Abandoned Mine Reclamation Fund revenues derived from operating mines in that State. With grants, States assume primary responsibility for addressing problems such as subsidence, underground fires, open shafts and acid

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT—  
Continued

General and special funds—Continued

ABANDONED MINE RECLAMATION FUND—Continued

drainage in accordance with priorities set forth in the Act.

**Federal reclamation programs.**—This activity includes fee collection, and assistance to States in developing reclamation programs, abandoned mine lands reclamation projects undertaken directly by the Office of Surface Mining and the Rural Abandoned Mine Program (RAMP) administered by the Soil Conservation Service.

**Small operator assistance payments.**—This activity provides for payments for authorized services to eligible coal mine operators in preparing applications for mining permits under a permanent State or Federal regulatory program. These services include determining the probable hydrologic consequences of the proposed mining operation and analysis of test borings or core samplings.

**General administration.**—This activity includes the offices described for the General Administration activity in the Regulation and Technology appropriation. The funds for this activity represent only that portion of general administration expenses which is attributable to the Abandoned Mine Reclamation Fund.

Object Classification (in thousands of dollars)

Identification code	14-5015-0-2-302	1986 actual	1987 est.	1988 est.
<b>OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT</b>				
Personnel compensation:				
11.1	Full-time permanent.....	7,945	8,792	8,262
11.3	Other than full-time permanent.....	908	1,728	1,543
11.5	Other personnel compensation.....	157	100	100
11.9	Total personnel compensation.....	9,010	10,620	9,905
12.1	Personnel benefits: Civilian.....	1,718	2,106	2,416
21.0	Travel and transportation of persons.....	785	902	1,012
22.0	Transportation of things.....	220	450	100
23.1	Rental payments to GSA.....	941	1,140	1,140
23.3	Communications, utilities, and miscellaneous charges.....	1,956	1,265	1,390
24.0	Printing and reproduction.....	507	215	215
25.0	Other services.....	20,485	26,800	18,412
26.0	Supplies and materials.....	102	350	375
31.0	Equipment.....	441	659	774
41.0	Grants, subsidies, and contributions.....	198,900	187,541	152,029
42.0	Insurance claims and indemnities.....	4		
99.0	Subtotal, Office of Surface Mining.....	235,069	232,048	187,768
<b>ALLOCATION TO DEPARTMENT OF AGRICULTURE</b>				
Personnel compensation:				
11.1	Full-time permanent.....	2,670	3,447	
11.3	Other than full-time permanent.....	52	71	
11.5	Other personnel compensation.....	69	89	
11.9	Total personnel compensation.....	2,791	3,607	
12.1	Personnel benefits: Civilian.....	425	549	
13.0	Benefits for former personnel.....	2	3	
21.0	Travel and transportation of persons.....	61	79	
22.0	Transportation of things.....	17	19	
23.2	Rental payments to others.....	84	91	
23.3	Communications, utilities, and miscellaneous charges.....	96	103	
24.0	Printing and reproduction.....	17	19	
25.0	Other services.....	125	161	
26.0	Supplies and materials.....	77	84	
31.0	Equipment.....	183	184	
41.0	Grants, subsidies, and contributions.....	4,944	4,750	500
43.0	Interest and dividends.....	1	1	
99.0	Subtotal obligations, Department of Agriculture.....	8,823	9,650	500
99.9	Total obligations.....	243,892	241,698	188,268

Personnel Summary

<b>OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT</b>			
Total number of full-time permanent positions.....	251	253	237
Total compensable workyears.....			
Full-time equivalent employment.....	273	331	309
Full-time equivalent of overtime and holiday hours.....	2	2	2
<b>DEPARTMENT OF AGRICULTURE</b>			
Total number of full-time permanent positions.....	95	125	
Total compensable workyears.....			
Full-time equivalent employment.....	100	129	
Full-time equivalent of overtime and holiday hours.....	2	2	

WATER AND SCIENCE

BUREAU OF RECLAMATION

Appropriations to the Bureau are made from the general fund and special funds. The special funds are: (a) the Reclamation fund, largely derived from certain irrigation and power revenue; receipts from the sale, lease, and rental of public lands; and certain oil and mineral revenue; and (b) the Colorado River Dam fund, permanently available revenues of the Boulder Canyon project. The 1988 estimates are summarized by source as follows (in thousands of dollars):

Appropriation title	Total appropriation estimate	General fund	Reclamation fund	Colorado River Dam fund	Other
Loan program.....	28,809	28,099	710		
Construction program.....	700,158	346,602	353,556		
General investigations.....	11,559		11,559		
Emergency fund.....	1,000		1,000		
Operation and maintenance.....	154,297		154,297		
General administrative expenses.....	53,290		53,290		
Permanent appropriations.....	56,101		280	55,814	7
Total.....	1,005,214	374,701	574,692	55,814	7

Federal Funds

General and special funds:

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

CONSTRUCTION PROGRAM\*

(INCLUDING TRANSFER OF FUNDS)

\*See Part II for additional information.

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, to remain available until expended **[\$602,158,000]** \$700,158,000, of which **[\$110,929,000]** \$158,571,000 shall be available for transfers to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and **[\$145,596,000]** \$191,228,000 shall be available for transfers to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended: *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by

transfers within the overall appropriation to the heading: *Provided further*, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: *Provided further*, That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further*, That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument: *Provided further*, That of the amount herein appropriated, such amounts as may be necessary shall be available to enable the Secretary of the Interior to continue work on rehabilitating the Velarde Community Ditch Project, New Mexico, in accordance with the Federal Reclamation Laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) for the purposes of diverting and conveying water to irrigated project lands. The cost of the rehabilitation will be nonreimbursable and constructed features will be turned over to the appropriate entity for operation and maintenance: *Provided further*, That of the amount herein appropriated, such amounts as may be required shall be available to continue improvement activities for the Lower Colorado Regional Complex: *Provided further*, [That section 507 of Public Law 92-514 (86 Stat. 970) is amended by striking out "\$79,500,000 (based upon January 1972 prices)" and inserting in lieu thereof "\$333,865,000 (based upon July 1984 prices)": *Provided further*, That of the total herein appropriated in this account, the Secretary of the Interior is authorized to obligate no more than \$8,800,000 by August 1, 1987, for the San Joaquin Valley Drainage Program: *Provided further*, That Section 8 of the Act of June 3, 1960 (74 Stat. 156; Public Law 86-488), is amended by inserting "(a)" after "Sec. 8." and by inserting at the end thereof the following new subsection:

"(b) Notwithstanding any other provision of law, none of the costs associated with, or resulting from, the following which have been or will be incurred shall be recovered by the Secretary, directly or indirectly, from power contractors of the Central Valley project:

"(1) the construction of such distribution systems and drains as are not constructed by local interests;

"(2) the construction of the San Luis interceptor drain; or

"(3) the construction or acquisition of any facilities by the United States or the Westlands Water District as partial or full alternatives to the San Luis interceptor drain." *That notwithstanding the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294), the James River Comprehensive Report on water resource development proposals may be submitted to Congress at a date after September 30, 1988. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)*

**Program and Financing (in thousands of dollars)**

Identification code 14-0684-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Construction	365,880	394,616	350,359
00.02 Payment to Upper Colorado River Basin fund	68,560	100,278	158,571
00.03 Payment to Lower Colorado River Basin Development fund	148,515	121,496	191,228
00.91 Total direct obligations	582,955	616,390	700,158
01.01 Reimbursable program	29,575	30,000	20,025
10.00 Total obligations	612,530	646,390	720,183
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds	-28,934	-29,422	-20,025
14.00 Non-Federal sources	-641	-578	
17.00 Recovery of prior year obligations	-4,334		
21.40 Unobligated balance available, start of year	-93,586	-14,232	
24.40 Unobligated balance available, end of year	14,232		
39.00 Budget authority	499,267	602,158	700,158
<b>Budget authority:</b>			
40.00 Appropriation	246,812	271,338	346,602

40.00	Appropriation (reclamation special fund)	252,455	330,820	353,556
43.00	<b>Appropriation (adjusted)</b>	<b>499,267</b>	<b>602,158</b>	<b>700,158</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	582,955	616,390	700,158
72.40	Obligated balance, start of year	199,578	90,466	84,856
74.40	Obligated balance, end of year	-90,466	-84,856	-90,270
78.00	Adjustments in unexpired accounts	-4,334		
90.00	<b>Outlays</b>	<b>687,733</b>	<b>622,000</b>	<b>694,744</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]			
	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority	499,267	602,158	700,158
Outlays	687,733	622,000	694,744
<b>Supplemental under existing legislation:</b>			
Budget authority		5,600	
Outlays			
<b>Total:</b>			
Budget authority	499,267	602,158	700,158
Outlays	687,733	627,600	694,744

Work in the Construction program is for the purpose of developing and managing water for irrigation, municipal and industrial use, salinity control, dam safety, and flood control in the 17 western States. Funding under this program provides for transfers to the Lower Colorado River Basin Development fund and Upper Colorado River Basin fund. The Lower Colorado River Basin Development fund provides for the development and construction of the Central Arizona project. The Upper Colorado River Basin fund supports water supplies in the Upper Colorado River Basin area.

**Object Classification (in thousands of dollars)**

Identification code 14-0684-0-1-301	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	53,670	53,505	53,566
11.3 Other than full-time permanent	4,514	3,475	3,719
11.5 Other personnel compensation	5,741	5,199	5,300
11.8 Special personal services payments	191	183	188
11.9 Total personnel compensation	64,116	62,362	62,773
12.1 Personnel benefits: Civilian	13,085	13,935	17,454
13.0 Benefits for former personnel	452	503	495
21.0 Travel and transportation of persons	3,923	3,451	3,432
22.0 Transportation of things	2,078	2,112	2,275
23.1 Rental payments to GSA	7,144	7,893	9,790
23.2 Rental payments to others	809	828	816
23.3 Communications, utilities, and miscellaneous charges	4,292	3,401	3,180
24.0 Printing and reproduction	796	631	590
25.0 Other services	246,573	268,173	377,113
26.0 Supplies and materials	5,948	4,530	9,715
31.0 Equipment	7,805	10,537	10,752
32.0 Lands and structures	207,398	211,217	182,848
33.0 Investments and loans	5,476	5,283	4,653
41.0 Grants, subsidies, and contributions	12,962	13,451	14,266
42.0 Insurance claims and indemnities		8,076	
43.0 Interest and dividends	98	7	6
99.0 Subtotal, direct obligations	582,955	616,390	700,158
99.0 Reimbursable obligations	29,575	30,000	20,025
99.9 Total obligations	612,530	646,390	720,183

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions	1,996	1,940	1,894
Total compensable workyears:			
Full-time equivalent employment	2,159	2,055	2,023
Full-time equivalent of overtime and holiday hours	115	121	126
<b>Reimbursable:</b>			
Total number of full-time permanent positions	173	163	182

**BUREAU OF RECLAMATION—Continued**  
**General and special funds—Continued**  
**CONSTRUCTION PROGRAM—Continued**  
**(INCLUDING TRANSFER OF FUNDS)—Continued**

**Personnel Summary—Continued**

Total compensable workyears:			
Full-time equivalent employment.....	196	177	203
Full-time equivalent of overtime and holiday hours.....	4	4	4

**LOAN PROGRAM\***

\*See Part II for additional information.

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956, as amended (43 U.S.C. 422a-422l), including expenses necessary for carrying out the program, **[\$37,480,000] \$28,809,000**, to remain available until expended: *Provided*, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That during fiscal year **[1987] 1988** and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed **[\$43,806,000] \$27,472,000**: *Provided further*, That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197): *Provided further*, That notwithstanding the Reclamation Act of 1902, as amended, or other applicable law, all revenues from the sale of loans under this program shall be deposited into the General Fund of the Treasury. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

**Program and Financing (in thousands of dollars)**

Identification code 14-0667-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Distribution systems.....	6,711	400	
00.02 Small projects.....	39,098	49,790	28,282
00.03 Administration.....	865	941	527
10.00 Total obligations.....	46,674	51,131	28,809
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			-154,000
17.00 Recovery of prior year obligations.....	-5,200		
21.40 Unobligated balance available, start of year.....	-17,501	-13,651	
24.40 Unobligated balance available, end of year.....	13,651		
27.00 Capital transfer to general fund.....			154,000
39.00 <b>Budget authority</b> .....	<b>37,624</b>	<b>37,480</b>	<b>28,809</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	36,859	36,275	28,099
40.00 Appropriation (Reclamation special fund).....	765	1,205	710
43.00 <b>Appropriation (adjusted)</b> .....	<b>37,624</b>	<b>37,480</b>	<b>28,809</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	46,675	51,131	-125,191
72.40 Obligated balance, start of year.....	26,431	19,938	21,069
74.40 Obligated balance, end of year.....	-19,938	-21,069	-16,369
78.00 Adjustments in unexpired accounts.....	-5,200		
90.00 Outlays.....	47,968	50,000	-120,491

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	37,624	37,480	28,809
Outlays.....	47,968	50,000	-120,491
Supplemental under existing legislation:			
Budget authority.....			

Outlays.....		-5,600	
Total:			
Budget authority.....	37,624	37,480	28,809
Outlays.....	47,968	44,400	-120,491

**Status of Direct Loans (in thousands of dollars)**

Identification code 14-0667-0-1-301	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	48,315	43,806	27,472
1112 Unused balance of direct loan limitation expiring.....	-2,904		
1150 Total direct loan obligations.....	45,411	43,806	27,472
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	441,655	479,633	507,370
1231 Disbursements: Direct loan disbursements.....	46,704	37,675	32,172
1251 Repayments:			
Repayments and prepayments.....	-8,726	-9,938	
1253 Loan asset sales to the public.....			-154,000
1264 Adjustments: Other adjustments, net.....			-204,385
1290 Outstanding end of year.....	479,633	507,370	181,157

Under the Small Reclamation Projects Act (43 U.S.C. 422a-422l), loans and/or grants can be made to non-Federal organizations for construction or rehabilitation and betterment of small water resource projects. Funds are provided to continue construction on 11 projects. This funding will provide improvements to existing irrigation distribution systems by rehabilitating pumping plants, canal and lateral structures, enlarging and extending drains, and enable the purchase of maintenance equipment.

Under the Distribution Systems Loans Act (43 U.S.C. 421a-421d), loans can be made to organizations for the construction of irrigation and municipal or industrial water distribution systems on authorized Federal reclamation projects.

**Object Classification (in thousands of dollars)**

Identification code 14-0667-0-1-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	904	821	788
11.3 Other than full-time permanent.....	32	60	30
11.5 Other personnel compensation.....	13	11	12
11.9 Total personnel compensation.....	949	892	830
12.1 Personnel benefits: Civilian.....	116	109	101
21.0 Travel and transportation of persons.....	63	62	56
22.0 Transportation of things.....	3	2	2
23.1 Rental payments to GSA.....	24	27	29
23.2 Rental payments to others.....	6	35	35
23.3 Communications, utilities, and miscellaneous charges.....	11	90	95
24.0 Printing and reproduction.....	5	4	4
25.0 Other services.....	54	6,075	154
26.0 Supplies and materials.....	17	12	13
31.0 Equipment.....	15	17	18
33.0 Investments and loans.....	45,411	43,806	27,472
99.9 Total obligations.....	46,674	51,131	28,809

**Personnel Summary**

Total number of full-time permanent positions.....	30	27	26
Total compensable workyears: Full-time equivalent employment....	30	28	26

**GENERAL INVESTIGATIONS**

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing

projects, to remain available until expended, **[\$29,409,000]** **\$11,559,000**. *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That all costs of an advance planning study of a proposed project shall be considered to be construction costs and to be reimbursable in accordance with the allocation of construction costs if the project is authorized for construction: *Provided further*, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

**Program and Financing** (in thousands of dollars)

Identification code	14-5060-0-2-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Planning.....	22,214	20,623	6,990
00.02	General engineering and research.....	10,184	10,032	4,569
00.91	Total direct program.....	32,398	30,655	11,559
01.01	Reimbursable program.....	64	50	50
10.00	Total obligations.....	32,462	30,705	11,609
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-64	-50	-50
17.00	Recovery of prior year obligations.....	-436		
21.40	Unobligated balance available, start of year.....	-637	-1,246	
24.40	Unobligated balance available, end of year.....	1,246		
40.00	<b>Budget authority (appropriation) (special fund).....</b>	<b>32,571</b>	<b>29,409</b>	<b>11,559</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	32,397	30,655	11,559
72.40	Obligated balance, start of year.....	10,213	7,507	7,162
74.40	Obligated balance, end of year.....	-7,507	-7,162	-3,189
78.00	Adjustments in unexpired accounts.....	-436		
90.00	Outlays.....	34,667	31,000	15,532

This appropriation finances studies of potential projects for the conservation and utilization of water and related land resources and includes planning and general engineering and research activities.

**Object Classification** (in thousands of dollars)

Identification code	14-5060-0-2-301	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	12,528	10,745	5,476
11.3	Other than full-time permanent.....	362	709	186
11.5	Other personnel compensation.....	355	283	100
11.8	Special personal services payments.....	5	4	4
11.9	Total personnel compensation.....	13,250	11,741	5,766
12.1	Personnel benefits: Civilian.....	1,702	2,734	2,175
13.0	Benefits for former personnel.....	13		
21.0	Travel and transportation of persons.....	647	679	660
22.0	Transportation of things.....	161	155	12
23.1	Rental payments to GSA.....	390	432	459
23.2	Rental payments to others.....	112	140	6
23.3	Communications, utilities, and miscellaneous charges.....	225	290	170
24.0	Printing and reproduction.....	129	141	28
25.0	Other services.....	13,678	12,830	1,893
26.0	Supplies and materials.....	580	635	240
31.0	Equipment.....	936	410	50
32.0	Lands and structures.....	90	78	
41.0	Grants, subsidies, and contributions.....	479	390	100
42.0	Insurance claims and indemnities.....	3		
43.0	Interest and dividends.....	3		
99.0	Subtotal, direct obligations.....	32,398	30,655	11,559
99.0	Reimbursable obligations.....	64	50	50
99.9	Total obligations.....	32,462	30,705	11,609

**Personnel Summary**

Total number of full-time permanent positions.....	441	368	179
Total compensable workyears:			
Full-time equivalent employment.....	471	392	180
Full-time equivalent of overtime and holiday hours.....	6	5	3

**EMERGENCY FUND**

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), as amended, to remain available until expended for the purposes specified in said Act, \$1,000,000, to be derived from the reclamation fund. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

**Program and Financing** (in thousands of dollars)

Identification code	14-5043-0-2-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	520	1,477	1,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	4		
21.40	Unobligated balance available, start of year.....	-45	-477	
24.40	Unobligated balance available, end of year.....	477		
40.00	<b>Budget authority (appropriation) (special fund).....</b>	<b>957</b>	<b>1,000</b>	<b>1,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	520	1,477	1,000
72.40	Obligated balance, start of year.....	350	277	771
74.40	Obligated balance, end of year.....	-277	-771	-771
78.00	Adjustments in unexpired accounts.....	4		
90.00	Outlays.....	598	983	1,000

**Status of Direct Loans** (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	14,545	13,677	12,998
1251	Repayments: Repayments and prepayments.....	-868	-679	-679
1290	Outstanding, end of year.....	13,677	12,998	12,319

This fund is used to assure continuous operation of all projects and project facilities governed by the Federal reclamation laws in the event of drought; canal bank, pipeline, or electrical facility failures; municipal and industrial water delivery system failures, or other unusual or emergency conditions.

**Object Classification** (in thousands of dollars)

Identification code	14-5043-0-2-301	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent.....	20		
11.9	Total personnel compensation.....	20		
12.1	Personnel benefits: Civilian.....	2		
21.0	Travel and transportation of persons.....	1		
25.0	Other services.....	431		
26.0	Supplies and materials.....	35		
32.0	Lands and structures.....	25		
33.0	Investments and loans.....	6		
92.0	Undistributed funds for emergencies.....		1,477	1,000
99.0	Subtotal, direct obligations.....	520	1,477	1,000
99.9	Total obligations.....	520	1,477	1,000

**Personnel Summary**

Total number of full-time permanent positions.....	1		
Total compensable workyears: Full-time equivalent employment.....	1		

BUREAU OF RECLAMATION—Continued

General and special funds—Continued

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, to remain available until expended, **[\$140,000,000] \$154,297,000**. *Provided*, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further*, That of the total appropriated, such amounts as may be required for replacement work on the Boulder Canyon Project which would require readvances to the Colorado River Dam Fund shall be readvanced to the Colorado River Dam Fund pursuant to section 5 of the Boulder Canyon Project Adjustment Act of July 19, 1940 (43 U.S.C. 618d), and such readvances since October 1, 1984, and in the future shall bear interest at the rate determined pursuant to section 104(a)(5) of Public Law 98-381: *Provided further*, That **[fund] funds** advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further*, That **[nonreimbursable funds]** will be available from revenues for performing examination of existing structures on participating projects of the Colorado River Storage Project. **[revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project, the costs of which shall be nonreimbursable. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)]**

Program and Financing (in thousands of dollars)

Identification code 14-5064-0-2-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	145,703	150,451	162,297
01.01 Reimbursable program.....	2,346		
10.00 Total obligations.....	148,049	150,451	162,297
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-2,346		
14.00 Offsetting collections from: Non-Federal sources.....	-6,722	-7,757	-8,000
17.00 Recovery of prior year obligations.....	-592		
21.40 Unobligated balance available, start of year.....	-14,123	-2,694	
24.40 Unobligated balance available, end of year.....	2,694		
39.00 <b>Budget authority</b> .....	<b>126,960</b>	<b>140,000</b>	<b>154,297</b>
<b>Budget authority:</b>			
40.00 Appropriation (Reclamation fund, indefinite).....	120,775	140,000	154,297
40.00 Appropriation (indefinite).....	6,185		
43.00 <b>Appropriation (adjusted)</b> .....	<b>126,960</b>	<b>140,000</b>	<b>154,297</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	138,981	142,694	154,297
72.40 Obligated balance, start of year.....	27,807	19,575	20,269
74.40 Obligated balance, end of year.....	-19,575	-20,269	-20,269
78.00 Adjustments in unexpired accounts.....	-592		
90.00 <b>Outlays</b> .....	<b>146,621</b>	<b>142,000</b>	<b>154,297</b>

The following table summarizes the obligations for operation and maintenance of the Bureau of Reclamation by account (in thousands of dollars):

Account	1986 actual	1987 est.	1988 est.
Operation and maintenance.....	148,049	150,451	162,297
Upper Colorado River Basin fund.....	25,118	24,711	31,892
Lower Colorado River Basin development fund.....	61,438	76,623	84,403
Colorado River Dam Fund, Boulder Canyon project.....	19,260	21,200	16,414
Total obligations.....	253,865	272,985	295,006

In 1988, a total of 36 projects, project areas, or divisions of projects will be operated and maintained for power, municipal and industrial water supplies, irriga-

tion, flood control, and other benefits with funds made available under this appropriation.

Provision is also made for administration of water marketing contracts on Corps of Engineers projects, examination of existing structures, and administration of the provisions of the Reclamation Reform Act of 1982 (96 Stat. 1261).

In addition, operation and maintenance costs of the Colorado River Storage Project, the Colorado River Basin Project, and the Boulder Canyon Project are shown on the consolidated operation and maintenance table above.

Object Classification (in thousands of dollars)

Identification code 14-5064-0-2-301	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	57,251	59,006	58,714
11.3 Other than full-time permanent.....	2,950	2,577	2,560
11.5 Other personnel compensation.....	3,612	3,590	3,500
11.8 Special personal services payments.....	114	108	104
11.9 Total personnel compensation.....	63,927	65,281	64,878
12.1 Personnel benefits: Civilian.....	8,840	10,410	14,104
13.0 Benefits for former personnel.....	99	135	125
21.0 Travel and transportation of persons.....	1,848	1,931	1,996
22.0 Transportation of things.....	1,836	1,997	1,939
23.1 Rental payments to GSA.....	1,187	1,315	1,396
23.2 Rental payments to others.....	401	392	396
23.3 Communications, utilities, and miscellaneous charges.....	2,342	2,343	2,343
24.0 Printing and reproduction.....	283	250	249
25.0 Other services.....	34,292	44,825	44,037
26.0 Supplies and materials.....	9,511	8,556	10,120
31.0 Equipment.....	5,890	4,644	6,721
32.0 Lands and structures.....	15,091	7,861	13,556
33.0 Investments and loans.....	89	454	375
41.0 Grants, subsidies, and contributions.....	17	45	50
42.0 Insurance claims and indemnities.....	50	12	12
99.0 Subtotal, direct obligations.....	145,703	150,451	162,297
99.0 Reimbursable obligations.....	2,346		
99.9 Total obligations.....	148,049	150,451	162,297

Personnel Summary

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	2,251	2,268	2,238
Total compensable workyears:			
Full-time equivalent employment.....	2,338	2,331	2,301
Full-time equivalent of overtime and holiday hours.....	57	62	60

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver Engineering and Research Center, and offices in the six regions of the Bureau of Reclamation, **[\$51,200,000] \$53,290,000**, of which **[\$2,000,000] \$1,000,000** shall remain available until expended, the total amount to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided*, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses. *(Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)*

Program and Financing (in thousands of dollars)

Identification code 14-5065-0-2-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	62,524	51,915	53,290
01.01 Reimbursable program.....	132	50	50
10.00 Total obligations.....	62,656	51,965	53,340

Financing:				
11.00	Offsetting collections from: Federal funds .....	-132	-50	-50
17.00	Recovery of prior year obligations .....	-56		
21.40	Unobligated balance available, start of year .....	-16,144	-715	
24.40	Unobligated balance available, end of year .....	715		
25.00	Unobligated balance lapsing .....	45		
40.00	<b>Budget authority (appropriation) (special fund) .....</b>	<b>47,084</b>	<b>51,200</b>	<b>53,290</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	62,524	51,915	53,290
72.40	Obligated balance, start of year .....	4,526	5,148	4,063
74.40	Obligated balance, end of year .....	-5,148	-4,063	-4,063
77.00	Adjustments in expired accounts .....	-4		
78.00	Adjustments in unexpired accounts .....	-56		
90.00	Outlays .....	61,842	53,000	53,290

The general administrative expenses program provides for the executive direction and management of all reclamation activities, as performed by the Commissioner's offices in Washington, DC and Denver, CO, and six regional offices. The Denver Engineering and Research Center and regional offices charge individual projects or activities for direct beneficial services and related administrative and technical costs. These charges are covered under other appropriations.

**Object Classification (in thousands of dollars)**

Identification code 14-5065-0-2-301	1986 actual	1987 est.	1988 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	25,785	26,226	26,532
11.3	Other than full-time permanent .....	1,031	1,026	981
11.5	Other personnel compensation .....	604	600	600
11.8	Special personal services payments .....	50	50	50
11.9	Total personnel compensation .....	27,470	27,902	28,163
12.1	Personnel benefits: Civilian .....	3,712	4,291	5,725
13.0	Benefits for former personnel .....	18		
21.0	Travel and transportation of persons .....	1,794	2,018	2,019
22.0	Transportation of things .....	261	251	266
23.1	Rental payments to GSA .....	1,351	1,496	1,589
23.2	Rental payments to others .....	203	260	224
23.3	Communications, utilities, and miscellaneous charges .....	349	515	454
24.0	Printing and reproduction .....	446	491	533
25.0	Other services .....	24,857	11,688	12,236
26.0	Supplies and materials .....	598	640	573
31.0	Equipment .....	1,447	2,323	1,495
41.0	Grants, subsidies, and contributions .....	10	40	13
42.0	Insurance claims and indemnities .....	3		
43.0	Interest and dividends .....	5		
99.0	Subtotal, direct obligations .....	62,524	51,915	53,290
99.0	Reimbursable obligations .....	132	50	50
99.9	Total obligations .....	62,656	51,965	53,340

**Personnel Summary**

Total number of full-time permanent positions .....	856	851	854
Total compensable workyears:			
Full-time equivalent employment .....	870	863	863
Full-time equivalent of overtime and holiday hours .....	9	10	10

**COLORADO RIVER DAM FUND, BOULDER CANYON PROJECT**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year .....	12,053	12,053	8,474
Receipts:			
Revenue:			
Western Area Power Administration .....	21,538	35,083	62,950
Bureau of Reclamation .....	1,138	1,000	1,000

Non-Federal sources .....	3,892	27,400	37,800
Transferred to:			
Repayment of investment .....	-7,000	-7,000	-1,800
Lower Colorado River Basin Development Fund (P.L. 98-381) .....		-5,999	-16,084
Net receipts .....	19,568	50,484	83,866
Total available for appropriation .....	31,621	62,537	92,340
Appropriations:			
Western Area Power Administration: Power marketing costs .....	-890	-3,463	-7,003
Colorado River Dam fund, Boulder Canyon project .....	-18,678	-50,600	-55,814
Total appropriation .....	-19,568	-54,063	-62,817
Unappropriated balance, end of year .....	12,053	8,474	29,523

**Program and Financing (in thousands of dollars)**

Identification code 14-5656-0-2-301	1986 actual	1987 est.	1988 est.	
Program by activities:				
00.01	Payment of interest .....	707	900	2,700
00.02	Payments to States of Arizona and Nevada .....	600	600	600
00.03	Operation and maintenance and replacement, Boulder Canyon Project .....	19,260	21,200	16,414
00.04	Upgrading of generating facilities (non-Federal) .....	3,892	27,400	34,600
00.05	Reimbursement to Colorado River development fund .....	500	500	1,500
10.00	Total obligations .....	24,959	50,600	55,814
Financing:				
17.00	Recovery of prior year obligations .....	-7		
21.40	Unobligated balance available, start of year .....	-13,215	-6,941	-6,941
24.40	Unobligated balance available, end of year .....	6,941	6,941	6,941
39.00	<b>Budget authority .....</b>	<b>18,678</b>	<b>50,600</b>	<b>55,814</b>
Budget authority:				
60.00	Appropriation .....	19,568	54,063	62,817
61.00	Transferred to other accounts .....	-890	-3,463	-7,003
63.00	<b>Appropriation (adjusted) .....</b>	<b>18,678</b>	<b>50,600</b>	<b>55,814</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	24,959	50,600	55,814
72.40	Obligated balance, start of year .....	-1,114	3,890	3,890
74.40	Obligated balance, end of year .....	-3,890	-3,890	-3,890
78.00	Adjustments in unexpired accounts .....	-7		
90.00	Outlays .....	19,948	50,600	55,814

Revenue from Boulder Canyon project operations is placed in this fund. Under provisions of Public Law 98-381, the fund is available without further appropriation for payment of expense of operation and maintenance of the project, for payment of interest on amounts advanced from the Treasury, and for annual payments of not more than \$300 thousand each to Arizona and Nevada and for repayment of advances from the Treasury for construction or other purposes (43 U.S.C. 617a).

**Object Classification (in thousands of dollars)**

Identification code 14-5656-0-2-301	1986 actual	1987 est.	1988 est.	
Personnel compensation:				
11.1	Full-time permanent .....	5,807	5,793	5,679
11.3	Other than full-time permanent .....	214	163	186
11.5	Other personnel compensation .....	869	860	860
11.8	Special personal services payments .....	4	4	4
11.9	Total personnel compensation .....	6,894	6,820	6,729
12.1	Personnel benefits: Civilian .....	991	978	962
13.0	Benefits for former personnel .....	8	11	12
21.0	Travel and transportation of persons .....	189	199	154
22.0	Transportation of things .....	90	75	70
23.1	Rental payments to GSA .....	50	56	59
23.2	Rental payments to others .....	29	28	29
23.3	Communications, utilities, and miscellaneous charges .....	106	72	76
24.0	Printing and reproduction .....	56	25	70
25.0	Other services .....	6,781	2,475	3,350

**BUREAU OF RECLAMATION—Continued**  
**General and special funds—Continued**  
**COLORADO RIVER DAM FUND, BOULDER CANYON PROJECT—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code	14-5656-0-2-301	1986 actual	1987 est.	1988 est.
26.0	Supplies and materials .....	750	1,100	1,400
31.0	Equipment .....	1,585	5,000	4,136
32.0	Lands and structures .....	6,024	32,260	35,466
41.0	Grants, subsidies, and contributions .....	600	601	601
43.0	Interest and dividends .....	806	900	2,700
99.9	Total obligations .....	24,959	50,600	55,814

**Personnel Summary**

Total number of full-time permanent positions .....	223	217	211
Total compensable workyears:			
Full-time equivalent employment .....	224	215	210
Full-time equivalent of overtime and holiday hours .....	16	15	10

**COLORADO RIVER DEVELOPMENT FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year .....			
Receipts .....	500	500	1,500
Reimbursement to Upper Colorado River Basin fund .....	-500	-500	-1,500
Unappropriated balance, end of year .....			

This fund is derived from revenue of the Boulder Canyon project, and is available for reimbursement to the Upper Colorado River Basin fund for Hoover Dam deficiencies (82 Stat. 899).

**MISCELLANEOUS PERMANENT APPROPRIATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	14-9922-0-2-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Operation, maintenance, and replacement of project works, North Platte project (Gering and Fort Laramie, Goshen and Pathfinder irrigation districts) .....	16	11	7
00.02	Payments to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) .....	8	8	8
00.03	Payments to local units, Klamath reclamation area .....	239	250	250
00.04	Operation and maintenance of quarters, Fort Simcoe Job Corps Center .....		15	22
10.00	Total obligations .....	263	284	287
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-193	-235	-231
24.40	Unobligated balance available, end of year .....	235	231	231
60.00	<b>Budget authority (appropriation) (permanent, indefinite, special fund) .....</b>	<b>305</b>	<b>280</b>	<b>287</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	263	284	287
90.00	Outlays .....	263	284	287

**Distribution of budget authority by account:**

Operation, maintenance, and replacement of project works, North Platte project (Gering and Fort Laramie, Goshen and Pathfinder irrigation districts) (indefinite, special fund) .....	2	7	7
Payments to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) (indefinite, special fund) .....	8	8	8

Payments to local units, Klamath reclamation area (indefinite, special fund) .....	239	250	250
Operation and maintenance of quarters, Fort Simcoe Job Corps Center .....		15	22

**Distribution of outlays by account:**

Operation, maintenance, and replacement of project works, North Platte project (Gering and Fort Laramie, Goshen and Pathfinder irrigation districts) .....	16	11	7
Payments to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) .....	8	8	8
Payments to local units, Klamath reclamation area .....	239	250	250
Operation and maintenance of quarters, Fort Simcoe Job Corps Center .....		15	22

*Operation, maintenance, and replacement of project works, North Platte project.*—Payments are made for replacement of project works operated and maintained by the United States and to supplement funds advanced by the water users to meet annual costs of operation and maintenance of such works (66 Stat. 755).

*Payments to the Farmers' irrigation district (North Platte project, Nebraska-Wyoming).*—Payments are made to the Farmers' irrigation district on behalf of the Northport irrigation district for water carriage (62 Stat. 273, as amended).

*Payments to local units, Klamath reclamation area.*—Certain revenues collected from the leasing of Klamath project reserved Federal lands within the boundaries of certain national wildlife refuges shall be used: (a) To credit or pay to the Tule Lake irrigation district amounts already committed; and (b) to make annual payments to the counties in which such refuges are located (78 Stat. 850).

*Operation and maintenance of quarters, Fort Simcoe Job Corps Center.*—Receipts from the rental of quarters are used for the operation and maintenance of those quarters (P.L. 98-473).

**Object Classification (in thousands of dollars)**

Identification code	14-9922-0-2-999	1986 actual	1987 est.	1988 est.
25.0	Other services .....	24	19	15
26.0	Supplies and materials .....		15	22
41.0	Grants, subsidies, and contributions .....	239	250	250
99.9	Total obligations .....	263	284	287

**RECLAMATION FUND, SPECIAL FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year .....	956,773	1,104,624	1,151,569
Revenue .....	790,881	822,087	776,228
Total available for appropriation .....	1,747,654	1,926,711	1,927,797

**Appropriation:**

<b>Bureau of Reclamation:</b>			
<b>Annual:</b>			
Loan program .....	765	1,205	710
General investigations .....	32,571	29,409	11,559
Construction program .....	252,455	330,820	353,556
Operation and maintenance .....	120,775	140,000	154,297
General administrative expenses .....	47,084	51,200	53,290
Emergency fund .....	957	1,000	1,000
Working Capital Fund .....		6,400	
<b>Permanent:</b>			
Payment to Farmers' irrigation district (North Platte project, Nebraska-Wyoming) .....	8	8	8
Payments to local units, Klamath reclamation area .....	239	250	250

Operation and maintenance of quarters, Fort Simcoe Job Corps Center.....		15	22
Western Area Power Administration appropriation.....	188,176	214,835	265,268
Total appropriations.....	643,030	775,142	839,960
Unappropriated balance, end of year.....	1,104,624	1,151,569	1,087,837

This fund is derived from repayments and other revenue from water resource development, together with certain receipts from sales, leases, and rentals of Federal lands in the 17 Western States, and is available for expenditure pursuant to authorization contained in appropriation acts.

SPECIAL FUNDS  
(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or the Colorado River development fund are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) and the Act of July 19, 1940 (43 U.S.C. 618a), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the head "General Administrative Expenses" shall revert and be credited to the special fund from which derived. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Public enterprise funds:

LOWER COLORADO RIVER BASIN DEVELOPMENT FUND

Program and Financing (in thousands of dollars)

Identification code	14-4079-0-3-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Construction.....	157,099	121,616	191,228
Operating expenses:				
01.01	Operation and maintenance.....	61,438	76,623	84,403
01.02	Interest on investment.....	5,474	4,993	4,712
01.03	Work for others.....	524		
10.00	Total obligations.....	224,535	203,232	280,343
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-148,515	-121,496	-191,228
14.00	Non-Federal sources (sale of electric energy and other collections).....	-79,932	-90,100	-100,798
17.00	Recovery of prior year obligations.....	-1,662		
21.98	Unobligated balance available, start of year: Fund balance.....	-25,036	-17,110	-16,990
24.98	Unobligated balance available, end of year: Fund balance.....	17,110	16,990	16,990
27.00	Capital transfer to general fund.....	9,188	8,484	11,683
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	4,312		
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-3,912	-8,364	-11,683
72.98	Obligated balance, start of year: Fund balance.....	37,897	4,278	-4,086
74.98	Obligated balance, end of year: Fund balance.....	-4,278	4,086	15,769
78.00	Adjustments in unexpired accounts.....	-1,662		
90.00	Outlays.....	28,044		

Construction costs of the Central Arizona Project water development are financed through appropriations transferred to this fund. Revenues from operation of project facilities are available for operation and maintenance expenses without further appropriation, pursuant to Public Law 90-537.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
Revenue:			
Power.....	76,102	74,025	69,648
Municipal and industrial water.....	812	3,825	5,850
Irrigation.....	2,471	12,150	25,200
Miscellaneous water sales.....	13		
Other revenue.....	4		
Total operating revenue.....	79,402	90,000	100,698
Expense:			
Operation and maintenance expense and depreciation.....	-61,438	-76,623	-84,403
Interest on investment.....	-5,447	-18,031	-20,023
Less: interest charged to construction.....	-27	13,038	15,311
Total operating expense.....	-66,912	-81,616	-89,115
Net operating income, total.....	12,490	8,384	11,583
<b>Nonoperating income or loss (-):</b>			
Interest earned on advances.....	108		
Income not credited to repayment.....	-108		
Leases and crossing agreements.....	5	100	100
Net nonoperating income, total.....	5	100	100
Net income for the year.....	12,495	8,484	11,683

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	55,933	21,424	12,940	1,257
Accounts receivable (net).....	12,500	11,376	11,136	17,233
Inventories (stores).....	186	390	150	200
Participants share of fuel inventory.....	6,581	5,967	6,600	6,600
Other deferred and undistributed charges.....	3,365	3,654	10	10
Real property and equipment.....	12,363	16,469	16,469	21,290
Other assets, net.....	1,411,140	1,585,936	1,747,995	1,976,187
Total assets.....	1,502,068	1,645,216	1,795,300	2,022,777
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	21,435	8,486	7,086	1,500
<b>Government equity:</b>				
Selected equities:				
Undelivered orders.....	28,960	7,204		
Unobligated balance.....	18,036	17,110	16,990	16,990
Total unexpended balance.....	46,996	24,314	16,990	16,990
Invested capital and earnings.....	1,433,637	1,612,416	1,771,224	2,004,287
Total Government equity.....	1,480,633	1,636,730	1,788,214	2,021,277
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....		1,456,048	1,622,488	1,773,972
Transactions:				
Appropriations.....		148,515	121,496	191,228
Unobligated balance transferred from other accounts.....		15,700		
Contributions.....		2,168	16,950	26,524
Property capitalized without use of funds.....		84		
Interest on investment (capitalized).....		-27	13,038	15,311
Closing balance.....		1,622,488	1,773,972	2,007,035
Retained income:				
Opening balance.....		24,585	27,254	27,254
Transactions:				
Net operating income.....		12,491	8,384	11,583
Net non-operating income.....		5	100	100
Adjustment to prior years.....		-639		
Capital transfers.....		-9,188	-8,484	-11,683
Closing balance.....		27,254	27,254	27,254
Total Government equity (end of year).....		1,649,742	1,801,226	2,034,289

BUREAU OF RECLAMATION—Continued

Public enterprise funds—Continued

LOWER COLORADO RIVER BASIN DEVELOPMENT FUND—Continued

Object Classification (in thousands of dollars)

Identification code	14-4079-0-3-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	22,803	23,143	21,905
11.3	Other than full-time permanent	409	382	432
11.5	Other personnel compensation	2,614	2,528	2,039
11.8	Special personal services payments	6	5	4
11.9	Total personnel compensation	25,832	26,058	24,380
12.1	Personnel benefits: Civilian	3,329	3,895	5,075
13.0	Benefits for former personnel	32	50	60
21.0	Travel and transportation of persons	1,332	1,341	1,338
22.0	Transportation of things	663	659	692
23.1	Rental payments to GSA	414	458	487
23.2	Rental payments to others	248	211	222
23.3	Communications, utilities, and miscellaneous charges	1,197	724	760
24.0	Printing and reproduction	490	407	344
25.0	Other services	58,357	83,504	97,247
26.0	Supplies and materials	4,477	4,305	4,435
31.0	Equipment	5,639	3,874	6,334
32.0	Lands and structures	117,049	72,751	134,255
43.0	Interest and dividends	5,476	4,995	4,714
99.9	Total obligations	224,535	203,232	280,343

Personnel Summary

Total number of full-time permanent positions	872	862	835
Total compensable workyears:			
Full-time equivalent employment	851	839	817
Full-time equivalent of overtime and holiday hours	60	66	53

UPPER COLORADO RIVER BASIN FUND

Program and Financing (in thousands of dollars)

Identification code	14-4081-0-3-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Capital investment: Construction	78,935	101,639	156,571
<b>Operating expenses:</b>				
01.01	Operation and maintenance	25,118	24,711	31,892
01.02	Interest on investment	3,273	10,649	6,419
01.03	Work for others	649	674	674
10.00	Total obligations	107,975	137,673	195,556
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds	-69,045	-100,747	-157,040
14.00	Non-Federal sources (Sale of electric energy and water and other collections)	-32,062	-37,685	-41,485
17.00	Recovery of prior year obligations	-3,403		
21.98	Unobligated balance available, start of year: Fund balance	-10,872	-3,195	-1,017
24.98	Unobligated balance available, end of year: Fund balance	3,195	1,017	1,017
27.00	Capital transfer to general fund	2,974	2,937	2,969
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	1,238		
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	6,868	-759	-2,969
72.98	Obligated balance, start of year: Fund balance	56,552	23,918	23,159
74.98	Obligated balance, end of year: Fund balance	-23,918	-23,159	-20,190
78.00	Adjustments in unexpired accounts	-3,403		
90.00	Outlays	36,100		

Construction costs of the Colorado River Storage Project are financed through appropriations transferred to this fund. Revenues from operation of project facilities are available for operation and maintenance expenses without further appropriation, pursuant to Public Law 84-485.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
<b>Revenue:</b>			
Power	68,494	69,647	67,712
Municipal and industrial water	2,303	2,342	2,277
Irrigation	393	400	388
Total revenues	71,190	72,389	70,377
<b>Expense:</b>			
Operation and maintenance expense and depreciation	-14,788	-14,680	-12,958
Interest on investment	-11,106	-11,809	-11,419
Less: Interest charged to construction	5,163	5,100	5,000
Total operating expense	-20,731	-21,389	-19,377
Net operating income, total	50,459	51,000	51,000
<b>Nonoperating income or loss (-):</b>			
<b>Revenue:</b>			
Sale of water and land	256	256	256
Income from project repayment	1,614	1,600	1,600
Miscellaneous	79	79	79
Net nonoperating income, total	1,949	1,935	1,935
Net income for the year	52,408	52,935	52,935

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury	67,003	27,113	20,317	20,317
Accounts receivable (net)	496	1,328	1,300	1,300
Inventories (stores)	474	2,797	2,800	2,800
Real property and equipment	1,003,193	1,864,318	1,995,982	2,180,093
Other assets	856,630	145,753	157,581	171,850
Total assets	1,927,796	2,041,309	2,177,980	2,376,360
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
Accounts payable	21,762	20,831	21,000	21,000
Other liabilities	89,442			
Total liabilities	111,204	20,831	21,000	21,000
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended budget authority:</b>				
Unobligated balance	10,452	3,195	1,017	1,017
Undelivered orders	35,286	4,826		
Total unexpended, funded balance	45,738	8,021	1,017	1,017
Invested capital and earnings	1,870,854	2,012,457	2,155,963	2,354,343
Total Government equity	1,816,592	2,020,478	2,156,980	2,355,760
Total liabilities and Government equity	1,927,796	2,041,309	2,177,980	2,376,760

Analysis of changes in Government equity:

<b>Paid-in capital:</b>			
Opening balance	1,611,170	1,762,648	1,846,215
Adjustment for opening balance	89,606		
<b>Transactions:</b>			
Appropriations (available)	69,118	100,278	156,571
Interest during construction (capitalized)	5,163	5,100	5,000
Interest accrued on investment	7,155	6,809	6,419
Transfer of cost or property	-40,175	-40,000	-40,000
Interest and other to U.S. Treasury	-7,485	-11,325	-6,700
Nonreimbursable expenses	-3,356	-3,300	-3,300
Other	26,452	26,000	26,000
Contributions	5,000	5	1,855
Closing balance	1,762,648	1,846,215	1,992,060
<b>Retained income or deficit (-):</b>			
Opening balance	205,422	257,830	310,765
<b>Transactions:</b>			
Net operating income	50,459	51,000	51,000
Net nonoperating income	335	335	335

Income from project repayment.....	1,614	1,600	1,600
Closing balance.....	257,830	310,765	363,700
Total Government equity (end of year).....	2,020,478	2,156,980	2,355,760

**Object Classification (in thousands of dollars)**

Identification code 14-4081-0-3-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	24,592	24,350	24,307
11.3 Other than full-time permanent.....	1,091	953	949
11.5 Other personnel compensation.....	3,065	2,829	2,760
11.9 Total personnel compensation.....	28,748	28,132	28,016
12.1 Personnel benefits: Civilian.....	3,581	4,087	5,618
13.0 Benefits for former personnel.....	43		
21.0 Travel and transportation of persons.....	1,321	1,656	1,755
22.0 Transportation of things.....	1,140	747	722
23.1 Rental payments to GSA.....	574	636	675
23.2 Rental payments to others.....	44	109	109
23.3 Communications, utilities, and miscellaneous charges.....	1,473	1,341	1,319
24.0 Printing and reproduction.....	212	210	202
25.0 Other services.....	15,408	9,044	12,352
26.0 Supplies and materials.....	3,362	2,947	2,823
31.0 Equipment.....	2,963	1,450	1,502
32.0 Lands and structures.....	42,668	76,665	134,044
42.0 Insurance claims and indemnities.....	3,165		
43.0 Interest and dividends.....	3,273	10,649	6,419
99.9 Total obligations.....	107,975	137,673	195,556

**Personnel Summary**

Total number of full-time permanent positions.....	944	910	899
Total compensable workyears:			
Full-time equivalent employment.....	959	919	907
Full-time equivalent of overtime and holiday hours.....	66	77	74

**Intragovernmental funds:**

**[WORKING CAPITAL FUND]**

**[For acquisition of the Bureau's computer aided design and drafting system, \$6,400,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571), the total amount to be derived from the reclamation fund.] (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)**

**Program and Financing (in thousands of dollars)**

Identification code 14-4524-0-4-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Capital investment.....		24,816	
01.01 Administrative services.....	4,746	60,000	70,000
10.00 Total obligations.....	4,746	84,816	70,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds: Revenue.....	-23,162	-60,000	-70,000
21.40 Unobligated balance available, start of year.....		-18,416	
24.40 Unobligated balance available, end of year.....	18,416		
40.00 <b>Budget authority (appropriation).....</b>		<b>6,400</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-18,416	24,816	
72.40 Obligated balance, start of year.....		2,854	5,670
74.40 Obligated balance, end of year.....	-2,854	-5,670	-670
90.00 Outlays.....	-21,270	22,000	5,000

The fund provides for more efficient financing and financial management of centralized administrative services for support of Bureau programs and for work performed for others.

**Object Classification (in thousands of dollars)**

Identification code 14-4524-0-4-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	407	4,972	5,156
11.3 Other than full-time permanent.....	18	206	218
11.5 Other personnel compensation.....	5	274	274
11.8 Special personal services payments.....	1		
11.9 Total personnel compensation.....	431	5,452	5,648
12.1 Personnel benefits: Civilian.....	53	670	693
21.0 Travel and transportation of persons.....		331	371
22.0 Transportation of things.....		60	60
24.0 Printing and reproduction.....		10	10
25.0 Other services.....	2,150	49,265	58,232
26.0 Supplies and materials.....		120	160
31.0 Equipment.....		25,500	3,171
32.0 Lands and structures.....	2,112	3,408	1,655
99.9 Total obligations.....	4,746	84,816	70,000

**Personnel Summary**

Total number of full-time permanent positions.....	14	210	210
Total compensable workyears:			
Full-time equivalent employment.....	14	210	210
Full-time equivalent of overtime and holiday hours.....		8	8

**Trust Funds**

**RECLAMATION TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 14-8070-0-7-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Construction.....	7,633	30,449	42,556
00.02 Operation and maintenance.....	1,274	1,116	1,235
00.03 Other.....	1,202	3,723	4,209
10.00 Total obligations.....	10,109	35,288	48,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-5,696	-318	
24.40 Unobligated balance available, end of year.....	318		
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>4,732</b>	<b>34,970</b>	<b>48,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	10,109	35,288	48,000
72.40 Obligated balance, start of year.....	6	2,542	2,860
74.40 Obligated balance, end of year.....	-2,542	-2,860	-2,860
90.00 Outlays.....	7,573	34,970	48,000

When requested, the Bureau of Reclamation performs planning or construction work with funding provided by non-Federal entities under the Contributed Funds Act (43 U.S.C. 395, 396).

**Object Classification (in thousands of dollars)**

Identification code 14-8070-0-7-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	412	623	1,235
11.3 Other than full-time permanent.....	8	10	30
11.5 Other personnel compensation.....	24	28	48
11.8 Special personal services payments.....		1	1
11.9 Total personnel compensation.....	444	662	1,314
12.1 Personnel benefits: Civilian.....	53	100	200
21.0 Travel and transportation of persons.....	37	48	83
22.0 Transportation of things.....	15	16	36
23.1 Rental payments to GSA.....	8	9	9
23.2 Rental payments to others.....	5	5	5
23.3 Communications, utilities, and miscellaneous charges.....	6		10
24.0 Printing and reproduction.....	1	15	48
25.0 Other services.....	3,912	34,228	45,976
26.0 Supplies and materials.....	164	185	238

BUREAU OF RECLAMATION—Continued  
RECLAMATION TRUST FUNDS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	14-8070-0-7-301	1986 actual	1987 est.	1988 est.
31.0	Equipment.....	1	20	81
32.0	Lands and structures.....	5,463		
99.9	Total obligations.....	10,109	35,288	48,000

Personnel Summary

Total number of full-time permanent positions.....	18	25	54
Total compensable workyears:			
Full-time equivalent employment.....	17	25	51
Full-time equivalent of overtime and holiday hours.....	1	1	2

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriations, as follows:  
Interior: Bureau of Indian Affairs, "Construction"

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed [12] 13 passenger motor vehicles of which [10] 11 shall be for replacement only; payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; for service as authorized by section 3109 of title 5, United States Code, in total not to exceed \$500,000; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriations Act 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Acts of August 21, 1935 (16 U.S.C. 461-467) and June 27, 1960 (16 U.S.C. 469): *Provided*, That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses" and amounts provided for plan formulation and advance planning investigations, and general engineering and research under the head "General Investigations".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

[The costs of the Seedskadee Project may be reallocated in order to reflect revised project beneficial purposes.]

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided*, That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341).

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

(Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

GEOLOGICAL SURVEY

Federal Funds

General and special funds:

SURVEYS, INVESTIGATIONS, AND RESEARCH\*

\*See Part II for additional information.

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (43 U.S.C. 31, 1332 and 1340); classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; [\$418,665,000] \$420,178,000: *Provided*, That [\$52,835,000] \$58,028,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality: *Provided further*, That in fiscal year 1987 and thereafter the Geological Survey is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal State, or private: *Provided further*, That, heretofore and hereafter, in carrying out work involving cooperation with any State, Territory, possession, or political subdivision thereof, the Geological Survey may, notwithstanding any other provision of law, record obligations against accounts receivable from any such entities and shall credit amounts received from such entities to this appropriation]. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101 (h).)

Program and Financing (in thousands of dollars)

Identification code	14-0804-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	National mapping, geography and surveys.....	83,596	86,528	87,415
00.02	Geologic and mineral resource surveys and mapping....	165,356	165,716	164,824
00.03	Water resources investigations.....	132,725	137,768	137,209
00.04	General administration.....	14,246	14,540	14,514
00.05	Facilities.....	13,567	15,023	16,216
00.91	Total direct program.....	409,490	419,575	420,178
01.01	Reimbursable program.....	187,673	184,743	177,019
10.00	Total obligations.....	597,163	604,318	597,197
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-115,617	-106,849	-106,343
14.00	Non-Federal sources.....	-72,056	-77,894	-70,676
21.40	Unobligated balance available, start of year.....	-1,155	-1,025	-115
22.40	Unobligated balance transferred, net.....	-597		
24.40	Unobligated balance available, end of year.....	1,025	115	115
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	3,543		
40.00	Budget authority (appropriation).....	412,306	418,665	420,178
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	409,489	419,575	420,178
72.40	Obligated balance, start of year.....	25,943	7,952	9,283
74.40	Obligated balance, end of year.....	-7,952	-9,283	-8,555
77.00	Adjustments in expired accounts.....	-1,971		
90.00	Outlays.....	425,509	418,244	420,906

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority.....	412,306	418,665	420,178	
Outlays.....	425,509	418,244	420,906	

Supplemental under existing legislation:			
Budget authority .....	2,000		
Outlays .....	1,720	280	
Total:			
Budget authority .....	412,306	420,665	420,178
Outlays .....	425,509	419,964	421,186

The Geological Survey provides basic scientific data and information concerning water, land, and mineral resources.

**National mapping, geography, and surveys.**—The national mapping program produces and makes available, in printed and digital format, cartographic and geographic base data, multipurpose and special-purpose maps. Map receipts are retained in a permanent account.

**Geologic and mineral resource surveys and mapping.**—The national program of onshore and offshore geologic research and investigations produces: (1) improved methods and instruments for mineral and energy assessments; (2) geologic, geophysical, and geochemical maps and analyses; (3) information on the chemistry and physics of the Earth, the climate, and the geologic processes by which it was formed and is being modified; (4) information on geologic hazards; and (5) information for use by other Federal and State agencies in the management of public lands and in national policy determinations.

**Water resources investigations.**—The national program of water resources investigations has the objective of appraising the Nation's water resources and insuring that the data necessary to develop and manage them efficiently and effectively are available when needed. The program produces data and analyses to support decisions on water planning, water management, energy development, and enhancement of the quality of the environment.

**General administration.**—General administrative expenses provide for management, executive direction and coordination, and administrative support.

**Facilities.**—This activity finances the operation and maintenance, facilities management, and special support services for the operation of the national center headquarters and field centers.

**Reimbursements** from non-Federal sources are from States and municipalities for cooperative efforts and proceeds from sale to the public of copies of photographs and records; proceeds from sale of personal property; reimbursements from permittees and licensees of the Federal Energy Regulatory Commission; and reimbursements from friendly countries and international organizations for technical assistance. Reimbursements from other Federal agencies are for mission related work performed at the request of the financing agency.

Object Classification (in thousands of dollars)			
Identification code 14-0804-0-1-306	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	206,629	216,386	214,388
11.3 Other than full-time permanent .....	21,151	21,885	21,683
11.5 Other personnel compensation .....	4,024	3,974	3,974
11.9 Total personnel compensation .....	231,804	242,245	240,045

12.1 Personnel benefits: Civilian .....	30,791	36,165	51,806
13.0 Benefits for former personnel .....	580	1,558	374
21.0 Travel and transportation of persons .....	10,013	10,969	9,000
22.0 Transportation of things .....	3,869	3,689	3,010
23.1 Rental payments to GSA .....	27,512	30,801	36,110
23.2 Rental payments to others .....	1,180	1,198	1,206
23.3 Communications, utilities, and miscellaneous charges .....	10,533	10,876	8,875
24.0 Printing and reproduction .....	2,802	2,856	2,330
25.0 Other services .....	41,667	34,524	34,380
26.0 Supplies and materials .....	15,992	13,231	10,796
31.0 Equipment .....	14,229	13,687	11,168
32.0 Lands and structures .....	18	7	6
41.0 Grants, subsidies, and contributions .....	18,469	17,732	11,042
42.0 Insurance claims and indemnities .....	29	37	30
99.0 Subtotal, direct obligations .....	409,490	419,575	420,178
99.0 Reimbursable obligations .....	187,673	184,743	177,019
99.9 Total obligations .....	597,163	604,318	597,197

**Personnel Summary**

Direct:			
Total number of full-time permanent positions .....	6,331	6,357	6,285
Total compensable workyears:			
Full-time equivalent employment .....	7,428	7,458	7,373
Full-time equivalent of overtime and holiday hours .....	101	101	101
Reimbursable:			
Total number of full-time permanent positions .....	1,889	1,903	1,956
Total compensable workyears:			
Full-time equivalent employment .....	2,272	2,289	2,354
Full-time equivalent of overtime and holiday hours .....	30	30	30

**BARROW AREA GAS OPERATION, EXPLORATION, AND DEVELOPMENT**

**Program and Financing (in thousands of dollars)**

Identification code 14-0801-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	79		
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-37		
21.40 Unobligated balance available, start of year .....	-42		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	79		
72.40 Obligated balance, start of year .....	163		
78.00 Adjustments in unexpired accounts .....	-37		
90.00 Outlays .....	205		

**Barrow area gas operation, exploration, and development.**—Transfer of the gas fields to the North Slope Borough was accomplished through Public Law 98-366, the Barrow Gas Field Transfer Act of 1984, and Public Law 98-396 making supplemental appropriations for 1984.

**EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA**

**Program and Financing (in thousands of dollars)**

Identification code 14-0805-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Evaluation and assessment of National Petroleum Reserve in Alaska .....	1,896	492	
00.02 Barrow area gas operation, exploration, and development .....	150		
10.00 Total obligations .....	2,046	492	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-1,503		
21.40 Unobligated balance available, start of year .....	-1,035	-492	

GEOLOGICAL SURVEY—Continued

General and special funds—Continued

EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA—  
Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 14-0805-0-1-271	1986 actual	1987 est.	1988 est.
24.40 Unobligated balance available, end of year.....	492		
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	2,046	492	
72.40 Obligated balance, start of year.....	2,924	109	
74.40 Obligated balance, end of year.....	-109		
78.00 Adjustments in unexpired accounts.....	-1,503		
90.00 Outlays.....	3,359	601	

The National Petroleum Reserve in Alaska program has been completed and demobilization has occurred. The remaining closeout activities relating to accounting and contract audits are nearly completed for the program that began in 1974. Most of the results have been published, however, a major compendium is in final preparation.

Object Classification (in thousands of dollars)

Identification code 14-0805-0-1-271	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	226		
11.3 Other than full-time permanent.....	58		
11.5 Other personnel compensation.....	5		
11.9 Total personnel compensation.....	289		
12.1 Personnel benefits: Civilian.....	64		
21.0 Travel and transportation of persons.....	18		
23.1 Rental payments to GSA.....	34		
23.3 Communications, utilities, and miscellaneous charges.....	4		
24.0 Printing and reproduction.....		200	
25.0 Other services.....	1,635	292	
26.0 Supplies and materials.....	2		
99.9 Total obligations.....	2,046	492	

Personnel Summary

Total number of full-time permanent positions.....	4
Total compensable workyears: Full-time equivalent employment.....	4

ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed [14] 25 passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Geological Survey, and that within appropriations herein provided, Geological Survey officials may authorize either direct procurement of or reimbursement for expenses incidental to the effective use of volunteers such as, but not limited to, training, transportation, lodging, subsistence, equipment, and supplies: *Provided further*, That provision for such expenses or services is in accord with volunteer or cooperative

agreements made with such individuals, private organizations, educational institutions, or State or local government: *Provided further*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in Public Law 95-224. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

Trust Funds

CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 14-8562-0-7-306	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations (object class 25.0).....	11	400	
Financing			
21.40 Unobligated balance available, start of year.....	-11		
60.00 Budget authority (appropriation) (permanent, indefinite).....		400	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	11	400	
72.40 Obligated balance, start of year.....	40	1	
74.40 Obligated balance, end of year.....	-1		
90.00 Outlays.....	50	401	

Funds contributed by States, counties, municipalities, and private sources are used to provide basic scientific data and analyses concerning water, land, energy, and mineral resources.

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedule of the parent appropriation as follows:  
Department of State: "American sections, international commissions."

BUREAU OF MINES

Federal Funds

General and special funds:

MINES AND MINERALS\*

\*See Part II for additional information.

For expenses necessary for conducting inquiries, technological investigations, and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal, and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law, [\$138,162,000] \$118,630,000, of which [\$83,130,000] \$70,955,000 shall remain available until expended. (16 U.S.C. 1133(d)(2), 3150(a); 30 U.S.C. 1-16, 21(a), 861(b), 951(a), 1222(a)(c), 1602, 1603; 43 U.S.C. 1782(a); 50 U.S.C. 2062; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-0959-0-1-306	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
Minerals information and analysis:			
00.01 Minerals information.....	9,982	9,856	11,021
00.02 Minerals data analysis.....	17,615	18,214	18,031
Minerals research:			
00.03 Minerals and materials technology.....	30,692	32,942	28,761
00.04 Health and safety technology.....	33,173	35,185	29,315
00.05 Mining technology.....	12,808	19,230	12,733

00.06	Mineral institutes .....	7,677	7,992	.....
00.07	General administration.....	17,675	19,388	18,769
00.91	Total direct program .....	129,622	142,807	118,630
01.01	Reimbursable program.....	10,874	15,000	15,000
10.00	Total obligations.....	140,496	157,807	133,630
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-10,874	-15,000	-15,000
17.00	Recovery of prior year obligations.....	-2,565	.....	.....
21.40	Unobligated balance available, start of year.....	-6,582	-6,906	.....
24.40	Unobligated balance available, end of year.....	6,906	.....	.....
25.00	Unobligated balance lapsing.....	330	2,261	.....
40.00	<b>Budget authority (appropriation).....</b>	<b>127,711</b>	<b>138,162</b>	<b>118,630</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	129,622	142,807	118,630
72.40	Obligated balance, start of year.....	47,670	42,748	48,349
74.40	Obligated balance, end of year.....	-42,748	-48,349	-43,030
77.00	Adjustments in expired accounts.....	-970	.....	.....
78.00	Adjustments in unexpired accounts.....	-2,565	.....	.....
90.00	Outlays.....	131,009	137,206	123,949

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	127,711	138,162	118,630
Outlays.....	131,009	137,206	123,949
Rescission proposal:			
Budget authority .....	.....	-16,594	.....
Outlays.....	.....	-12,270	-4,324
Total:			
Budget authority .....	127,711	121,568	118,630
Outlays.....	131,009	124,936	120,739

**Minerals information and analysis.—**

**Minerals information.**—This program provides a reliable data base for analysis of national minerals problems by collecting, interpreting, and disseminating information relating to the worldwide production, consumption, and availability of nonfuel minerals. The program maintains information on the production and consumption of approximately 100 mineral commodities, and also on the minerals and related industries of about 160 countries.

**Mineral data analysis.**—Economic, technical, and policy studies that address the worldwide supply and demand for minerals are conducted in this program. The Minerals Availability System, a computerized data base system, develops and utilizes methodologies for evaluation of mineral deposits based on quantifiable technical, economic, and social data. The program also includes mineral land assessments on certain Bureau of Land Management and U.S. Forest Service lands, carried out jointly with the U.S. Geological Survey.

**Minerals research.—**

**Minerals and materials technology.**—Research is conducted to develop widely applicable mineral processing and recycling technologies that can help the United States maintain an adequate mineral production base and to identify techniques for obtaining strategic and critical minerals from domestic sources. Investigations are also conducted to improve the performance of mineral materials and develop advanced materials for use by the mineral industry, and to provide improved technologies for disposing of mineral processing wastes and for cleaning up sites that have been contaminated by these wastes.

**Health and safety technology.**—This program provides technology that will reduce occupational illnesses, accidents, and disasters associated with mining. Health research addresses instrumentation and control technology to reduce levels of respirable dust and other harmful physical and chemical agents, such as noise and toxic gases, found in mine air. Safety hazard reduction research investigates and develops means to help minimize ground control accidents; to reduce industrial hazards; to prevent mine disasters; to control explosives and blasting; and to analyze mining systems.

**Mining technology.**—The program investigates mining techniques which improve domestic mineral recovery from coal, metal and nonmetal mines, and technology to reduce the adverse environmental effects associated with mining and mineral processing activities. The program places special emphasis on improving techniques for mining domestic low-grade deposits of strategic and critical minerals.

**Mineral institutes.**—Minerals research and engineering programs supported through public and private resources conducted at 32 colleges and universities.

**General administration.**—The program supports executive direction, financial, and management services for the Bureau of Mines.

**Object Classification (in thousands of dollars)**

Identification code	14-0959-0-1-306	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	63,037	64,443	66,729
11.3	Other than full-time permanent.....	2,450	2,505	2,594
11.5	Other personnel compensation.....	563	575	595
11.9	Total personnel compensation.....	66,050	67,523	69,918
12.1	Personnel benefits: Civilian .....	9,240	11,595	16,952
13.0	Benefits for former personnel .....	71	72	72
21.0	Travel and transportation of persons .....	2,271	2,560	2,490
22.0	Transportation of things.....	613	604	604
23.1	Rental payments to GSA.....	4,501	4,868	4,868
23.3	Communications, utilities, and miscellaneous charges... ..	4,049	4,716	4,659
24.0	Printing and reproduction .....	743	925	925
25.0	Other services.....	21,169	29,845	7,654
26.0	Supplies and materials.....	5,129	4,294	4,059
31.0	Equipment.....	4,877	6,429	6,429
32.0	Lands and structures.....	179	.....	.....
41.0	Grants, subsidies, and contributions .....	10,730	9,376	.....
99.0	Subtotal, direct obligations.....	129,622	142,807	118,630
99.0	Reimbursable obligations.....	10,874	15,000	15,000
99.9	Total obligations.....	140,496	157,807	133,630

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	2,140	2,140	2,015
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	2,055	2,095	1,970
Full-time equivalent of overtime and holiday hours.....	9	9	9
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	75	75	75
Total compensable workyears: Full-time equivalent employment.....	59	59	59

BUREAU OF MINES—Continued

Public enterprise funds:

HELIUM FUND

Program and Financing (in thousands of dollars)

Identification code	14-4053-0-3-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating program:				
00.01	Production and sales.....	14,051	16,163	15,353
00.02	Transmission and storage operations.....	712	857	994
00.03	Administrative and other expenses.....	817	760	827
00.91	Total operating program.....	15,580	17,780	17,174
02.01	Capital investment: Land, structures, and equipment.....	3,515	3,876	4,224
10.00	Total obligations.....	19,095	21,656	21,398
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-17,172	-19,314	-21,254
14.00	Non-Federal sources.....	-8,041	-2,836	-53,674
17.00	Recovery of prior year obligations.....	-21		
21.98	Unobligated balance available, start of year: Fund balance.....	-17,020	-19,056	-17,550
24.98	Unobligated balance available, end of year: Fund balance.....	19,056	17,550	
25.00	Unobligated balance lapsing.....	103		
27.00	Capital transfer to general fund.....	4,000	2,000	71,080
39.00	Budget authority.....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	-6,118	-494	-53,530
72.98	Obligated balance, start of year: Fund balance.....	-99	1,442	1,442
74.98	Obligated balance, end of year: Fund balance.....	-1,442	-1,442	-1,442
78.00	Adjustments in unexpired accounts.....	-21		
90.00	Outlays.....	-7,681	-494	-53,530

The Helium Act Amendments of 1960, Public Law 86-777 (50 U.S.C. 167), authorized activities necessary to provide sufficient helium to meet the current and foreseeable future needs of essential government activities. The program includes production, conservation, sale, and distribution of helium and involves the management of helium program facilities and resources to:

(a) Provide helium to meet current demands of all Federal agencies.

(b) Provide helium to meet the foreseeable future helium requirements of essential Government programs.

(c) Conduct investigations and evaluations to improve the helium program.

Helium program assets are scheduled for sale during fiscal year 1988. After the sale, excess fund balances will be transferred to the general fund of the Treasury. Legislation will be proposed to cancel outstanding helium debt owed to the Treasury.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Sales program:</b>			
Revenue.....	25,037	22,000	24,778
Expense.....	-87,909	-94,411	-101,680
Net operating income or loss (-), sales program.....	-62,872	-72,411	-76,902
<b>Nonoperating income or loss (-):</b>			
Proceeds from sales of equipment.....	176	150	50,000
Net book value of assets sold.....	-130	-50	-30,330
Net income or loss for the year.....	-62,826	-72,311	-57,232

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	16,921	20,498	18,992	19,522
Accounts receivable, net.....	4,193	2,311	2,311	2,311
Inventories.....	881,608	435,092	432,057	428,009
Real property and equipment, net.....	24,554	25,283	27,269	28,586
Other assets, net.....	1,953	2,421	1,694	1,694
Total assets.....	929,229	485,605	482,323	480,122
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and funded accrued liabilities.....	985	1,231	1,231	1,231
Advances received.....	732	423	423	423
Unfunded liabilities: Accrued annual leave.....	556	531	531	531
Debt issued under borrowing authority:				
Borrowing from Treasury.....	251,650	251,650	251,650	197,570
Net worth.....	23,000	19,000	17,000	
Interest due on net worth.....	74,762	82,244	90,261	98,964
Interest due on borrowing.....	441,567	499,160	562,152	631,050
Total liabilities.....	793,252	854,219	923,248	929,769
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Fund balance.....	17,020	19,056	17,550	
Undelivered orders.....	2,637	2,099	2,099	2,099
Invested capital.....	116,326	-389,769	-460,574	-537,906
Total Government equity.....	135,977	-368,614	-440,925	-535,807
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....		71,392	71,424	71,424
Transactions: Property capitalized.....		32		
Closing balance.....		71,424	71,424	71,424
Retained Income:				
Opening balance.....		64,585	-440,038	-512,349
Transactions:				
Net operating income or loss (-).....		-62,872	-72,411	-76,902
Net non-operating income or loss (-).....		46	100	100
Other:				
Prior year adjustment.....		-441,798		
Capitalized equipment.....		104		
Sequestered funds.....		-103		
Closing balance.....		-440,038	-512,349	-589,151
Total Government equity (end of year).....		-368,614	-440,925	-517,727

Object Classification (in thousands of dollars)

Identification code	14-4053-0-3-306	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	6,175	6,300	6,982
11.3	Other than full-time permanent.....	133	62	131
11.5	Other personnel compensation.....	332	306	362
11.9	Total personnel compensation.....	6,640	6,668	7,475
12.1	Personnel benefits: Civilian.....	835	828	927
21.0	Travel and transportation of persons.....	83	113	128
22.0	Transportation of things.....	5,037	6,526	4,408
23.1	Rental payments to GSA.....	192	191	207
23.2	Rental payments to others.....	636	710	686
24.0	Printing and reproduction.....	8	10	18
25.0	Other services.....	1,509	2,031	2,230
26.0	Supplies and materials.....	1,347	1,171	1,340
31.0	Equipment.....	2,677	3,408	3,578
32.0	Lands and structures.....	131		401
99.9	Total obligations.....	19,095	21,656	21,398

**Personnel Summary**

Total number of full-time permanent positions.....	221	221	215
Total compensable workyears:			
Full-time equivalent employment.....	218	209	203
Full-time equivalent of overtime and holiday hours.....	7	7	7

**Trust Funds**

**CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 14-8287-0-7-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Minerals research:			
00.03 Minerals and materials technology.....	43	104	137
00.04 Health and safety technology.....	252	308	228
00.05 Mining technology.....	201	152	125
10.00 Total obligations.....	496	564	490
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-232	-405	-341
24.40 Unobligated balance available, end of year.....	405	341	351
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>669</b>	<b>500</b>	<b>500</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	496	564	490
72.40 Obligated balance, start of year.....	42	169	43
74.40 Obligated balance, end of year.....	-169	-43	-54
90.00 Outlays.....	369	690	479

Funds contributed by States, counties, municipalities, and private sources are used to conduct research and investigations in such areas as the development of mineral resources and the health and safety of miners.

**Object Classification (in thousands of dollars)**

Identification code 14-8287-0-7-306	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	183	208	209
11.3 Other than full-time permanent.....	16	18	18
11.5 Other personnel compensation.....	4	5	5
11.9 Total personnel compensation.....	203	231	232
12.1 Personnel benefits: Civilian.....	23	33	46
21.0 Travel and transportation of persons.....	4	7	7
22.0 Transportation of things.....	2	1	1
23.2 Rental payments to others.....		22	22
25.0 Other services.....	247	258	170
26.0 Supplies and materials.....	14	11	11
31.0 Equipment.....	3	1	1
99.9 Total obligations.....	496	564	490

**Personnel Summary**

Total number of full-time permanent positions.....	15	15	15
Total compensable workyears: Full-time equivalent employment.....	9	9	9

**ADMINISTRATIVE PROVISIONS**

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized, during [the current] fiscal year 1988, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**FISH AND WILDLIFE AND PARKS**

**UNITED STATES FISH AND WILDLIFE SERVICE**

**Federal Funds**

**General and special funds:**

**RESOURCE MANAGEMENT\***

\*See Part II for additional information.

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; and for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; [and not less than \$1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, \$314,692,000] \$302,203,000, of which \$25,000,000 shall be derived, notwithstanding any other provision of law, by transfer from the Sport Fish Restoration Account in the Aquatic Resources Trust Fund; [of which \$4,300,000, to carry out the purposes of 16 U.S.C. 1535, shall remain available until expended;] and of which [\$6,411,000] \$7,594,000 shall be for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976 (90 Stat. 2921), to compensate for loss of fishery resources from water development projects on the Lower Snake River, and shall remain available until expended: *Provided, That any funds derived by transfer from the Sport Fish Restoration Account which are unobligated on September 30, 1988, shall be transferred to said account. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

**Program and Financing (in thousands of dollars)**

Identification code 14-1611-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Fish and wildlife enhancement.....	42,455	47,543	41,823
00.02 Refuges and wildlife.....	130,211	132,211	122,129
00.03 Fisheries.....	34,058	35,306	37,508
00.04 Research and development.....	45,234	53,439	51,460
00.05 General administration.....	37,019	47,396	49,441
00.91 Total direct program.....	288,977	315,895	302,361
01.01 Reimbursable program.....	29,794	40,900	42,357
10.00 Total obligations.....	318,771	356,795	344,718
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-27,794	-37,000	-37,000
13.00 Trust funds.....			-25,000
14.00 Non-Federal sources.....	-2,000	-3,900	-5,357
17.00 Recovery of prior year obligations.....	-505		
21.40 Unobligated balance available, start of year.....	-942	-1,361	-158
22.40 Unobligated balance transferred, net.....	-2,800		
24.40 Unobligated balance available, end of year.....	1,361	158	
25.00 Unobligated balance lapsing.....	438		
40.00 <b>Budget authority (appropriation).....</b>	<b>286,529</b>	<b>314,692</b>	<b>277,203</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	288,977	315,895	277,361
72.40 Obligated balance, start of year.....	58,963	56,316	67,211
74.40 Obligated balance, end of year.....	-56,316	-67,211	-76,282
78.00 Adjustments in unexpired accounts.....	-505		
90.00 Outlays.....	291,119	305,000	268,290

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	286,529	314,692	277,203
Outlays.....	291,119	305,000	268,290
Supplemental under existing legislation:			
Budget authority.....		2,800	

UNITED STATES FISH AND WILDLIFE SERVICE—Continued

General and special funds—Continued

RESOURCE MANAGEMENT—Continued

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

[In thousands of dollars]			
Outlays .....	2,716		84
Rescission proposal:			
Budget authority .....	—20,500		
Outlays .....	—17,425		—3,075
Total:			
Budget authority .....	286,529	296,992	277,203
Outlays .....	291,119	290,291	265,299

**Fish and wildlife enhancement.**—The Service conducts investigations and provides technical assistance to prevent or minimize adverse environmental effects of development projects. Contaminants are monitored and assessed. Activities are pursued to prevent species from becoming extinct, and return them to the point where they are neither threatened or endangered.

**Refuges and wildlife.**—The Service maintains the National Wildlife Refuge System consisting of 434 units, 152 waterfowl production areas, and 58 wildlife management areas on about 90 million acres; directs and coordinates national migratory bird programs; and enforces Federal wildlife laws and regulations.

**Fisheries.**—The Service participates in development, management, and protection of interstate and international fishery resources, and provides technical assistance related to fish, wildlife and some marine mammals.

**Research and development.**—The Service conducts research to improve wildlife management capabilities, improve sport fish productivity, protect endangered or threatened species, assist recovery programs, and prevent or minimize adverse impacts on fish and wildlife.

**General administration.**—Provides policy formulation, direction, and administration for fish and wildlife programs.

Object Classification (in thousands of dollars)

Identification code 14-1611-0-1-303	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	131,484	142,108	146,261
11.3 Other than full-time permanent .....	15,054	11,691	12,367
11.5 Other personnel compensation .....	4,192	5,132	5,132
11.9 Total personnel compensation .....	150,730	158,931	163,760
12.1 Personnel benefits: Civilian .....	24,645	27,956	37,583
13.0 Benefits for former personnel .....	2,105	2,250	2,250
21.0 Travel and transportation of persons .....	8,090	9,900	9,900
22.0 Transportation of things .....	3,134	3,434	3,634
23.1 Rental payments to GSA .....	11,575	12,403	12,650
23.2 Rental payments to others .....	11,703	12,312	12,768
24.0 Printing and reproduction .....	2,561	2,961	3,100
25.0 Other services .....	33,482	42,951	19,106
26.0 Supplies and materials .....	19,867	20,307	20,524
31.0 Equipment .....	13,388	14,057	16,225
32.0 Lands and structures .....	2,361	2,547	261
41.0 Grants, subsidies, and contributions .....	5,037	5,221	
42.0 Insurance claims and indemnities .....	59	175	200
91.0 Unvouchered .....	240	490	400
99.0 Subtotal, direct obligations .....	288,977	315,895	302,361
99.0 Reimbursable obligations .....	29,794	40,900	42,357
99.9 Total obligations .....	318,771	356,795	344,718

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	4,560	4,820	4,924
Total compensable workyears:			
Full-time equivalent employment .....	5,374	5,522	5,367
Full-time equivalent of overtime and holiday hours .....	134	134	134
Reimbursable:			
Total number of full-time permanent positions .....	273	273	273
Total compensable workyears:			
Full-time equivalent employment .....	548	335	335
Full-time equivalent of overtime and holiday hours .....	6	6	6

CONSTRUCTION [AND ANADROMOUS FISH]\*

\*See Part II for additional information.

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; **[\$26,513,000]** **\$8,657,000**, to remain available until expended, of which \$2,000,000 shall be available for expenses to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a-757g). (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-1612-0-1-303	1986 actual	1987 est.	1988 est.
Program by activities:			
Construction and rehabilitation:			
00.01 Refuges .....	19,240	10,408	6,481
00.02 Hatcheries .....	2,491	8,824	5,700
00.03 Fishery research facilities .....	2,534	7,511	4,563
00.04 Dam safety .....	934	3,211	4,333
00.05 Wildlife research facilities .....	941	2,131	1,602
00.06 Construction, rehabilitation, and maintenance planning .....	851	1,645	252
00.07 Anadromous fish .....	2,094	2,000	628
00.08 Endangered species .....	35	162	582
10.00 Total obligations .....	29,120	35,892	24,141
Financing:			
11.00 Offsetting collections from: Federal funds .....		—19,585	
17.00 Recovery of prior year obligations .....	—747		
21.40 Unobligated balance available, start of year .....	—40,815	—13,115	—23,321
22.40 Unobligated balance transferred, net .....	19,585		
24.40 Unobligated balance available, end of year .....	13,115	23,321	7,837
40.00 Budget authority (appropriation) .....	20,258	26,513	8,657

Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	29,120	16,307	24,141
72.40 Obligated balance, start of year .....	15,571	24,667	13,195
74.40 Obligated balance, end of year .....	—24,667	—13,195	—11,507
78.00 Adjustments in unexpired accounts .....	—747		
90.00 Outlays .....	19,276	27,779	25,829

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
Enacted/requested:			
Budget authority .....	20,258	26,513	8,657
Outlays .....	19,276	27,779	25,829
Rescission proposal:			
Budget authority .....		—23,200	
Outlays .....		—4,872	—12,528
Total:			
Budget authority .....	20,258	3,313	8,657
Outlays .....	19,276	22,907	13,301

Construction projects focus on facility rehabilitation, repair of hazardous dams, and continued inspection of service dams.

Object Classification (in thousands of dollars)

Identification code 14-1612-0-1-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,910	510	522
11.3 Other than full-time permanent.....	252		
11.5 Other personnel compensation.....	53	53	53
11.9 Total personnel compensation.....	2,215	563	575
12.1 Personnel benefits: Civilian.....	294	101	131
13.0 Benefits for former personnel.....	4		
21.0 Travel and transportation of persons.....	302	134	134
22.0 Transportation of things.....	15	40	40
23.2 Rental payments to others.....	57	150	150
24.0 Printing and reproduction.....	23	27	27
25.0 Other services.....	7,268	9,613	7,090
26.0 Supplies and materials.....	572	456	456
31.0 Equipment.....	4,717	2,416	1,416
32.0 Lands and structures.....	11,252	20,395	13,494
41.0 Grants, subsidies, and contributions.....	2,094	1,997	628
42.0 Insurance claims and indemnities.....	307		
99.9 Total obligations.....	29,120	35,892	24,141

Personnel Summary

Total number of full-time permanent positions.....	64	47	17
Total compensable workyears:			
Full-time equivalent employment.....	109	47	17
Full-time equivalent of overtime and holiday hours.....	2	2	2

LAND ACQUISITION\*

\*See Part II for additional information.

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, [and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, \$42,425,000] \$1,639,000, to be derived from the Land and Water Conservation Fund, to remain available until expended[: Provided, That \$3,000,000 for Bayou Sauvage NWR shall be available subject to authorization]. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-5020-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Acquisition management.....	1,675	1,517	1,639
00.02 Specifically legislated.....	16,771	9,521	1,400
00.03 Endangered Species Act.....	9,830	31,936	4,800
00.04 Refuge recreation.....	9,005	6,659	1,000
00.05 Fish and Wildlife Act.....	5,430	12,147	1,800
00.06 Inholdings.....	984	850	150
10.00 Total obligations.....	43,695	62,630	10,789
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....		-10,415	
17.00 Recovery of prior year obligations.....	-1,502		
21.40 Unobligated balance available, start of year.....	-32,391	-20,844	-11,054
22.40 Unobligated balance transferred, net.....	10,415		
24.40 Unobligated balance available, end of year.....	20,844	11,054	1,904
40.00 Budget authority (appropriation).....	41,061	42,425	1,639
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	43,695	52,215	10,789
72.40 Obligated balance, start of year.....	28,484	18,205	25,640
74.40 Obligated balance, end of year.....	-18,205	-25,640	-11,548
78.00 Adjustments in unexpired accounts.....	-1,502		
90.00 Outlays.....	52,473	44,780	24,881

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	41,061	42,425	1,639
Outlays.....	52,473	44,780	24,881
<b>Rescission proposal:</b>			
Budget authority.....		-26,763	
Outlays.....		-16,057	-8,029
<b>Total:</b>			
Budget authority.....	41,061	15,662	1,639
Outlays.....	52,473	28,723	16,852

The funds are used to acquire areas which have native fish and/or wildlife values and provide natural resource benefits over a broad geographical area.

Object Classification (in thousands of dollars)

Identification code 14-5020-0-2-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,321	1,474	1,493
11.3 Other than full-time permanent.....	82	33	
11.5 Other personnel compensation.....	37	41	41
11.9 Total personnel compensation.....	2,440	1,548	1,534
12.1 Personnel benefits: Civilian.....	334	278	352
21.0 Travel and transportation of persons.....	332	342	275
22.0 Transportation of things.....	3	4	4
23.2 Rental payments to others.....	11	13	13
24.0 Printing and reproduction.....	14	16	16
25.0 Other services.....	853	685	685
26.0 Supplies and materials.....	142	150	150
31.0 Equipment.....	76	85	95
32.0 Lands and structures.....	39,490	59,509	7,665
99.9 Total obligations.....	43,695	62,630	10,789

Personnel Summary

Total number of full-time permanent positions.....	48	50	50
Total compensable workyears:			
Full-time equivalent employment.....	58	52	50
Full-time equivalent of overtime and holiday hours.....	1	1	1

MIGRATORY BIRD CONSERVATION ACCOUNT

[For an advance to the migratory bird conservation account, as authorized by the Act of October 4, 1971, as amended (16 U.S.C. 715k-3, 5), \$7,000,000, to remain available until expended.] (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-5137-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Printing and sale of hunting stamps.....	400	402	360
00.02 Acquisition of refuges and other areas.....	27,739	29,473	37,235
10.00 Total obligations.....	28,139	29,875	37,595
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-139		
21.40 Unobligated balance available, start of year.....	-146	-826	-4,451
24.40 Unobligated balance available, end of year.....	826	4,451	4,437
39.00 Budget authority.....	28,680	33,500	37,581
<b>Budget authority:</b>			
40.00 Appropriation (general fund).....	14,323	7,000	
60.00 Appropriation (permanent, indefinite) (special fund)....	14,357	26,500	37,581
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	28,139	29,875	37,595
72.40 Obligated balance, start of year.....	6,962	10,026	11,044
74.40 Obligated balance, end of year.....	-10,026	-11,044	-11,910

UNITED STATES FISH AND WILDLIFE SERVICE—Continued  
General and special funds—Continued

MIGRATORY BIRD CONSERVATION ACCOUNT—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-5137-0-2-303	1986 actual	1987 est.	1988 est.
78.00	Adjustments in unexpired accounts .....	-139		
90.00	Outlays.....	24,935	28,857	36,729

Receipts in excess of Postal Service expenses from the sale of migratory bird hunting and conservation stamps, 70 percent of entrance fee collections on national wildlife refuges, and import duties on arms and ammunition are available for costs of locating and acquiring migratory bird refuges and waterfowl production areas.

MIGRATORY BIRD CONSERVATION RESULTS

	1986 actual	1987 est.	1988 est.
Refuge acquisition (acres) .....	15,759	21,000	20,000
WPA acquisition (acres) .....	18,328	18,400	32,000
Total.....	34,087	39,400	50,000

Object Classification (in thousands of dollars)

Identification code	14-5137-0-2-303	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	3,346	3,773	3,797
11.3	Other than full-time permanent.....	127	483	489
11.5	Other personnel compensation.....	63	79	79
11.9	Total personnel compensation.....	3,536	4,335	4,365
12.1	Personnel benefits: Civilian.....	435	778	1,002
21.0	Travel and transportation of persons.....	239	270	280
22.0	Transportation of things.....	27	30	33
23.2	Rental payments to others.....	55	57	60
24.0	Printing and reproduction.....	23	25	27
25.0	Other services.....	2,102	2,298	2,383
26.0	Supplies and materials.....	146	150	160
31.0	Equipment.....	22	75	100
32.0	Lands and structures.....	21,554	21,857	29,185
99.9	Total obligations.....	28,139	29,875	37,595

Personnel Summary

Total number of full-time permanent positions.....	128	128	128
Total compensable workyears:			
Full-time equivalent employment.....	157	157	157
Full-time equivalent of overtime and holiday hours.....	3	3	3

DEVELOPMENT AND OPERATION OF RECREATION FACILITIES

Program and Financing (in thousands of dollars)

Identification code	14-5028-0-2-303	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-2	-2	-2
24.40	Unobligated balance available, end of year.....	2	2	2
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

Prior to 1981, recreation user fees were available to the Fish and Wildlife Service in this account for operation of recreation user facilities.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), \$5,645,000. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	14-5091-0-2-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Expenses for sales.....	2,124	2,400	2,400
00.02	Seismic exploration.....	100	50	50
00.03	Payments to counties.....	9,692	8,999	10,233
10.00	Total obligations.....	11,916	11,451	12,683
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-53		
21.40	Unobligated balance available, start of year.....	-4,376	-3,354	-4,588
24.40	Unobligated balance available, end of year.....	3,354	4,588	4,590
39.00	<b>Budget authority</b> .....	10,841	12,685	12,685
Budget authority:				
40.00	<b>Appropriation</b> .....	5,370	5,645	5,645
60.00	<b>Appropriation (permanent, indefinite) (special fund) ....</b>	5,471	7,040	7,040
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	11,916	11,451	12,683
72.40	Obligated balance, start of year.....	487	228	228
74.40	Obligated balance, end of year.....	-228	-228	-486
78.00	Adjustments in unexpired accounts.....	-53		
90.00	Outlays.....	12,121	11,451	12,425

The Refuge Revenue Sharing Act (16 U.S.C. 715s) authorizes the distribution of revenues after expenses from the sale of products from Fish and Wildlife Service facilities to be allocated to counties in which the service lands are located as payments in lieu of taxes.

Object Classification (in thousands of dollars)

Identification code	14-5091-0-2-852	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	1,421	707	712
11.3	Other than full-time permanent.....	61	33	33
11.5	Other personnel compensation.....	16	20	21
11.9	Total personnel compensation.....	1,498	760	766
12.1	Personnel benefits: Civilian.....	219	136	176
21.0	Travel and transportation of persons.....	54	56	60
22.0	Transportation of things.....	3	11	11
23.2	Rental payments to others.....	24	40	40
24.0	Printing and reproduction.....	4	5	6
25.0	Other services.....	196	1,180	1,127
26.0	Supplies and materials.....	165	203	203
31.0	Equipment.....	61	61	61
41.0	Grants, subsidies, and contributions.....	9,692	8,999	10,233
99.9	Total obligations.....	11,916	11,451	12,683

Personnel Summary

Total number of full-time permanent positions.....	26	26	26
Total compensable workyears:			
Full-time equivalent employment.....	26	26	26
Full-time equivalent of overtime and holiday hours.....	2	2	2

OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code	14-5050-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	1,182	1,600	1,662

Financing:			
17.00	Recovery of prior year obligations .....	- 189	
21.40	Unobligated balance available, start of year .....	- 345	- 973
24.40	Unobligated balance available, end of year .....	973	973
60.00	<b>Appropriation</b> (permanent, indefinite) (special fund) .....	<b>1,621</b>	<b>1,600</b>
			<b>1,662</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	1,182	1,600
72.40	Obligated balance, start of year .....	170	224
74.40	Obligated balance, end of year .....	- 224	- 324
78.00	Adjustments in unexpired accounts .....	- 189	
90.00	Outlays .....	939	1,500
			1,660

Revenues from rental of government quarters are deposited in this account for use in the operation and maintenance of such quarters for the Fish and Wildlife Service, pursuant to Public Law 98-473, section 320.

**Object Classification** (in thousands of dollars)

Identification code	14-5050-0-2-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	198	479	482
11.3	Other than full-time permanent .....	29		
11.5	Other personnel compensation .....	2	11	11
11.9	Total personnel compensation .....	229	490	493
12.1	Personnel benefits: Civilian .....	32	88	113
21.0	Travel and transportation of persons .....	1	11	11
22.0	Transportation of things .....	1	7	7
23.2	Rental payments to others .....	54	54	54
24.0	Printing and reproduction .....		2	2
25.0	Other services .....	387	412	398
26.0	Supplies and materials .....	324	416	431
31.0	Equipment .....	85	100	110
32.0	Lands and structures .....	69	20	43
99.9	Total obligations .....	1,182	1,600	1,662

**Personnel Summary**

Total number of full-time permanent positions .....	16	16	16
Total compensable workyears: Full-time equivalent employment .....	16	16	16

**MISCELLANEOUS PERMANENT APPROPRIATIONS**

**Program and Financing** (in thousands of dollars)

Identification code	14-9923-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Federal aid in fish restoration .....	6,570	707	
00.02	Federal aid in wildlife restoration .....	125,732	109,688	113,800
00.03	Proceeds from sales, water resources development projects .....	88	1,200	400
10.00	Total obligations .....	132,390	111,595	114,200
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	- 13,227		
21.40	Unobligated balance available, start of year .....	- 15,237	- 14,166	- 12,459
22.40	Unobligated balance transferred, net .....	2,800		
24.40	Unobligated balance available, end of year .....	14,166	12,459	12,459
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite, special fund) .....	<b>120,892</b>	<b>109,888</b>	<b>114,200</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	132,390	111,595	114,200
72.40	Obligated balance, start of year .....	114,475	81,784	80,694
74.40	Obligated balance, end of year .....	- 81,784	- 80,694	- 88,769
78.00	Adjustments in unexpired accounts .....	- 13,227		
90.00	Outlays .....	151,855	112,685	106,125

Distribution of budget authority by account:			
Federal aid in wildlife restoration .....	120,828	109,688	114,000
Proceeds from sales, water resources development projects .....	64	200	200

Distribution of outlays by account:			
Federal aid in fish restoration and management .....	26,534	707	
Federal aid in wildlife restoration .....	125,169	110,814	105,701
Proceeds from sales, water resources development projects .....	152	1,164	424

**Federal aid in fish restoration and management.**—Beginning in 1986, this activity is funded under the "Sport fish restoration account," Fish and Wildlife Service, Department of the Interior.

**Federal aid in wildlife restoration.**—States, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands are allocated funds equal to the 11 percent excise tax on sporting arms and ammunition, the 10 percent excise tax on handguns, and the 11 percent tax on certain archery equipment. States are reimbursed up to 75 percent of the cost of approved wildlife and hunter education projects.

**Proceeds from sales, water resources development projects.**—Receipts collected from the sale of products from refuges on which other agencies have primary jurisdiction pay the costs of producing these products and for managing wildlife habitat.

**Object Classification** (in thousands of dollars)

Identification code	14-9923-0-2-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	1,060	1,061	1,069
11.3	Other than full-time permanent .....	202	233	235
11.5	Other personnel compensation .....	28	28	28
11.9	Total personnel compensation .....	1,290	1,322	1,332
12.1	Personnel benefits: Civilian .....	204	237	306
21.0	Travel and transportation of persons .....	200	204	208
22.0	Transportation of things .....	75	80	85
23.2	Rental payments to others .....	75	80	85
24.0	Printing and reproduction .....	55	60	65
25.0	Other services .....	3,463	6,484	6,682
26.0	Supplies and materials .....	175	180	187
31.0	Equipment .....	150	160	170
41.0	Grants, subsidies, and contributions .....	126,703	102,788	105,080
99.9	Total obligations .....	132,390	111,595	114,200

**Personnel Summary**

Total number of full-time permanent positions .....	36	36	36
Total compensable workyears: Full-time equivalent employment .....	50	50	50

**Trust Funds**

**SPORT FISH RESTORATION**

**Program and Financing** (in thousands of dollars)

Identification code	14-8151-0-7-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Payments to States .....	89,070	134,576	140,105
00.02	Administration .....	5,912	6,440	8,895
00.03	Transfer to resource management .....			25,000
10.00	Total obligations .....	94,982	141,016	174,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....		- 27,185	- 27,185
24.40	Unobligated balance available, end of year .....	27,185	27,185	27,185
60.00	<b>Budget authority (appropriation)</b> (permanent, indefinite) .....	<b>122,167</b>	<b>141,016</b>	<b>174,000</b>

UNITED STATES FISH AND WILDLIFE SERVICE—Continued

SPORT FISH RESTORATION—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 14-8151-0-7-303	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	94,982	141,016	174,000
72.40 Obligated balance, start of year .....	55,707	55,707	75,424
74.40 Obligated balance, end of year .....	-55,707	-75,424	-96,456
90.00 Outlays .....	39,275	121,299	152,968

Assistance is provided to States, Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and the District of Columbia for up to 75 percent of the cost of approved projects including research into fisheries problems, surveys and inventories of fish populations, and acquisition and improvement of fish habitat and provision of access for public use.

Object Classification (in thousands of dollars)

Identification code 14-8151-0-7-303	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	1,334	1,356	1,366
11.3 Other than full-time permanent .....	60	67	67
11.5 Other personnel compensation .....	8	10	10
11.9 Total personnel compensation .....	1,402	1,433	1,443
12.1 Personnel benefits: Civilian .....	207	257	331
21.0 Travel and transportation of persons .....	98	102	106
22.0 Transportation of things .....	12	75	78
23.2 Rental payments to others .....	22	30	35
24.0 Printing and reproduction .....	6	10	11
25.0 Other services .....	4,055	4,373	6,726
26.0 Supplies and materials .....	48	60	62
31.0 Equipment .....	62	100	103
41.0 Grants, subsidies, and contributions .....	89,070	134,576	165,105
99.9 Total obligations .....	94,982	141,016	174,000

Personnel Summary

Total number of full-time permanent positions .....	46	46	46
Total compensable workyears: Full-time equivalent employment .....	50	50	50

CONTRIBUTED FUNDS

Program and Financing (in thousands of dollars)

Identification code 14-8216-0-7-303	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Sea lamprey control .....	3,540	3,841	3,869
00.02 Other contributed funds .....	1,710	324	324
10.00 Total obligations .....	5,250	4,165	4,193
Financing:			
17.00 Recovery of prior year obligations .....	-50		
21.40 Unobligated balance available, start of year .....	-845	-1,193	-1,193
24.40 Unobligated balance available, end of year .....	1,193	1,193	1,165
60.00 Budget authority (appropriation) (permanent, indefinite) .....	5,548	4,165	4,165
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	5,251	4,165	4,193
72.40 Obligated balance, start of year .....	353	615	782
74.40 Obligated balance, end of year .....	-615	-782	-950
78.00 Adjustments in unexpired accounts .....	-50		
90.00 Outlays .....	4,939	3,998	4,025

Donated funds support activities such as the sea lamprey research and control program (supported by the Great Lakes Fishery Commission).

Object Classification (in thousands of dollars)

Identification code 14-8216-0-7-303	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	2,025	2,159	2,173
11.3 Other than full-time permanent .....	187	316	320
11.5 Other personnel compensation .....	44	88	88
11.9 Total personnel compensation .....	2,256	2,563	2,581
12.1 Personnel benefits: Civilian .....	303	460	592
21.0 Travel and transportation of persons .....	278	275	275
22.0 Transportation of things .....	2	16	17
23.2 Rental payments to others .....	79	100	100
24.0 Printing and reproduction .....	2	4	4
25.0 Other services .....	279	234	93
26.0 Supplies and materials .....	305	312	324
31.0 Equipment .....	307	200	207
32.0 Lands and structures .....	1,439		
99.9 Total obligations .....	5,250	4,165	4,193

Personnel Summary

Total number of full-time permanent positions .....	67	72	72
Total compensable workyears:			
Full-time equivalent employment .....	93	93	93
Full-time equivalent of overtime and holiday hours .....	3	3	3

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed [72] 145 passenger motor vehicles, of which 144 are for replacement only (including [72] 41 for police-type use); [purchase of 1 new aircraft for replacement only]; not to exceed [\$300,000] \$400,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the United States Fish and Wildlife Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed \$1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; [construction of permanent improvements for use as a forensics laboratory, and structures appurtenant thereto, on a site leased by the Service;] and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That the United States Fish and Wildlife Service may accept donated aircraft as replacements for existing aircraft. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

NATIONAL PARK SERVICE

Federal Funds

General and special funds:

OPERATION OF THE NATIONAL PARK SYSTEM\*

\*See Part II for additional information.

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed \$408,000 for the Roosevelt Campobello International Park Commission [and not less than \$1,000,000 for high priority projects within the scope of the

approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, \$649,613,000] \$640,544,000, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451) [and \$15,158,000 to be derived from unappropriated balances in the National Park Service "Planning, development and operation of recreation facilities" account]: *Provided*, That the Park Service shall not enter into future concessionaire contracts, including renewals, that do not include a termination for cause clause that provides for possible extinguishment of possessory interests excluding depreciated book value of concessionaire investments without compensation: *Provided further*, That none of these funds may be used to compensate a quantity of staff greater than existed as of May 1, 1986, in the Office of Legislative and Congressional Affairs of the National Park Service or to compensate individual staff members assigned subsequent to May 1, 1986, at grade levels greater than the staff replaced: *Provided further*, That \$85,000 shall be available to assist the town of Harpers Ferry, West Virginia, for police force use: *Provided further*, That [to advance] for expenses necessary to carry out the mission of the National Park Service, [for a period of time not to extend beyond fiscal year 1987,] the Secretary of the Interior is authorized to charge park entrance fees for all units of the National Park System [except as provided herein,] of an amount not to exceed [3] \$5 for a single visit permit as defined in 36 CFR 71.7(b)(2) and of an amount not to exceed [5] \$10 for a single visit permit as defined in 36 CFR 71.7(b)(1): *Provided further*, That the cost of a Golden Eagle Passport as defined in 36 CFR 71.5 is increased to [a reasonable fee but not to exceed \$25 until September 30, 1987] \$40 beginning January 1, 1988: *Provided further*, That a one-time fee for the Golden Age Passport as defined in 36 CFR 71.6 is to be established at \$10: *Provided further*, That for units of the National Park System where entrance fees are charged the Secretary shall establish an annual admission permit for each individual park unit for a reasonable fee [but not to exceed \$15,] and that purchase of such annual admission permit for a unit of the National Park System shall relieve the requirement for payment of single visit permits as defined in 36 CFR 71.7(b): *Provided further*, That all funds derived from National Park Service entrance fees during fiscal year 1987 and all funds collected during fiscal year 1987 under subsections (a), (b), and (c) of section 4 of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-6a), shall be transferred to the General Fund of the Treasury of the United States: *Provided further*, That notwithstanding any other provision of this Act, no admission fee may be charged at any unit of the National Park System which provides significant outdoor recreation opportunities in an urban environment and to which access is publicly available at multiple locations, nor shall an admission fee be charged at any unit of the National Park System which has a current, specific statutory exemption: *Provided further*, That where entrance fees are established on a per person basis, children 12 and under shall be exempt from the fees: *Provided further*, That if permanent statutory language is enacted during fiscal year 1987 establishing National Park System entrance fees, the provisions of that language shall supersede the fee provisions contained in this Act: *Provided further*, That [of the funds provided under this head, \$15,000,000] amounts collected from recreation fees shall be [distributed to units of the National Park System, to be] available for resource protection, research, interpretation, and maintenance activities related to resource protection [to be distributed in the following manner: 50 percent shall be provided to] in all units of the System [based on each unit's proportion of park operating expenses, and 50 percent shall be provided to units with entrance fees based on each collecting unit's proportion of total entrance fee collections: *Provided further*, That the following may be cited as the "Steamtown National Historic Site Act of 1986":

**[SEC. 5. APPROPRIATIONS.]**

[For expenses necessary to carry out the provisions of this Act, \$8,000,000, to remain available until expended.]

*Provided further*, That when authorized by the head of the collecting agency, volunteers may sell permits and collect fees authorized or established pursuant to section 4 of the Land and Water Conservation Fund Act of 1965, and funds appropriated or otherwise available to the collecting agency shall be available to cover the cost of any surety bond as may be required of any such volunteer in performing such authorized services under that section: *Provided further*, That all funds collected from National Park Service entrance and admission fees, recreation use fees, and recreation permits are hereby appropriated, to remain available until expended. (5 U.S.C. 5901-3; 16 U.S.C. 1, 1a-5, 1b, 1c, 3, 7a-e, 8b, 8d, 17j-2, 17k-1, 17n, 18f, 18g, 47-2, 431-433,

461-467, 590a, 590f, 594, 1281c, 4601-4601-3, 469c, 470, 2501; 43 U.S.C. 620(g); Act of July 7, 1964 (78 Stat. 299); Act of September 3, 1964 (78 Stat. 890) Public Law 96-344; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

[For an additional amount for "Operation of the National Park System", \$1,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, title II.)

**Program and Financing (in thousands of dollars)**

Identification code	14-1036-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Park management.....	534,481	586,053	633,979
00.02	Forest fire suppression and rehabilitation of burned areas.....	14,079	1,319	1,319
00.03	Park, recreation, and wilderness planning.....	4,051	5,241	4,620
00.04	Statutory and contractual aid.....	3,325	11,488	1,948
00.05	General administration.....	61,877	69,670	72,978
00.91	Total direct program.....	617,813	673,771	714,844
01.01	Reimbursable program.....	2,208	2,174	2,214
10.00	Total obligations.....	620,021	675,945	717,058
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-2,208	-2,174	-2,214
22.40	Unobligated balance transferred, net.....	-8,000		
25.00	Unobligated balance lapsing.....	670		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	151		
40.00	Budget authority (appropriation).....	610,634	673,771	714,844
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	617,813	673,771	714,844
72.40	Obligated balance, start of year.....	138,126	133,176	134,554
74.40	Obligated balance, end of year.....	-133,176	-134,554	-142,969
77.00	Adjustments in expired accounts.....	-704		
90.00	Outlays.....	622,059	672,393	706,429

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	610,634	673,771	714,844
Outlays.....	622,059	672,393	706,429
Rescission proposal:			
Budget authority.....		-7,950	
Outlays.....		-1,950	-2,000
Supplemental under existing legislation:			
Budget authority.....		17,631	
Outlays.....		17,631	
Total:			
Budget authority.....	610,634	683,452	714,844
Outlays.....	622,059	688,074	704,429

The National Park System contains 338 areas and 79.6 million acres of land in 49 States, the District of Columbia, Puerto Rico, U.S. Virgin Islands, Guam, and the Northern Marianas. These areas have been established to protect and preserve the cultural and natural heritage of the United States and its territories. This appropriation funds the operation of individual units of the National Park System as well as planning and administrative support for the entire system. The total appropriation requested of \$714,844,000 includes \$74,300,000 in revenue from recreation fees contingent on enactment of proposed legislation.

**NATIONAL PARK SERVICE—Continued**  
**General and special funds—Continued**  
**OPERATION OF THE NATIONAL PARK SYSTEM—Continued**  
**Object Classification (in thousands of dollars)**

Identification code	14-1036-0-1-303	1986 actual	1987 est.	1988 est.
<b>NATIONAL PARK SERVICE</b>				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	264,649	278,793	291,594
11.3	Other than full-time permanent	59,865	69,003	71,450
11.5	Other personnel compensation	17,292	17,400	17,400
11.8	Special personnel services payments	351		
11.9	Total personnel compensation	342,157	365,196	380,444
12.1	Personnel benefits: Civilian	53,740	61,433	79,751
13.0	Benefits for former personnel	7,383	8,850	8,850
21.0	Travel and transportation of persons	11,799	12,042	14,350
22.0	Transportation of things	8,954	9,678	10,003
23.1	Rental payments to GSA	12,865	13,500	14,000
23.2	Rental payments to others	1,148	1,157	1,180
23.3	Communications, utilities, and miscellaneous charges	25,736	28,357	31,010
24.0	Printing and reproduction	3,480	3,650	3,884
25.0	Other services	84,542	90,041	92,507
26.0	Supplies and materials	42,847	45,853	48,290
31.0	Equipment	17,497	22,283	25,315
32.0	Lands and structures	2,536	3,028	3,230
33.0	Investments and loans	3	2	2
41.0	Grants, subsidies, and contributions	2,388	8,488	1,816
42.0	Insurance claims and indemnities	205	211	210
43.0	Interest and dividends	4	2	2
99.0	Subtotal, direct obligations, National Park Service	617,283	673,771	714,844
99.0	Reimbursable obligations, National Park Service	2,208	2,174	2,214
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>				
Personnel compensation:				
11.1	Full-time permanent	85		
11.3	Other than full-time permanent	15		
11.5	Other personnel compensation	5		
11.9	Total personnel compensation	105		
12.1	Personnel benefits: Civilian	13		
21.0	Travel and transportation of persons	22		
22.0	Transportation of things	7		
23.3	Communications, utilities, and miscellaneous charges	9		
24.0	Printing and reproduction	2		
25.0	Other services	66		
26.0	Supplies and materials	6		
31.0	Equipment	1		
32.0	Land and structures	299		
99.0	Subtotal, obligations, Federal Highway Administration	530		
99.9	Total obligations	620,021	675,945	717,058
<b>Personnel Summary</b>				

<b>NATIONAL PARK SERVICE</b>				
Direct program:				
Total number of full-time permanent positions				
	10,448	10,692	10,793	
Total compensable workyears:				
Full-time equivalent employment				
	14,172	14,879	14,921	
Full-time equivalent of overtime and holiday hours				
	450	450	450	
Reimbursable program:				
Total number of full-time permanent positions				
	10	5	5	
Total compensable workyears: Full-time equivalent employment				
	22	19	19	
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>				
Total number of full-time permanent positions				
	3			
Total compensable workyears: Full-time equivalent employment				
	4			

**NATIONAL RECREATION AND PRESERVATION**

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review,

and grant administration, not otherwise provided for, **[\$10,628,000]** \$10,317,000. (16 U.S.C. 1a-5, 4601-01-3, 461, 467, 469c, 470, 2501; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

<b>Program and Financing (in thousands of dollars)</b>				
Identification code	14-1042-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Recreation programs	571	600	301
00.02	Natural programs	1,571	1,582	571
00.03	Cultural programs	6,515	6,584	7,426
00.04	Environmental compliance and review	377	383	427
00.05	Grant administration	1,424	1,479	1,592
10.00	Total obligations	10,458	10,628	10,317
<b>Financing:</b>				
25.00	Unobligated balance lapsing	97		
40.00	Budget authority (appropriation)	10,555	10,628	10,317
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	10,458	10,628	10,317
72.40	Obligated balance, start of year	2,306	2,444	2,451
74.40	Obligated balance, end of year	-2,444	-2,451	-2,063
77.00	Adjustments in expired accounts	-30		
90.00	Outlays	10,290	10,621	10,705

These programs include maintenance of the National Register of Historic Places, certifications for investment tax credits, management planning of federally owned historic properties, Government-wide archeological programs, documentation of historic properties, nationwide outdoor recreation planning and assistance, transfer of surplus Federal real property, identification and designation of natural landmarks, environmental reviews, and the administration of prior-year grants.

<b>Object Classification (in thousands of dollars)</b>				
Identification code	14-1042-0-1-303	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent	5,949	6,571	5,533
11.3	Other than full-time permanent	1,382	1,423	1,346
11.5	Other personnel compensation	52	67	70
11.8	Special personal services payments	8		
11.9	Total personnel compensation	7,391	8,061	6,949
12.1	Personnel benefits: Civilian	847	1,001	1,234
21.0	Travel and transportation of persons	461	491	422
22.0	Transportation of things	9	13	8
23.3	Communications, utilities, and miscellaneous charges	63	70	61
24.0	Printing and reproduction	167	180	148
25.0	Other services	1,202	466	1,200
26.0	Supplies and materials	153	175	145
31.0	Equipment	163	171	150
99.9	Total obligations	10,458	10,628	10,317

<b>Personnel Summary</b>				
Total number of full-time permanent positions				
	214	230	185	
Total compensable workyears:				
Full-time equivalent employment				
	266	282	232	
Full-time equivalent of overtime and holiday hours				
	1	1	1	

**CONSTRUCTION\***

\*See Part II for additional information.

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), **[\$88,095,000]** \$30,990,000, to remain available until expended, of which **[\$8,500,000]** \$4,700,000 shall be derived by transfer from the National Park System Visitor Facilities Fund, including \$2,700,000 to carry out the provisions of sections 302, 303, and 304

of Public Law 95-290: *Provided*, That for payment of obligations incurred for continued construction of the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, \$10,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599, as amended, such contract authority to remain available until expended: *Provided further*, That for payments of obligations incurred for improvements to the George Washington Memorial Parkway, \$2,500,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599, as amended, subject to the availability of funds for an additional lane on the Theodore Roosevelt Bridge]. (16 U.S.C. 1, 1b, 7a-7e, 431-433, 452a, 469h; 40 U.S.C. 484k; 43 U.S.C. 620(g); 50 U.S.C. 1622-h(1); 79 Stat. 558; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-1039-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Construction.....	87,272	117,543	37,000
00.02 Emergency and unscheduled projects.....	3,458	3,300	2,200
00.03 Planning.....	13,417	20,000	12,900
00.91 Total direct program.....	104,147	140,843	52,100
01.01 Reimbursable program.....	23,109	24,000	23,000
10.00 Total obligations.....	127,256	164,843	75,100
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-13,933	-44,000	-14,500
14.00 Non-Federal sources.....	-9,176	-8,000	-8,500
17.00 Recovery of prior year obligations.....	-904		
21.40 Unobligated balance available, start of year.....	-92,238	-82,534	-57,786
24.40 Unobligated balance available, end of year.....	82,534	57,786	36,676
39.00 Budget authority.....	93,538	88,095	30,990
Budget authority:			
40.00 Appropriation (general fund).....	104,322	79,595	26,290
41.00 Transferred to other accounts.....	-28,370		
42.00 Transferred from other accounts.....	17,586	8,500	4,700
43.00 Appropriation (adjusted).....	93,538	88,095	30,990
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	104,147	112,843	52,100
72.40 Obligated balance, start of year.....	85,778	78,846	97,689
74.40 Obligated balance, end of year.....	-78,846	-97,689	-65,789
78.00 Adjustments in unexpired accounts.....	-904		
90.00 Outlays.....	110,174	94,000	84,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	93,538	88,095	30,990
Outlays.....	110,174	94,000	84,000
Rescission proposal:			
Budget authority.....		-58,981	
Outlays.....		-8,100	-15,400
Total:			
Budget authority.....	93,538	29,114	30,990
Outlays.....	110,174	85,900	68,600

Status of Direct Loans (in thousands of dollars)

Identification code 14-1039-0-1-303	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	1,435		
1150 Total direct loan obligations.....	1,435		
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	7,991	9,426	9,426

1231 Direct loan disbursements.....	1,435		
1290 Outstanding, end of year.....	9,426	9,426	9,426

**Construction.**—This activity provides for: (1) rehabilitation and restoration of historic and cultural resources; (2) rehabilitation of operational structures such as visitor use and maintenance facilities, trails, and utility systems; (3) construction of new visitor use and operational facilities where the need exists; and (4) rehabilitation and construction of park roads and bridges, funded from the Federal Lands Highways program in the Department of Transportation.

**Emergency and unscheduled projects.**—To continue visitor services and preserve resources, minor emergency reconstruction and repair projects are performed.

**Planning.**—Under this activity, the National Park Service conducts environmental, architectural and engineering studies, as well as planning and design activities.

Object Classification (in thousands of dollars)

Identification code 14-1039-0-1-303	1986 actual	1987 est.	1988 est.
<b>NATIONAL PARK SERVICE</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	15,985	13,408	14,436
11.3 Other than full-time permanent.....	3,042	3,129	2,510
11.5 Other personnel compensation.....	704	800	800
11.8 Special personal services payments.....	18		
11.9 Total personnel compensation.....	19,749	17,337	17,746
12.1 Personnel benefits: Civilian.....	2,527	2,261	3,150
13.0 Benefits for former personnel.....	10		
21.0 Travel and transportation of persons.....	2,354	1,919	1,986
22.0 Transportation of things.....	350	285	295
23.3 Communications, utilities, and miscellaneous charges.....	762	621	643
24.0 Printing and reproduction.....	280	228	236
25.0 Other services.....	56,921	80,200	22,600
26.0 Supplies and materials.....	2,144	1,827	1,773
31.0 Equipment.....	887	723	748
32.0 Lands and structures.....	6,527	9,142	2,568
41.0 Grants, subsidies, and contributions.....	1,415		
42.0 Insurance claims and indemnities.....	8		
43.0 Interest and dividends.....	2		
99.0 Subtotal, direct obligations, National Park Service.....	93,936	114,543	51,745
99.0 Reimbursable obligations, National Park Service.....	23,109	24,000	23,000

ALLOCATION ACCOUNTS

Personnel compensation:			
11.1 Full-time permanent.....	867	876	206
11.3 Other than full-time permanent.....	71	120	
11.5 Other personnel compensation.....	74	37	
11.9 Total personnel compensation.....	1,012	1,033	206
12.1 Personnel benefits: Civilian.....	118	120	25
21.0 Travel and transportation of persons.....	162	151	20
22.0 Transportation of things.....	25	26	
23.3 Communications, utilities, and miscellaneous charges.....	7	28	
24.0 Printing and reproduction.....	28	32	
25.0 Other services.....	773	570	
26.0 Supplies and materials.....	23	75	
31.0 Equipment.....	10	20	
32.0 Lands and structures.....	8,014	24,247	104
41.0 Grants, subsidies, and contributions.....	39		
99.0 Subtotal, obligations, allocation accounts.....	10,211	26,300	355
99.9 Total obligations.....	127,256	164,843	75,100

Obligations are distributed as follows:

National Park Service.....	117,045	138,543	74,745
Department of Defense-Civil Corps of Engineers.....	5,660	12,857	355
Department of Transportation Federal Highway Administration.....	4,551	13,443	

**NATIONAL PARK SERVICE—Continued**  
**General and special funds—Continued**  
**CONSTRUCTION—Continued**

**Personnel Summary**

NATIONAL PARK SERVICE			
<b>Direct:</b>			
Total number of full-time permanent positions .....	457	385	385
Total compensable workyears:			
Full-time equivalent employment .....	589	502	487
Full-time equivalent of overtime and holiday hours .....	4	4	4
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	109	109	70
Total compensable workyears:			
Full-time equivalent employment .....	187	178	114
Full-time equivalent of overtime and holiday hours .....	19	19	19
<b>ALLOCATION ACCOUNTS</b>			
Total number of full-time permanent positions .....	35	33	7
Total compensable workyears:			
Full-time equivalent employment .....	31	36	7
Full-time equivalent of overtime and holiday hours .....	1	1	

**ROAD CONSTRUCTION**

**Program and Financing (in thousands of dollars)**

Identification code 14-1037-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Roads, trails, and parkways (total obligations) (object class 25.0) .....		15	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-1		
21.40 Unobligated balance available, start of year .....	-13	-15	
24.40 Unobligated balance available, end of year .....	15		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		15	
72.40 Obligated balance, start of year .....	784	744	
74.40 Obligated balance, end of year .....	-744		
78.00 Adjustments in unexpired accounts .....	-1		
90.00 Outlays .....	39	758	

The 1978 appropriation completed the liquidation of all prior year obligations in this account.

**JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS**

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, [\$4,771,000] \$4,920,000. (20 U.S.C. 761(e)); Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 14-1038-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	4,564	4,771	4,920
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	2		
40.00 <b>Budget authority (appropriation)</b> .....	4,566	4,771	4,920
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	4,564	4,771	4,920
72.40 Obligated balance, start of year .....	1,169	1,431	1,487
74.40 Obligated balance, end of year .....	-1,431	-1,487	-1,476

77.00 Adjustments in expired accounts .....	-62		
90.00 Outlays .....	4,240	4,715	4,931

Under this appropriation, the Service provides a portion of the operating expenses associated with the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, including maintenance, security, information, interpretation, janitorial, and other services.

**Object Classification (in thousands of dollars)**

Identification code 14-1038-0-1-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,308	1,426	1,461
11.3 Other than full-time permanent .....	148	241	245
11.5 Other personnel compensation .....	85	87	90
11.9 Total personnel compensation .....	1,541	1,754	1,796
12.1 Personnel benefits: Civilian .....	166	234	318
21.0 Travel and transportation of persons .....	2	3	3
23.2 Rental payments to others .....	1,354	1,410	1,460
25.0 Other services .....	1,321	1,180	1,140
26.0 Supplies and materials .....	161	170	180
31.0 Equipment .....	18	20	23
42.0 Insurance claims and indemnities .....	1		
99.9 Total obligations .....	4,564	4,771	4,920

**Personnel Summary**

Total number of full-time permanent positions .....	66	70	70
Total compensable workyears:			
Full-time equivalent employment .....	71	78	78
Full-time equivalent of overtime and holiday hours .....	1	1	1

**URBAN PARK AND RECREATION FUND**

**Program and Financing (in thousands of dollars)**

Identification code 14-1031-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....		3,220	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-277		
21.40 Unobligated balance available, start of year .....	-2,943	-3,220	
24.40 Unobligated balance available, end of year .....	3,220		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		3,220	
72.40 Obligated balance, start of year .....	15,283	7,852	3,931
74.40 Obligated balance, end of year .....	-7,852	-3,931	
77.00 Adjustments in expired accounts .....	-5		
78.00 Adjustments in unexpired accounts .....	-277		
90.00 Outlays .....	7,149	7,141	3,931

No funds are requested in 1988 for matching grants to cities for the renovation of urban park and recreation facilities.

**ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION**

For operation of the Illinois and Michigan Canal National Heritage Corridor Commission, \$250,000. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)			
Identification code 14-1043-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	237	250	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	237	250	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	237	250	
72.40 Obligated balance, start of year	243	413	125
74.40 Obligated balance, end of year	-413	-125	
90.00 Outlays	67	538	125

Funds appropriated under this account provide for the establishment and operation of a commission to administer the Illinois and Michigan Canal National Heritage Corridor as authorized by Public Law 98-398.

Object Classification (in thousands of dollars)			
Identification code 14-1043-0-1-303	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent	22	74	
12.1 Personnel benefits: Civilian	3	11	
21.0 Travel and transportation of persons	4	4	
22.0 Transportation of things	6	2	
23.3 Communications, utilities, and miscellaneous charges	1	1	
24.0 Printing and reproduction	1	1	
25.0 Other services	177	151	
26.0 Supplies and materials	16	4	
31.0 Equipment	7	2	
99.9 Total obligations	237	250	

Personnel Summary			
Total number of full-time permanent positions	1	3	3
Total compensable workyears: Full-time equivalent employment		3	3

**【JEFFERSON NATIONAL EXPANSION MEMORIAL COMMISSION】**

【For operation of the Jefferson National Expansion Memorial Commission, \$75,000.】 (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)			
Identification code 14-1044-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	72	75	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	72	75	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	72	75	
72.40 Obligated balance, start of year	64	4	
74.40 Obligated balance, end of year	-4		
90.00 Outlays	131	79	

This appropriation provides operating funds for a commission to develop plans for the addition of an East St. Louis site to the Jefferson National Expansion Memorial National Historic Site as authorized by Public Law 98-398.

Object Classification (in thousands of dollars)			
Identification code 14-1044-0-1-303	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent	30	32	

11.3 Other than full-time permanent	3	3	
11.9 Total personnel compensation	33	35	
12.1 Personnel benefits: Civilian	4	5	
21.0 Travel and transportation of persons	8	8	
24.0 Printing and reproduction	1	1	
25.0 Other services	25	25	
31.0 Equipment	1	1	
99.9 Total obligations	72	75	

**Personnel Summary**

Total number of full-time permanent positions	1	1	
Total compensable workyears: Full-time equivalent employment	1	1	

**NATIONAL CAPITAL REGION ARTS AND CULTURAL AFFAIRS**

Program and Financing (in thousands of dollars)			
Identification code 14-1035-0-1-303	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
39.00 Budget authority			
Budget authority:			
Permanent:			
60.00 Appropriation	4,900		
61.00 Transferred to other accounts	-4,900		
63.00 Appropriation (adjusted)			
Relation of obligations to outlays:			
71.00 Obligations incurred, net			
90.00 Outlays			

This program provides funding for grants to support artistic and cultural programs in the National Capital region. Funds appropriated in 1985 in advance for 1986 were transferred by Congress to the Bureau of Indian Affairs "Operation of Indian Programs" account. Authorization and funding were provided to the National Endowment for the Humanities in 1986.

**NATIONAL PARK SYSTEM VISITOR FACILITIES FUND**

Amounts Available for Appropriation (in thousands of dollars)			
	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year	9,084	8,788	8,688
Collections (offsetting receipts)	8,153	8,400	8,700
Total available for appropriation	17,237	17,188	17,388
Appropriation: Visitor facilities fund	-8,449	-8,500	-4,700
Unappropriated balance, end of year	8,788	8,688	12,688

Program and Financing (in thousands of dollars)			
Identification code 14-5078-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Visitor facilities-total obligations (object class 25.0)	1,944	1,751	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-3,695	-1,751	
24.40 Unobligated balance available, end of year	1,751		
39.00 Budget authority			
Budget authority:			
40.00 Appropriation (indefinite)	8,449	8,500	4,700

NATIONAL PARK SERVICE—Continued

General and special funds—Continued

NATIONAL PARK SYSTEM VISITOR FACILITIES FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-5078-0-2-303	1986 actual	1987 est.	1988 est.
41.00	Transferred to other accounts.....	-8,449	-8,500	-4,700
43.00	<b>Appropriation (adjusted)</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,944	1,751	
72.40	Obligated balance, start of year.....	852	-42	
74.40	Obligated balance, end of year.....	42		
90.00	Outlays.....	2,838	1,708	

This fund serves as a repository for concessioner franchise fees that are used to repair and rehabilitate National Park Service-owned facilities that serve the visiting public.

LAND AND WATER CONSERVATION FUND

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Regular account: Unappropriated balance, start of year.....	3,614,045	4,345,836	5,194,578
Offsetting receipts: Land and Water Conservation Fund Act:			
Recreation fees.....	29,558	1,000	31,100
Proposed legislation.....			-30,100
Surplus property sales.....	62,891	237,794	389,842
Motorboat fuels tax.....	1,000	1,000	1,000
Outer Continental Shelf receipts.....	805,513	660,206	478,058
Proposed legislation.....			30,100
Unobligated balance returned to unappropriated receipts.....	1,038		
<b>Total available for appropriation.....</b>	<b>4,514,045</b>	<b>5,245,836</b>	<b>6,100,466</b>
Appropriation:			
Bureau of Land Management, land acquisition.....	-2,188	-3,020	-10
Proposed rescission.....		2,700	
Fish and Wildlife Service, land acquisition.....	-41,061	-42,425	-1,500
Proposed rescission.....		26,763	
National Park Service, land acquisition.....	-93,604	-87,220	-16,031
Proposed rescission.....		67,638	
Forest Service (Department of Agriculture), land acquisition.....	-31,356	-52,236	-3,907
Proposed rescission.....		42,430	
Forest Service (Department of Agriculture), operation and maintenance of recreation facilities.....			-52,000
<b>Total appropriations.....</b>	<b>-168,209</b>	<b>-45,370</b>	<b>-73,448</b>
Unappropriated balance, end of year.....	4,345,836	5,200,466	6,027,018
Special account (Public Law 95-42, sec. 1):			
Unappropriated balance, start of year.....	142,621	142,621	142,621
<b>Total available for appropriation.....</b>	<b>142,621</b>	<b>142,621</b>	<b>142,621</b>
Appropriation.....			
Unappropriated balance, end of year.....	142,621	142,621	142,621

The land and water conservation fund includes revenue pursuant to the Land and Water Conservation Fund Act to support land acquisition and administrative expenses for outdoor recreation purposes. Proposed legislation would eliminate the earmarking of receipts from recreation fees to the land and water conservation fund. Such receipts collected by the National Park Service will be transferred to the General Fund of the Treasury in fiscal 1987 pursuant to a provision in Public Law 99-591 and would be retained for use under the operation of the Park System account in fiscal year 1988 under proposed legislation.

LAND ACQUISITION [AND STATE ASSISTANCE]\*

\*See Part II for additional information.

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, [1987, \$87,220,000] [1988, \$16,031,000], to be derived from the Land and Water Conservation Fund, to remain available until expended, including [1987, \$2,270,000] [1988, \$3,433,000], to administer the State Assistance program: *Provided*, That of the amounts previously appropriated to the Secretary's contingency fund for grants to States, [1987, \$893,000] [1988, \$27,000] shall be available in [1987] [1988] for administrative expenses of the State grant program. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	14-5035-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Land acquisition.....	80,188	88,452	6,100
00.02	Land acquisition administration.....	6,276	6,166	6,498
00.03	State grants.....	73,362	51,690	
00.04	State grant administration.....	3,226	3,474	3,460
00.91	Total direct program.....	163,052	149,782	16,058
01.01	Reimbursable program.....	301	500	500
10.00	Total obligations.....	163,353	150,282	16,558
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....		-20,000	
14.00	Non-Federal sources.....	-301	-500	-500
17.00	Recovery of prior year obligations.....		-9,897	
21.40	Unobligated balance available, start of year.....	-139,641	-41,992	-27
22.40	Unobligated balance transferred, net.....	38,097		
24.40	Unobligated balance available, end of year.....	41,992	27	
25.00	Unobligated balance lapsing.....		30,000	30,000
39.00	<b>Budget authority.....</b>	<b>93,604</b>	<b>117,817</b>	<b>46,031</b>
<b>Budget authority:</b>				
Current:				
40.00	Appropriation (special fund).....	93,604	87,220	16,031
42.00	Transferred from other accounts.....		597	
43.00	<b>Appropriation (adjusted).....</b>	<b>93,604</b>	<b>87,817</b>	<b>16,031</b>
69.10	<b>Contract authority (permanent) (substantive law) (16 U.S.C. 4601-10a).....</b>		<b>30,000</b>	<b>30,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	163,052	129,782	16,058
72.40	Obligated balance, start of year.....	221,277	227,815	157,597
74.40	Obligated balance, end of year.....	-227,815	-157,597	-62,655
77.00	Adjustments in expired accounts.....	-4		
78.00	Adjustments in unexpired accounts.....	-9,897		
90.00	Outlays.....	146,613	200,000	111,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	93,604	117,817	46,031
Outlays.....	146,613	200,000	111,000
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-30,000
Outlays.....			
Rescission proposal:			
Budget authority.....		-97,638	
Outlays.....		-21,720	-13,540
Total:			
Budget authority.....	93,604	20,179	16,031
Outlays.....	146,613	178,280	97,460

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code	14-5035-0-2-303	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....				
Contract authority.....			30,000	30,000

Rescission proposal.....	—30,000	.....
Proposed for later transmittal.....	.....	—30,000
Unfunded balance, end of year.....	.....	.....

This appropriation provides funds to acquire certain lands, or interests in land, for inclusion in the National Park System in order to preserve nationally important natural and historic resources. Funds are also included to manage and coordinate the Land Acquisition Program and to administer prior year State grants awarded from the Land and Water Conservation Fund. No funding is requested in 1988 for State outdoor recreation grants.

**Object Classification (in thousands of dollars)**

Identification code 14-5035-0-2-303	1986 actual	1987 est.	1988 est.
<b>NATIONAL PARK SERVICE</b>			
Personnel compensation:			
11.1 Full-time permanent.....	6,545	6,483	6,697
11.3 Other than full-time permanent.....	358	181	192
11.5 Other personnel compensation.....	1,001	114	116
11.8 Special personal services payments.....	28	28	28
11.9 Total personnel compensation.....	7,932	6,806	7,031
12.1 Personnel benefits: Civilian.....	1,104	984	1,410
21.0 Travel and transportation of persons.....	302	284	294
22.0 Transportation of things.....	74	70	72
23.2 Rental payments to others.....	210	197	204
24.0 Printing and reproduction.....	34	32	33
25.0 Other services.....	5,890	2,928	545
26.0 Supplies and materials.....	187	176	171
31.0 Equipment.....	151	142	138
32.0 Lands and structures.....	66,460	80,822	5,789
41.0 Grants, subsidies, and contributions.....	79,163	51,690	.....
42.0 Insurance claims and indemnities.....	151	156	161
99.0 Subtotal, direct obligations, National Park Service.....	161,658	144,287	15,848
99.0 Reimbursable obligations, National Park Service.....	301	500	500
<b>ALLOCATION ACCOUNTS</b>			
11.1 Personnel compensation: Full-time permanent.....	60	155	130
12.1 Personnel benefits: Civilian.....	7	16	14
21.0 Travel and transportation of persons.....	.....	4	1
22.0 Transportation of things.....	.....	2	.....
23.1 Rental payments to GSA.....	8	10	8
23.3 Communications, utilities, and miscellaneous charges.....	5	9	7
24.0 Printing and reproduction.....	.....	2	1
25.0 Other services.....	9	1,102	46
31.0 Equipment.....	.....	5	3
32.0 Lands and structures.....	1,305	4,190	.....
99.0 Subtotal, obligations, allocation accounts.....	1,394	5,495	210
99.9 Total obligations.....	163,353	150,282	16,558
Obligations are distributed as follows:			
National Park Service.....	161,959	144,787	16,348
Department of Defense—Civil, Corps of Engineers.....	1,394	5,026	210
Department of Justice.....	.....	469	.....

**Personnel Summary**

<b>NATIONAL PARK SERVICE</b>			
Total number of full-time permanent positions.....	195	187	187
Total compensable workyears:			
Full-time equivalent employment.....	216	197	197
Full-time equivalent of overtime and holiday hours.....	1	1	1
<b>ALLOCATION ACCOUNTS</b>			
Total number of full-time permanent positions.....	3	5	4
Total compensable workyears: Full-time equivalent employment.....	3	5	4

**LAND ACQUISITION [AND STATE ASSISTANCE]**  
(Proposed for later transmittal under proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 14-5035-2-2-303	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	.....	.....	—30,000
49.00 Contract authority.....	.....	.....	—30,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	.....	.....	.....
90.00 Outlays.....	.....	.....	.....

Legislation will be proposed to amend the Land and Water Conservation Fund Act to remove contract authority for land acquisition. Significant increases in the authorized level of the Fund and the use of reprogramming procedures have eliminated the need for this authority.

**PLANNING, DEVELOPMENT, AND OPERATION OF RECREATION FACILITIES**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	15,158	15,158	.....
Appropriation: "Operation of the National Park System".....	.....	—15,158	.....
Unappropriated balance, end of year.....	15,158	.....	.....

**Program and Financing (in thousands of dollars)**

Identification code 14-5006-0-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	.....	33	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	—13	.....	.....
21.40 Unobligated balance available, start of year.....	—20	—33	.....
24.40 Unobligated balance available, end of year.....	33	.....	.....
39.00 Budget authority.....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	.....	33	.....
72.40 Obligated balance, start of year.....	71	52	.....
74.40 Obligated balance, end of year.....	—52	.....	.....
78.00 Adjustments in unexpired accounts.....	—13	.....	.....
90.00 Outlays.....	6	85	.....

Balances in this account were appropriated to Operation of the National Park System for FY 1987.

**[HISTORIC PRESERVATION FUND]\***

\*See Part II for additional information.

[For expenses necessary in carrying out the provisions of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), \$24,250,000 to be derived from the Historic Preservation Fund, established by section 108 of that Act, as amended, to remain available for obligation until September 30, 1988: *Provided*, That the Trust Territory of the Pacific Islands is a State eligible for Historic Preservation Fund matching grant assistance as authorized under 16 U.S.C. 470w(2): *Provided further*, That pursuant to section 105(1) of the Compact of Free Association, Public Law 99-239, the Federated States of Micronesia and the Republic of the Marshall Islands shall also be considered States for purposes of this appropriation.] (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**NATIONAL PARK SERVICE—Continued**  
**General and special funds—Continued**

**[HISTORIC PRESERVATION FUND]—Continued**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	816,131	942,507	1,083,257
Offsetting receipts:			
Historic Preservation Act of 1966, as amended: Outer Continental Shelf Lands Act.....	150,000	150,000	.....
Total available for appropriation.....	966,131	1,092,507	1,083,257
Appropriation.....	-23,729	-24,250	.....
Amounts proposed for rescission.....		15,000	.....
Unobligated balance returned to unappropriated offsetting receipts.....	105	.....	.....
Unappropriated balance, end of year.....	942,507	1,083,257	1,083,257

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
14-5140-0-2-303			
<b>Program by activities:</b>			
00.01 Grants-in-aid.....	19,170	20,363	.....
00.02 National trust for historic preservation.....	4,196	4,250	.....
10.00 Total obligations (object class 41.0).....	23,366	24,613	.....
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-10	.....	.....
21.40 Unobligated balance available, start of year.....	-1	-363	.....
24.40 Unobligated balance available, end of year.....	363	.....	.....
25.00 Unobligated balance lapsing.....	11	.....	.....
40.00 Budget authority (appropriation).....	23,729	24,250	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	23,366	24,613	.....
72.40 Obligated balance, start of year.....	17,867	15,988	15,134
74.40 Obligated balance, end of year.....	-15,988	-15,134	.....
77.00 Adjustments in expired accounts.....	-94	.....	.....
78.00 Adjustments in unexpired accounts.....	-10	.....	.....
90.00 Outlays.....	25,141	25,467	15,134

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	23,729	24,250	.....
Outlays.....	25,141	25,467	15,134
<b>Rescission proposal:</b>			
Budget authority.....	.....	-15,000	.....
Outlays.....	.....	-3,600	-5,550
<b>Total:</b>			
Budget authority.....	23,729	9,250	.....
Outlays.....	25,141	21,867	9,584

No funding is requested in 1988 for this program funding State historic preservation grants and the National Trust for Historic Preservation.

**OPERATION AND MAINTENANCE OF QUARTERS**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
14-5049-0-2-303			
<b>Program by activities:</b>			
10.00 Total obligations.....	7,063	8,539	8,722
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-33	.....	.....
21.40 Unobligated balance available, start of year.....	-202	-1,197	-1,197
24.40 Unobligated balance available, end of year.....	1,197	1,197	1,197
60.00 Budget authority (appropriation) (permanent, indefinite, special fund).....	8,025	8,539	8,722

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	7,063	8,539	8,722
72.40 Obligated balance, start of year.....	-115	125	125
74.40 Obligated balance, end of year.....	-125	-125	-125
78.00 Adjustments in unexpired accounts.....	-33	.....	.....
90.00 Outlays.....	6,790	8,539	8,722

Revenues from the rental of Government-owned quarters to park employees are deposited in this account and used to operate and maintain the quarters.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
14-5049-0-2-303			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,128	2,340	2,454
11.3 Other than full-time permanent.....	750	828	868
11.5 Other personnel compensation.....	40	45	45
11.9 Total personnel compensation.....	2,918	3,213	3,367
12.1 Personnel benefits: Civilian.....	379	413	566
21.0 Travel and transportation of persons.....	24	26	27
22.0 Transportation of things.....	99	109	112
23.3 Communications, utilities, and miscellaneous charges.....	905	992	1,027
24.0 Printing and reproduction.....	6	7	7
25.0 Other services.....	342	1,158	905
26.0 Supplies and materials.....	2,058	2,256	2,335
31.0 Equipment.....	247	271	280
32.0 Lands and structures.....	68	75	77
42.0 Insurance claims and indemnities.....	11	12	12
44.0 Refunds.....	6	7	7
99.9 Total obligations.....	7,063	8,539	8,722

**Personnel Summary**

Total number of full-time permanent positions.....	81	87	86
Total compensable workyears: Full-time equivalent employment.....	111	118	118

**COMMEMORATIVE ACTIVITIES FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
14-5077-0-2-303			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1	-1	.....
24.40 Unobligated balance available, end of year.....	1	.....	.....
25.00 Unobligated balance lapsing.....	.....	1	.....
39.00 Budget authority.....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	.....	.....	.....
72.40 Obligated balance, start of year.....	8	8	.....
74.40 Obligated balance, end of year.....	-8	.....	.....
90.00 Outlays.....	.....	8	.....

**MISCELLANEOUS PERMANENT APPROPRIATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
14-9924-0-2-303			
<b>Program by activities:</b>			
00.01 Educational expenses, children of employees, Yellowstone National Park.....	1,494	555	555
00.02 Payment for tax losses on land acquired for Grand Teton National Park.....	27	30	30
00.03 Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.....	.....	10	10
00.04 Delaware Water Gap, Route 209 operations.....	435	450	450
10.00 Total obligations.....	1,955	1,045	1,045

<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	—12		
21.40	Unobligated balance available, start of year.....	—986	—946	—946
24.40	Unobligated balance available, end of year.....	946	946	946
60.00	<b>Budget authority (appropriation) (permanent, indefinite, special fund).....</b>	<b>1,903</b>	<b>1,045</b>	<b>1,045</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,955	1,045	1,045
72.40	Obligated balance, start of year.....	127	980	66
74.40	Obligated balance, end of year.....	—980	—66	—66
78.00	Adjustments in unexpired accounts.....	—12		
90.00	<b>Outlays.....</b>	<b>1,090</b>	<b>1,959</b>	<b>1,045</b>
<b>Distribution of budget authority by account:</b>				
	Educational expenses, children of employees, Yellowstone National Park.....	1,405	555	555
	Payment for tax losses on land acquired for Grand Teton National Park.....	30	30	30
	Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.....	11	10	10
	Delaware Water Gap, Route 209 operations.....	457	450	450
<b>Distribution of outlays by account:</b>				
	Educational expenses, children of employees, Yellowstone National Park.....	580	1,469	555
	Payment for tax losses on land acquired for Grand Teton National Park.....	27	30	30
	Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.....	1	10	10
	Delaware Water Gap, Route 209 operations.....	482	450	450

*Educational expenses, children of employees, Yellowstone National Park.*—Revenues received from the collection of short-term recreation fees to the park are used to provide educational facilities to pupils who are dependents of persons engaged in the administration, operation, and maintenance of Yellowstone National Park (16 U.S.C. 40a).

*Payment for tax losses on land acquired for Grand Teton National Park.*—Revenues received from fees collected from visitors are used to compensate the State of Wyoming for tax losses on Grand Teton National Park lands (16 U.S.C. 406d-3).

*Operation, management, maintenance, and demolition of federally acquired properties, Independence National Historical Park.*—Moneys collected from parking receipts and office rentals are used for the operation, management, and maintenance of purchased or donated properties as authorized by the Act approved October 26, 1951.

*Delaware Water Gap, Route 209 operations.*—Fees collected for use of Route 209 within the Delaware Water Gap National Recreation Area by commercial vehicles are used for management, operation, and maintenance of the route within the park as authorized by the Act approved July 30, 1983 (97 Stat. 329).

**Object Classification (in thousands of dollars)**

Identification code 14-9924-0-2-303				
		1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	256	264	264
11.3	Other than full-time permanent.....	63	48	48
11.5	Other personnel compensation.....	1	1	1
11.9	Total personnel compensation.....	320	313	313
12.1	Personnel benefits: Civilian.....	10	43	57
23.3	Communications, utilities, and miscellaneous charges.....	3	3	3
25.0	Other services.....	1,394	450	429
26.0	Supplies and materials.....	184	190	196
31.0	Equipment.....	17	18	18

41.0	Grants, subsidies, and contributions.....	27	28	29
99.9	<b>Total obligations.....</b>	<b>1,955</b>	<b>1,045</b>	<b>1,045</b>

**Personnel Summary**

Total number of full-time permanent positions.....	13	13	13
Total compensable workyears: Full-time equivalent employment.....	15	14	14

**Trust Funds**

**CONSTRUCTION (TRUST FUND)**

Note.—Appropriation language providing funds for this account is under the title "Construction National Park Service".

**Program and Financing (in thousands of dollars)**

Identification code 14-8215-0-7-401				
		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Cumberland Gap tunnel.....	1,002	20,801	75
00.02	George Washington memorial highway.....		2,150	125
10.00	<b>Total obligations.....</b>	<b>1,002</b>	<b>22,951</b>	<b>200</b>
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Appropriation.....	—2,095	—10,951	—500
21.49	Contract authority.....	—134,500	—124,643	—112,143
Unobligated balance available, end of year:				
24.40	Appropriation.....	10,951	500	300
24.49	Contract authority.....	124,643	112,143	112,143
39.00	<b>Budget authority.....</b>			
Budget authority:				
40.00	Appropriation.....	9,857	12,500	
40.49	Portion applied to liquidate contract authority.....	—9,857	—12,500	
43.00	<b>Appropriation (adjusted).....</b>			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1,002	22,951	200
72.40	Obligated balance, start of year.....	37,794	29,168	34,619
74.40	Obligated balance, end of year.....	—29,168	—34,619	—18,919
90.00	<b>Outlays.....</b>	<b>9,627</b>	<b>17,500</b>	<b>15,900</b>
<b>Status of Unfunded Contract Authority (in thousands of dollars)</b>				
Unfunded balance, start of year.....	134,500	124,643	112,143	
Appropriation to liquidate contract authority.....	—9,857	—12,500		
Unfunded balance, end of year.....	124,643	112,143	112,143	

Public Law 93-87 authorized the relocation of U.S. Route 25E from its existing location through the Cumberland Gap National Historic Park to another alignment involving a 4,100 foot tunnel.

A provision in Public Laws 99-500 and 99-591 provides for improvements to the George Washington Memorial Parkway, subject to funding for an additional lane on the Theodore Roosevelt Bridge.

**Object Classification (in thousands of dollars)**

Identification code 14-8215-0-7-401				
		1986 actual	1987 est.	1988 est.
<b>NATIONAL PARK SERVICE</b>				
Personnel compensation:				
11.1	Full-time permanent.....	64	1,451	200
11.3	Other than full-time permanent.....	2		
11.9	Total personnel compensation.....	66	1,451	200
12.1	Personnel benefits: Civilian.....	8		
21.0	Travel and transportation of persons.....	8		
25.0	Other services.....	4		
26.0	Supplies and materials.....	6		
31.0	Equipment.....	1		

**NATIONAL PARK SERVICE—Continued**  
**CONSTRUCTION (TRUST FUND)—Continued**  
**Object Classification (in thousands of dollars)—Continued**

Identification code	14-8215-0-7-401	1986 actual	1987 est.	1988 est.
32.0	Lands and structures.....	334		
42.0	Insurance claims and indemnities.....	464		
43.0	Interest and dividends.....	111		
99.0	Subtotal, obligations, National Park Service.....	1,002	1,451	200
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>				
Personnel compensation:				
11.1	Full-time permanent.....		132	
11.3	Other than full-time permanent.....		24	
11.5	Other personnel compensation.....		7	
11.9	Total personnel compensation.....		163	
12.1	Personnel benefits: Civilian.....		19	
21.0	Travel and transportation of persons.....		17	
22.0	Transportation of things.....		5	
23.3	Communications, utilities, and miscellaneous charges.....		19	
24.0	Printing and reproduction.....		14	
25.0	Other services.....		31	
26.0	Supplies and materials.....		40	
31.0	Equipment.....		39	
32.0	Lands and structures.....		21,153	
99.0	Subtotal, obligations, allocation to Federal Highway Administration.....		21,500	
99.9	Total obligations.....	1,002	22,951	200

**Personnel Summary**

<b>NATIONAL PARK SERVICE</b>				
Total number of full-time permanent positions.....	1	2	2	
Total compensable workyears: Full-time equivalent employment.....	1	2	2	
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>				
Total number of full-time permanent positions.....		5		
Total compensable workyears: Full-time equivalent employment.....		6		

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	14-9972-0-7-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	National Park Service, donations.....	9,829	9,383	11,215
00.02	Preservation, Birthplace of Abraham Lincoln, National Park Service.....	1	30	8
00.03	Jefferson National Expansion Memorial, contributions.....	11		
00.91	Total operating expenses.....	9,841	9,413	11,223
01.01	Capital investment: National Park Service, donations.....	82	300	1,500
10.00	Total obligations.....	9,923	9,713	12,723
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-18		
Unobligated balance available, start of year:				
21.40	Treasury balance.....	-2,342	-3,245	-2,803
21.40	U.S. securities (par).....	-65	-65	-65
Unobligated balance available, end of year:				
24.40	Treasury balance.....	3,245	2,803	2,803
24.40	U.S. securities (par).....	65	65	65
60.00	Budget authority (appropriation) (permanent, indefinite).....	10,808	9,271	12,723
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	9,923	9,713	12,723
72.40	Obligated balance, start of year.....	6,276	3,216	758
74.40	Obligated balance, end of year.....	-3,216	-758	-758

78.00	Adjustment in unexpired accounts.....	-18		
90.00	Outlays.....	12,964	12,171	12,723
Distribution of budget authority by account:				
	National Park Service, donations.....	10,804	9,263	12,715
	Preservation, Birthplace of Abraham Lincoln, National Park Service.....	4	8	8
Distribution of outlays by account:				
	National Park Service, donations.....	12,956	12,141	12,715
	Preservation, Birthplace of Abraham Lincoln, National Park Service.....	-2	30	8
	Jefferson National Expansion, Memorial, contributions.....	11		

*National Park Service, donations.*—The Secretary of the Interior accepts and uses donated moneys for purposes of the National Park System (16 U.S.C. 6). Substantial donations are anticipated for the restoration of the Statue of Liberty and Ellis Island.

*Preservation, Birthplace of Abraham Lincoln, National Park Service.*—This fund consists of an endowment given by the Lincoln Farm Association, and the interest therefrom is available for preservation of the Abraham Lincoln Birthplace National Historic Site, Ky. (16 U.S.C. 211, 212).

*Jefferson National Expansion Memorial, contributions.*—Contributions accepted from the city of St. Louis or private sources for construction of a national memorial (68 Stat. 98-100).

**Object Classification (in thousands of dollars)**

Identification code	14-9972-0-7-303	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	1,023	636	224
11.3	Other than full-time permanent.....	612	79	39
11.5	Other personnel compensation.....	253	50	18
11.9	Total personnel compensation.....	1,888	765	281
12.1	Personnel benefits: Civilian.....	189	103	50
21.0	Travel and transportation of persons.....	288	174	64
22.0	Transportation of things.....	39	24	9
23.3	Communications, utilities, and miscellaneous charges.....	206	125	45
24.0	Printing and reproduction.....	83	50	18
25.0	Other services.....	6,489	7,774	10,611
26.0	Supplies and materials.....	659	398	145
31.0	Equipment.....	79	300	1,500
32.0	Lands and structures.....	3		
99.9	Total obligations.....	9,923	9,713	12,723

**Personnel Summary**

Total number of full-time permanent positions.....	29	17	6
Total compensable workyears:			
Full-time equivalent employment.....	45	19	7
Full-time equivalent of overtime and holiday hours.....	8	8	8

**ADMINISTRATIVE PROVISIONS**

Appropriations for the National Park Service shall be available for the purchase of not to exceed [400] 370 passenger motor vehicles, of which [348] 320 shall be for replacement only, including not to exceed 300 for police-type use and [20] 25 buses; to provide, notwithstanding any other provision of law, at a cost not exceeding \$100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service; options for the purchase of land at not to exceed \$1 for each option; and for the procurement and delivery of medical services within the jurisdiction of units of the National Park System: *Provided, That [no] any funds available to the National Park Service may be used, [unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the*

reprogramming procedures contained in House Report 99-714,] with the approval of the Secretary, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System: *Provided further*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner: *Provided further*, That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for removal of feral burros and horses: *Provided further*, That notwithstanding any other provision of law, the National Park Service may recover unbudgeted costs of providing necessary services associated with special use permits, such reimbursements to be credited to the appropriation current at that time: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project: *Provided further*, That the Secretary of the Interior shall begin processing claims of the licensees of the American Revolution Bicentennial Administration within 30 days of enactment of this Act, and that licensees who filed claims with the Department between July 1984, and January 1985, or who filed for relief from the Department under the Federal Tort Claims Act on December 31, 1979, or who were mentioned in the December 30, 1985, Opinion of the Comptroller General shall be eligible claimants: *Provided further*, That the Secretary shall process such claims consistent with the process employed in the Amerecord, Inc. test case which was settled on August 20, 1983, and other applicable legal principles to determine whether any or all of such claimants ought to be awarded equitable compensation by the Congress, and, if so, in what amount: *Provided further*, That these claims will be processed to completion in a judicious and expeditious manner not to exceed one year from the date of enactment of this Act: *Provided further*, That none of the funds made available by this Act may be used to plan or implement the closure of the Pacific Northwest Regional Office in Seattle, Washington: *Provided further*, That notwithstanding any other provision of law, hereafter funds received by the National Park Service as reimbursement for the cost of providing security, law enforcement, interpretive, and other services with respect to the operation of facilities at the Jefferson National Expansion Memorial National Historic Site shall be credited to the appropriation bearing the cost of providing such services. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

#### ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

Department of Agriculture, Forest Service: "Forest protection and utilization"

Department of Commerce:

"Regional development program"

"Regional action planning commission"

Department of Transportation, Federal Highway Administration:

"Trust fund"

Department of Navy: "Military construction"

Appalachian Regional Commission: "Appalachian regional development program"

Bureau of Reclamation: "Construction and rehabilitation"

Department of Army: "Construction, General, Corps of Engineers, Civil"

Department of State:

"Salaries and Expenses, Special Foreign Currency Programs;"

"American Sections, International Commission"

"United States-India Fund for Cultural, Educational, and Scientific Cooperation"

## INDIAN AFFAIRS

### BUREAU OF INDIAN AFFAIRS

#### Federal Funds

#### General and special funds:

##### OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [\$911,182,000] \$910,181,000, of which [not to exceed \$55,668,000] \$50,621,000 for higher education scholarships and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall remain available for obligation until September 30, [1988] 1989, and [\$25,000,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190 shall remain available until expended, and] the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, [1988] 1989: *Provided*, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services; and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640d-18(a)), [\$2,431,000] \$2,000,000, to remain available until expended: *Provided further*, That none of the funds appropriated to the Bureau of Indian Affairs shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act: [Provided further, That notwithstanding any provision of the American Indian, Alaska Native, and Native Hawaiian Culture and Arts Development Act, the amounts appropriated for fiscal year 1987 for the Bureau of Indian Affairs for the Institute of American Indian Arts shall be available for use under part A of that Act and—

(1) that Act shall be implemented in a reasonable period of time and shall be fully implemented by no later than October 1, 1987,

(2) until the earlier of—

(A) October 1, 1987, or

(B) the appointment and confirmation of a majority of the members of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development under section 1505(a)(1)(A) of that Act,

The Secretary of the Interior shall have the authority conferred upon such members under that Act, and

(3) until the earlier of—

(A) October 1, 1987, or

(B) the appointment of a President of such Institute under section 1508 of that Act, the Secretary of the Interior shall have the authority conferred upon such members under that Act, and

(3) until the earlier of—

(A) October 1, 1987, or

(B) the appointment of a President of such Institute under section 1508 of that Act,

the Secretary of the Interior shall have the authority conferred upon the President of such Institute under this Act: *Provided further*, That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress: *Provided further*, That none of the funds contained in this Act shall be

BUREAU OF INDIAN AFFAIRS—Continued

General and special funds—Continued

OPERATION OF INDIAN PROGRAMS—Continued

available for any payment to any school to which such school would otherwise be entitled pursuant to section 1128(b) of Public Law 95-561, as amended: *Provided further*, [That the amounts available for assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.) shall be distributed on the same basis as such funds were distributed in fiscal year 1986: *Provided further*, That before initiating any action to close the Phoenix Indian School but no later than February 1, 1987, the Secretary shall submit to the Congress a report (1) on the school as required under section 1121(g)(3) of Public Law 95-561, as amended, including any warranted recommendations for the establishment of special programs at existing schools or the establishment of a new school or schools to be operated either by the Bureau of Indian Affairs or by a public school district to meet the needs of students from Arizona who are attending or might otherwise have attended the Phoenix Indian School; (2) on the Secretary's recommendation for the disposition of the property (including real property, supplies, and equipment) used for the school which recommendations may include the donation (with any restrictions on use and subject to a reverter for specified reasons the Secretary deems necessary or desirable) of some or all of the property to the State of Arizona, one or more local or tribal governments, or another Federal agency or the sale or exchange of some or all of the property at fair market value and a recommendation for the use of any cash received for a sale or to equalize values in an exchange; and (3) documentation of the Secretary's efforts to consult with the affected tribes and to offer assistance to the tribes in planning for future educational requirements for those currently eligible to attend the Phoenix Indian School, including those students from the Phoenix area attending school in California: *Provided further*, That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until action by the Congress affirming or modifying the recommendations of the Secretary.] *That Public Law 99-349 is amended by deleting under the heading "Bureau of Indian Affairs, Operation of Indian Programs" beginning "\$29,204,000" through the final proviso and substituting the following: "of which \$1,500,000 shall be paid to a Treaty Waters Fisheries Management Fund, the income from which shall be used for fisheries management activities pursuant to the consent decree and subsequent court orders in United States v. Michigan (M 26-73)." (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

[For an additional amount for "Operation of Indian programs", \$10,000,000: *Provided*, That funds made available to tribes and tribal organizations through grants or contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 1988.] *(Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)*

Program and Financing (in thousands of dollars)

Identification code	14-2100-0-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Education	258,989	272,180	236,031
00.02	Indian services	212,662	221,498	152,464
00.03	Navajo/Hopi settlement program			1,971
00.04	Economic development	57,997	63,635	14,059
00.05	Natural resources development	141,887	142,394	37,282
00.06	Trust responsibilities	48,320	50,127	38,604
00.07	Facilities management	88,626	89,845	80,907
00.08	General administration	75,682	81,503	74,639
00.09	Tribe/agency operations			274,224
00.91	Total direct program	884,163	921,182	910,181
01.01	Reimbursable program	37,300	40,000	42,000
10.00	Total obligations	921,463	961,182	952,181
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-55,539	-55,000	-55,000

14.00	Non-Federal sources	-2,962	-3,000	-3,000
21.40	Unobligated balance available, start of year	-31,173	-45,589	-63,589
24.40	Unobligated balance available, end of year	45,589	63,589	79,589
25.00	Unobligated balance lapsing	5,358		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections		43	
39.00	<b>Budget authority</b>	<b>882,779</b>	<b>921,182</b>	<b>910,181</b>
Budget authority:				
40.00	Appropriation	857,779	921,182	910,181
42.00	Transferred from other accounts	25,000		
43.00	<b>Appropriation (adjusted)</b>	<b>882,779</b>	<b>921,182</b>	<b>910,181</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	862,962	903,182	894,181
72.40	Obligated balance, start of year	198,894	199,720	187,480
74.40	Obligated balance, end of year	-199,720	-187,480	-169,829
77.00	Adjustments in expired accounts	2,214		
90.00	Outlays	864,350	915,422	911,832

Note.—Includes \$684 thousand in 1988 for activities previously financed from the Department of the Interior, Office of the Secretary, construction management account.

**Education.**—The Bureau of Indian Affairs operates schools and supports tribally operated schools.

The Bureau provides financial assistance to Indian students for higher education studies, supports some tribally operated post-secondary institutions, and offers continuing education programs in many communities.

**Indian services.**—This activity includes municipal-type government services for Indian communities, along with assistance to tribes in self-government. Individual Indians are assisted by vocational training and employment placement.

**Navajo/Hopi Settlement Program.**—This activity provides for range management and grazing capacity restoration on lands lying within the former Navajo/Hopi Joint Use Area.

**Economic development.**—Economic development is encouraged and assisted through programs of technical and financial aid to Indian individuals and organizations. Indian tribal organizations and individuals are assisted with securing and managing loans. Individual Indians are assisted by vocational training and employment placement. Roads are maintained to provide for the movement of people and goods as needed by Indian communities.

**Natural resources development.**—This activity provides for the conservation, development and use of Indian land, water, and related resources.

**Trust responsibilities.**—This activity provides for the protection of Indian rights and property, and the management of assets held in trust for Indian tribes and individuals.

**Facilities management.**—This activity provides for the maintenance and operation of Bureau facilities and the provision for GSA owned or leased facilities.

**General administration.**—These functions include executive direction, administrative services, safety management, employee compensation payments, construction management, and education program management.

**Tribe/agency operations.**—This activity supports stable and continuing programs in the field among which funding is allocated subject to local priorities rather than national programmatic priorities. Tribe/agency operations include local service programs which are planned and operated at the Tribe/agency level and some programs which are consolidated at the area

office level but offer direct service to tribes and individuals.

Object Classification (in thousands of dollars)

Identification code 14-2100-0-1-999	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	194,445	205,178	204,500
11.3 Other than full-time permanent	58,901	62,152	61,645
11.5 Other personnel compensation	11,503	12,139	11,038
11.8 Special personal services payments	6,170		
11.9 Total personnel compensation	271,019	279,469	277,183
12.1 Personnel benefits: Civilian	36,148	37,273	36,967
13.0 Benefits for former personnel	1,620	1,670	1,656
21.0 Travel and transportation of persons	13,089	13,712	14,473
22.0 Transportation of things	8,614	9,024	9,525
23.1 Rental payments to GSA	8,483	8,887	9,516
23.3 Communications, utilities, and miscellaneous charges	13,960	14,625	15,437
24.0 Printing and reproduction	1,229	1,288	1,360
25.0 Other services	378,254	396,266	384,444
26.0 Supplies and materials	49,773	52,143	55,039
31.0 Equipment	10,286	10,776	11,374
32.0 Lands and structures	626	656	656
33.0 Investments and loans	105	105	105
41.0 Grants, subsidies, and contributions	90,877	95,205	92,363
42.0 Insurance claims and indemnities	68	71	71
43.0 Interest and dividends	12	12	12
99.0 Subtotal, direct obligations	884,163	921,182	910,181
99.0 Reimbursable obligations	37,300	40,000	42,000
99.9 Total obligations	921,463	961,182	952,181

Personnel Summary

	1986 actual	1987 est.	1988 est.
<b>Direct:</b>			
Total number of full-time permanent positions	9,036	9,170	9,078
Total compensable workyears:			
Full-time equivalent employment	11,318	11,486	11,382
Full-time equivalent of overtime and holiday hours	340	345	342
<b>Reimbursable:</b>			
Total number of full-time permanent positions	603	618	560
Total compensable workyears:			
Full-time equivalent employment	872	842	796
Full-time equivalent of overtime and holiday hours	27	28	25

CONSTRUCTION\*

\*See Part II for additional information.

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and [construction,] repair[,] and improvement of Indian housing, [\$76,101,000] \$57,894,000, to remain available until expended: Provided, That [\$1,225,000] \$1,282,000 of the funds appropriated for use by the Secretary to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974 (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), may be used for [counseling,] archeological clearances, water production and administration related to the relocation of Navajo families. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

[For an additional amount for "Construction", \$12,500,000, to remain available until expended.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 14-2301-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Buildings and utilities	43,447	54,000	40,000

00.02 Irrigation systems	25,273	25,000	12,000
00.03 Housing	20,428	23,000	32,000
00.04 Land acquisition	59	3,453	
00.91 Total direct program	89,207	105,453	84,000
01.01 Reimbursable program	78	2,000	2,000
10.00 Total obligations	89,285	107,453	86,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-78	-2,000	-2,000
21.40 Unobligated balance available, start of year	-41,691	-65,802	-48,950
24.40 Unobligated balance available, end of year	65,802	48,950	22,844
39.00 Budget authority	113,318	88,601	57,894
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation	113,318	88,601	57,894
41.00 Transferred to other accounts	-15,000		
42.00 Transferred from other accounts	25,000		
43.00 Appropriation (adjusted)	108,418	88,601	57,894
<b>Permanent:</b>			
62.00 Transferred from other accounts	4,900		
63.00 Appropriation (adjusted)	4,900		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	89,207	105,453	84,000
72.40 Obligated balance, start of year	103,532	82,638	83,214
74.40 Obligated balance, end of year	-82,638	-83,214	-82,882
90.00 Outlays	110,101	104,877	84,332

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority	113,318	88,601	57,894
Outlays	110,101	104,877	84,332
<b>Rescission proposal:</b>			
Budget authority		-22,811	
Outlays		-6,843	-11,405
<b>Total:</b>			
Budget authority	113,318	65,790	57,894
Outlays	110,101	98,034	72,927

**Buildings and utilities.**—This activity consists of construction and rehabilitation of Bureau facilities.

**Irrigation systems.**—This activity provides for the construction, extension, and rehabilitation of irrigation projects, dams, and related power systems on Indian reservations.

**Housing.**—This program provides for the repair of housing for needy Indians.

Object Classification (in thousands of dollars)

Identification code 14-2301-0-1-452	1986 actual	1987 est.	1988 est.
<b>BUREAU OF INDIAN AFFAIRS</b>			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	3,597	3,633	3,670
11.3 Other than full-time permanent	603	609	615
11.5 Other personnel compensation	63	64	64
11.8 Special personal services payments	10		
11.9 Total personnel compensation	4,273	4,306	4,349
12.1 Personnel benefits: Civilian	585	616	616
13.0 Benefits for former personnel	9	9	9
21.0 Travel and transportation of persons	407	390	395
22.0 Transportation of things	160	100	100
23.2 Rental payments to others	246	250	255
24.0 Printing and reproduction	22	25	25
25.0 Other services	41,986	47,214	35,251
26.0 Supplies and materials	4,389	4,400	4,500
31.0 Equipment	2,158	2,500	2,500
32.0 Lands and structures	23,638	35,643	30,000

**BUREAU OF INDIAN AFFAIRS—Continued**  
**General and special funds—Continued**  
**CONSTRUCTION—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code	14-2301-0-1-452	1986 actual	1987 est.	1988 est.
41.0	Grants, subsidies, and contributions .....	3,617	5,000	6,000
99.0	Subtotal, direct obligations, Bureau of Indian Affairs.....	81,490	100,453	84,000
99.0	Reimbursable obligations, Bureau of Indian Affairs.....	78	2,000	2,000
<b>ALLOCATION TO BUREAU OF RECLAMATION</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	460	394	.....
11.3	Other than full-time permanent .....	11	11	.....
11.5	Other personnel compensation .....	39	35	.....
11.9	Total personnel compensation.....	510	440	.....
12.1	Personnel benefits: Civilian.....	65	55	.....
21.0	Travel and transportation of persons.....	19	22	.....
22.0	Transportation of things.....	5	7	.....
23.1	Rental payments to GSA.....	82	84	.....
23.2	Rental payments to others.....	80	85	.....
24.0	Printing and reproduction.....	5	6	.....
25.0	Other services.....	1,029	1,134	.....
26.0	Supplies and materials.....	12	16	.....
31.0	Equipment.....	10	11	.....
32.0	Lands and structures.....	5,900	3,140	.....
99.0	Subtotal, direct obligations, Bureau of Reclamation .....	7,717	5,000	.....
99.9	Total obligations.....	89,285	107,453	86,000

**Personnel Summary**

<b>BUREAU OF INDIAN AFFAIRS</b>			
Total number of full-time permanent positions.....	123	123	123
Total compensable workyears:			
Full-time equivalent employment .....	144	144	144
Full-time equivalent of overtime and holiday hours .....	5	5	5
<b>ALLOCATION TO BUREAU OF RECLAMATION</b>			
Total number of full-time permanent positions.....	14	12	.....
Total compensable workyears: Full-time equivalent employment .....	14	12	.....

**ROAD CONSTRUCTION**

【Of the funds otherwise available to the State of Oklahoma from the Federal Highway Trust Fund, \$10,000,000 shall be available for construction of the Honobia Indian Road: *Provided*, That the matching requirement is hereby waived with respect to funds spent on the Honobia Road: *Provided further*, That not】 *Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

**Program and Financing (in thousands of dollars)**

Identification code	14-2364-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program.....	1,180	3,000	3,000
01.01	Reimbursable program.....	9,689	6,300	6,300
10.00	Total obligations.....	10,869	9,300	9,300
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-9,903	-5,300	-5,300
14.00	Non-Federal sources.....	-262	-1,000	-1,000
21.40	Unobligated balance available, start of year.....	-10,911	-10,164	-7,164
24.40	Unobligated balance available, end of year.....	10,164	7,164	4,164

27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	43	.....	.....
39.00	<b>Budget authority</b> .....	.....	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	704	3,000	3,000
72.40	Obligated balance, start of year.....	5,177	4,724	5,381
74.40	Obligated balance, end of year.....	-4,724	-5,381	-6,531
90.00	Outlays.....	1,157	2,343	1,850

The Bureau is responsible for construction and improvement of about 24,000 miles of roads and 730 bridges. Program funds authorized at \$75,000,000 are provided through contract authority from the Highway Trust Fund under the Federal Lands Highway Program of the Department of Transportation.

**Object Classification (in thousands of dollars)**

Identification code	14-2364-0-1-452	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	530	536	560
11.3	Other than full-time permanent.....	100	124	131
11.5	Other personnel compensation.....	58	58	58
11.9	Total personnel compensation.....	688	718	749
12.1	Personnel benefits: Civilian.....	88	89	92
22.0	Transportation of things.....	10	10	10
24.0	Printing and reproduction.....	.....	10	10
25.0	Other services.....	160	1,000	1,000
26.0	Supplies and materials.....	34	50	50
32.0	Lands and structures.....	200	1,123	1,089
99.0	Subtotal, direct obligations.....	1,180	3,000	3,000
99.0	Reimbursable obligations.....	9,689	6,300	6,300
99.9	Total obligations.....	10,869	9,300	9,300

**Personnel Summary**

Total number of full-time permanent positions.....	28	28	28
Total compensable workyears:			
Full-time equivalent employment .....	31	31	31
Full-time equivalent of overtime and holiday hours .....	1	1	1

**PAYMENT TO THE ALASKA NATIVE ESCROW ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code	14-2366-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0).....	7,493	.....	.....
<b>Financing:</b>				
40.00	Budget authority (appropriation).....	7,493	.....	.....
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	7,493	.....	.....
90.00	Outlays.....	7,493	.....	.....

This payment to the Alaska Native Escrow Account was made pursuant to section 1411 of Public Law 96-487, the Alaska National Interest Lands Conservation Act.

**[PAYMENT TO WHITE EARTH ECONOMIC DEVELOPMENT AND TRIBAL GOVERNMENT FUND]**

【For deposit into the White Earth Economic Development and Tribal Government Fund established pursuant to section 12 of Public Law 99-264, to be held in trust for the benefit of the White Earth Band of Chippewa Indians, \$6,600,000.】 *(Department of the Interior*

and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h.)

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
14-2204-0-1-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		6,600	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		6,600	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		6,600	
90.00 Outlays		6,600	

This payment to the White Earth Economic Development and Tribal Government Fund was made pursuant to section 12 of Public Law 99-264, the White Earth Reservation Claims Settlement Act.

**MISCELLANEOUS PAYMENTS TO INDIANS**

For miscellaneous payments to Indian tribes and individuals pursuant to Public Laws 98-500, 99-264, and 99-503, including funds for necessary administrative expenses, \$13,628,000, to remain available until expended: Provided, That not to exceed \$10,700,000 is made available to the Tohono O'Odham Nation for purposes authorized in the Gila Bend Indian Reservation Lands Replacement Act, Public Law 99-503.

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
14-2303-0-1-452			
<b>Program by activities:</b>			
00.01 White Earth Act administration			788
00.02 Old Age Assistance Claims Settlement Act			1,140
00.03 Gila Bend Lands replacement			10,700
10.00 Total obligations			12,628
<b>Financing:</b>			
24.40 Unobligated balance, end of year			1,000
40.00 Budget authority (appropriation)			13,628
Relation of obligations to outlays:			
71.00 Obligations incurred, net			12,628
74.40 Obligated balance, end of year			-1,263
90.00 Outlays			11,365

This account covers expenses associated with the following three Acts:

**White Earth Reservation Claims Settlement Act (Public Law 99-264).**—Funds will be used to investigate and verify questionable transfers of land by which individual Indian allottees, or their heirs, were divested of ownership.

**Old Age Assistance Claims Settlement Act (Public Law 98-500).**—Funds will be used to identify, notify and compensate individuals entitled to compensation under this Act for unauthorized disbursement of \$50 or more made by the Department of the Interior to repay states and counties for old age assistance benefits received by Indian decedents during their lifetimes.

**Gila Bend Indian Reservation Lands Replacement Act (Public Law 99-503).**—Section 4 of this Act requires the Secretary of the Interior to pay to the Tohono O'Odham Nation \$10,000,000 in fiscal year 1988, along with interest accrued from the date of enactment, conditioned upon the Nation assigning to the United States all

right, title and interest of the Nation in 9,880 acres of land within the Gila Bend Indian Reservation.

**Object Classification** (in thousands of dollars)

Identification code	1986 est.	1987 est.	1988 est.
14-2303-0-1-452			
<b>Personnel compensation:</b>			
11.1 Full-time permanent			645
11.3 Other than full-time permanent			40
11.9 Total personnel compensation			685
21.0 Travel & transportation of persons			60
23.2 Rental payments to GSA			64
25.0 Other services			14
26.0 Supplies and materials			25
31.0 Equipment			80
41.0 Grants, subsidies, and contributions			11,700
99.9 Total obligations			12,628

**Personnel Summary**

Total number of full-time permanent positions	29
Total compensable work years:	
Full-time equivalent employment	29
Full-time equivalent of overtime and holiday hours	1

**EASTERN INDIAN LAND CLAIMS SETTLEMENT FUND**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
14-2202-0-1-806			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-54	-54	-54
24.40 Unobligated balance available, end of year	54	54	54
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Obligations incurred, net			
90.00 Outlays			

Payments were made to the Rhode Island Indian claims settlement fund as authorized by Public Law 95-395, September 30, 1978, for settlement of certain Indian land claims in the State of Rhode Island.

**OPERATION AND MAINTENANCE OF QUARTERS**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
14-5051-0-2-452			
<b>Program by activities:</b>			
10.00 Total obligations	7,940	9,500	8,500
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-4,032	-3,052	-2,552
24.40 Unobligated balance available, end of year	3,052	2,552	3,052
60.00 Appropriation (permanent, special fund)	6,960	9,000	9,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net	7,940	9,500	8,500
72.40 Obligated balance, start of year	1,259	3,162	3,662
74.40 Obligated balance, end of year	-3,162	-3,662	-3,162
90.00 Outlays	6,037	9,000	9,000

Public Law 88-459 (Federal Employees Quarters and Facilities Act of 1964) is the basic authority under which the Secretary utilizes quarters rentals funds to defer the costs of operation and maintenance incidental to the employee quarters program. Public Law 98-473

BUREAU OF INDIAN AFFAIRS—Continued

General and special funds—Continued

OPERATION AND MAINTENANCE OF QUARTERS—Continued

established a special fund, to remain available until expended, for the operation and maintenance of quarters.

Object Classification (in thousands of dollars)

Identification code 14-5051-0-2-452	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,164	2,184	2,205
11.3 Other than full-time permanent.....	535	540	546
11.5 Other personnel compensation.....	50	50	50
11.9 Total personnel compensation.....	2,749	2,775	2,801
12.1 Personnel benefits: Civilian.....	270	273	275
13.0 Benefits for former personnel.....	1	1	1
21.0 Travel and transportation of persons.....	28	50	50
22.0 Transportation of things.....	48	30	30
23.3 Communications, utilities, and miscellaneous charges.....	281	280	200
25.0 Other services.....	1,757	1,800	1,500
26.0 Supplies and materials.....	1,114	1,100	1,000
31.0 Equipment.....	188	180	100
32.0 Lands and structures.....	1,503	3,011	2,543
44.0 Refunds.....	1		
99.9 Total obligations.....	7,940	9,500	8,500

Personnel Summary

Total number of full-time permanent positions.....	25	18	18
Total compensable workyears:			
Full-time equivalent employment.....	27	20	20
Full-time equivalent of overtime and holiday hours.....	1	1	1

MISCELLANEOUS PERMANENT APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9925-0-2-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Claims and treaty obligations.....	961	2,000	2,000
00.02 Operation and maintenance, Indian irrigation systems.....	16,159	19,000	19,000
00.03 Power systems, Indian irrigation projects.....	21,856	30,000	30,000
10.00 Total obligations.....	38,976	51,000	51,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-25,083	-32,202	-32,202
24.40 Unobligated balance available, end of year.....	32,202	32,202	32,202
60.00 Budget authority (appropriation) (permanent, indefinite).....	46,095	51,000	51,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	38,976	51,000	51,000
72.40 Obligated balance, start of year.....	8,383	7,846	12,946
74.40 Obligated balance, end of year.....	-7,846	-12,946	-15,496
90.00 Outlays.....	39,513	45,900	48,450
<b>Distribution of budget authority by account:</b>			
Claims and treaty obligations (general fund).....	961	2,000	2,000
Operation and maintenance, Indian irrigation systems (special fund).....	16,634	19,000	19,000
Power systems, Indian irrigation projects (special fund).....	28,500	30,000	30,000
<b>Distribution of outlays by account:</b>			
Claims and treaty obligations (general fund).....	854	2,000	2,000
Operation and maintenance, Indian irrigation systems (special fund).....	16,037	19,000	19,000
Power systems, Indian irrigation projects (special fund).....	22,622	24,900	27,450

**Claims and treaty obligations.**—Payments are made to fulfill treaty obligations with the Senecas of New York (act of February 19, 1831), the Six Nations of New York (act of November 11, 1794), and the Pawnees of

Oklahoma (the treaty of September 24, 1857); and benefit claims to the Sioux Indians (acts of March 2, 1889, June 10, 1896, and June 21, 1906).

**Operation and maintenance, Indian irrigation systems.**—Revenues derived from charges for operation and maintenance of Indian irrigation projects are used to defray in part the cost of operating and maintaining these projects (60 Stat. 895).

**Power systems, Indian irrigation projects.**—Revenues collected from the sale of electric power by the Colorado River, Flathead, and San Carlos power systems are used to operate and maintain these systems (60 Stat. 895; 65 Stat. 254).

Object Classification (in thousands of dollars)

Identification code 14-9925-0-2-999	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	8,869	8,953	9,453
11.3 Other than full-time permanent.....	785	792	836
11.5 Other personnel compensation.....	407	417	441
11.8 Special personal services payments.....	6		
11.9 Total personnel compensation.....	10,067	10,162	10,730
12.1 Personnel benefits: Civilian.....	1,520	1,534	1,620
21.0 Travel and transportation of persons.....	161	161	161
22.0 Transportation of things.....	557	557	557
23.2 Rental payments to others.....	11,792	11,792	11,792
24.0 Printing and reproduction.....	6	6	6
25.0 Other services.....	8,502	20,417	19,763
26.0 Supplies and materials.....	5,158	5,158	5,158
31.0 Equipment.....	242	242	242
32.0 Lands and structures.....	15	15	15
41.0 Grants, subsidies, and contributions.....	956	956	956
99.9 Total obligations.....	38,976	51,000	51,000

Personnel Summary

Total number of full-time permanent positions.....	429	400	400
Total compensable workyears:			
Full-time equivalent employment.....	503	469	469
Full-time equivalent of overtime and holiday hours.....	15	14	14

Public enterprise funds:

REVOLVING FUND FOR LOANS

During fiscal year [1987] 1988, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed [\$16,320,000] \$13,000,000. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-4409-0-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	14,107	16,320	13,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
14.00 Collections of loans.....	-8,726	-6,389	-6,000
14.00 Revenues, interest on loans.....	-4,092	-6,517	-7,000
21.98 Unobligated balance available, start of year: Fund balance.....	-4,703	-3,414	
24.98 Unobligated balance available, end of year: Fund balance.....	3,414		
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,289	3,414	
72.98 Obligated balance, start of year: Fund balance.....	1,916	4,118	
74.98 Obligated balance, end of year: Fund balance.....	-4,118		
90.00 Outlays.....	-913	7,532	

**Status of Direct Loans** (in thousands of dollars)

Identification code 14-4409-0-3-452	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	15,599	16,320	13,000
1112 Unused balance of direct loan limitation expiring.....	-1,492		
1150 Total direct loan obligations.....	14,107	16,320	13,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	105,445	106,306	118,085
1231 Disbursements: Direct loan disbursements.....	11,175	21,168	13,000
1251 Repayments: Repayments and prepayments.....	-8,726	-6,389	-6,500
1262 Adjustments: Write-offs for default.....	-1,588	-3,000	-3,000
1290 Outstanding, end of year.....	106,306	118,085	121,585

This fund, established by the Indian Financing Act of 1974, provides a source of financing for Indians who cannot borrow from other Government credit agencies or from ordinary commercial lenders because of their low economic status, isolated geographic location, trust status of land, lack of bankable security, or other reasons. Direct loans are made for any purpose that will promote the economic development of the borrower, including loans for educational purposes.

**Revenue and Expense** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Loan program:			
Revenue.....	4,092	6,517	6,500
Expense.....	-8,667	-3,000	-3,000
Net operating income.....	-4,575	3,517	3,500

**Financial Condition** (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	6,619	7,532		
Accounts receivable.....		729		
Loans receivable, net.....	97,122	90,905	102,683	106,183
Total assets.....	103,741	99,166	102,683	106,183
<b>Liabilities:</b>				
Selected liabilities: Accounts payable.....	1,916	4,847		
<b>Government equity:</b>				
Selected equities: Unexpended budget authority:				
Unobligated balance.....	4,703	3,414		
Invested capital.....	97,122	90,905	102,683	106,183
Total Government equity.....	101,825	94,319	102,683	106,183
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....		75,282	75,282	75,282
Closing balance.....		75,282	75,282	75,282
Retained income:				
Opening balance.....		28,459	23,884	27,401
Transactions: Net operating income.....		-4,575	3,517	3,500
Closing balance.....		23,884	27,401	30,901
Total Government equity (end of year).....		99,166	102,683	106,183

**INDIAN LOAN GUARANTY AND INSURANCE FUND**

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), **[\$2,452,000]** \$3,285,000, to remain available until expended: *Provided, That during*

fiscal year **[1987]** 1988, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, as amended, may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed **[resources and authority available]** \$33,500,000. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing** (in thousands of dollars)

Identification code 14-4410-0-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Interest subsidy expense.....	670	1,952	2,502
00.02 Technical assistance.....	698	500	700
00.03 Administrative expenses.....	61	100	100
00.91 Total operating expenses.....	1,429	2,552	3,302
01.01 Capital investment.....	6,095	6,615	4,900
10.00 Total obligations.....	7,524	9,167	8,202
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-534	-950	-1,400
21.98 Unobligated balance available, start of year.....	19,194	14,307	8,542
24.98 Unobligated balance available, end of year.....	14,307	8,542	5,025
40.00 Budget authority (appropriation).....	2,103	2,452	3,285
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	6,990	8,217	6,802
72.98 Obligated balance, start of year.....	7,578	7,687	6,000
74.98 Obligated balance, end of year.....	-7,687	-6,000	-5,700
90.00 Outlays.....	6,881	9,904	7,102

**Status of Direct Loans** (in thousands of dollars)

Identification code 14-4410-0-3-452	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
Obligations exempt from limitation:			
1131 Direct loans to the public.....	81	100	100
1132 Defaulted guaranteed loan claims.....	6,014	6,515	4,800
1150 Total direct loan obligations.....	6,095	6,615	4,900
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	6,340	11,974	11,629
Disbursements:			
1231 Direct loan disbursements.....	81	100	100
1232 Disbursements for guaranteed loan claims.....	6,014	6,515	4,800
Repayments:			
1251 Repayments and prepayments.....	-33	-100	-100
1252 Repayment of defaulted guaranteed loans.....		-110	-500
Adjustments:			
1262 Write-offs for defaults.....	-1,089	-6,500	-2,500
1264 Other adjustments, net <sup>1</sup> .....	661	-250	230
1290 Outstanding, end of year.....	11,974	11,629	13,659

<sup>1</sup> Unguaranteed portion of defaulted loans assigned to the Bureau of Indian Affairs by commercial lenders.

**Status of Guaranteed Loans** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders.....			33,500
2131 Guaranteed loan commitments exempt from limitation.....	37,398	40,000	
2150 Total guaranteed loan commitments.....	37,398	40,000	33,500
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	118,579	142,492	170,292
2231 Disbursement of new guaranteed loans.....	37,398	40,000	33,500
2251 Repayments and prepayments.....	-4,755	-5,854	-6,897
Adjustments:			
2261 Terminations for default that result in direct loans.....	-6,188	-6,346	-4,950

BUREAU OF INDIAN AFFAIRS—Continued

Public enterprise funds—Continued

INDIAN LOAN GUARANTY AND INSURANCE FUND—Continued

Status of Guaranteed Loans (in thousands of dollars)—Continued

2264	Other adjustments, net <sup>1</sup> .....	-2,542		
2290	Outstanding, end of year.....	142,492	170,292	191,945
2299	Memorandum: U.S. contingent liability for guaranteed loans outstanding, end of year.....	126,703	151,857	170,639

<sup>1</sup> Purchased less than 100% participation in guaranteed loans.

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to support a program of guaranteeing or insuring loans made by commercial lending institutions to Indians and to tribes and other Indian organizations for economic development purposes. An interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest. The purpose of this program is to provide an incentive to the private lending sector to make loans to Indians which would not otherwise be made.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Loan guaranty and insurance fund program:			
Revenue.....	500	740	900
Expense.....	-1370	-4,412	-3,833
Write offs.....	-1,089	-6,500	-2,500
Net operating loss, total.....	-1,959	-10,172	-5,433

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	26,771	21,993	14,542	10,725
Advances.....	181	175		
Assets acquired through default.....	5,791	10,719	10,625	12,294
Total assets.....	32,743	32,887	25,167	23,019
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable.....	258	258		
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	19,194	14,307	8,542	5,025
Undelivered orders.....	7,500	7,603	6,000	5,700
Invested capital.....	5,791	10,719	10,625	12,294
Total Government equity.....	32,485	32,629	25,167	23,019
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....		45,000	47,103	49,555
Appropriation.....		2,103	2,452	3,285
Closing balance.....		47,103	49,555	52,840
Retained income:				
Opening balance.....		-12,257	-14,216	-24,388
Transaction: Net operating loss.....		-1,957	-10,172	-5,433
Closing balance.....		-14,216	-24,388	-29,821
Total Government equity (end of year).....		32,887	25,167	23,019

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	
14-4410-0-3-452				
21.0	Travel and transportation of persons.....	61	100	100
25.0	Other services.....	698	500	700
33.0	Investments and loans.....	6,095	6,615	4,900
41.0	Grants, subsidies, and contributions.....	670	1,952	2,502
99.9	Total obligations.....	7,524	9,167	8,202

LIQUIDATION OF HOONAH HOUSING PROJECT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
14-4320-0-3-452			
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	15	
<b>Financing:</b>			
21.98	Unobligated balance available, start of year: Fund balance.....	-15	
39.00	Budget authority.....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	15	
72.98	Receivables in excess of obligations, start of year.....		2
74.98	Receivables in excess of obligations, end of year.....	-2	
90.00	Outlays.....	13	2

This fund was transferred from the Housing and Home Finance Agency to the Secretary of the Interior under the provisions of Public Law 85-806. The Secretary uses the funds transferred from the Housing and Home Finance Agency, along with any other revenues that may be received from the Hoonah housing project, for the purpose of liquidating this project in accordance with the provisions of the law.

Trust Funds

COOPERATIVE FUND (PAPAGO)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	
14-8366-0-7-452				
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance.....	-2	693	
21.40	U.S. securities (par).....	-12,825	-13,900	-14,103
21.40	Unrealized discounts.....		52	52
Unobligated balance available, end of year:				
24.40	Treasury balance.....	-693		
24.40	U.S. securities (par).....	13,900	14,103	15,034
24.40	Unrealized discounts.....	-52	-52	-52
60.00	Budget authority (appropriation) (permanent, indefinite).....	328	896	932
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

This Cooperative Fund, established by section 313 of the Southern Arizona Water Rights Settlement Act (96 Stat. 1274-1285), provides a source of funds for the Secretary of the Interior to carry out the obligations of the Secretary under sections 303, 304, and 305 of the act. Only interest accruing to the fund may be expended. However, the law provides that no such interest can be

spent prior to the earlier of 1992 or the completion of the main project works of the Central Arizona Project.

MISCELLANEOUS TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is [hereby] appropriated in fiscal year 1988 and thereafter to the Secretary of the Interior for the benefit of the tribes on whose behalf such funds were collected, not to exceed \$1,000,000 in each fiscal year from tribal funds not otherwise available for expenditure. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-9973-0-7-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program (limitation) .....	974	1,000	.....
00.02 Miscellaneous permanent .....	307,248	353,400	365,000
00.03 Other trust funds .....	406	500	500
10.00 Total obligations (object class 44.0) .....	308,628	354,900	365,500
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance .....	-989,808	-1,030,782	-1,052,127
21.40 U.S. securities (par) .....	-182,342	-144,212	-162,277
21.40 Unrealized discounts .....	.....	1,295	1,295
Unobligated balance available, end of year:			
24.40 Treasury balance .....	1,030,782	1,052,127	1,093,229
24.40 U.S. securities (par) .....	144,212	162,277	153,745
24.40 Unrealized discounts .....	-1,295	-1,295	-1,295
39.00 Budget authority .....	310,177	394,310	398,070
<b>Budget authority:</b>			
40.00 Appropriation .....	974	1,000	1,000
60.00 Appropriation (permanent, indefinite) .....	309,203	393,310	397,070
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	308,628	354,900	365,500
72.40 Obligated balance, start of year .....	300	1,045	1,066
74.40 Obligated balance, end of year .....	-1,045	-1,066	-8,303
90.00 Outlays .....	307,883	354,879	358,263
<b>Distribution of budget authority by account:</b>			
Indian tribal funds .....	310,148	394,100	397,860
Funds contributed for the advancement of the Indian race .....	24	203	203
Bequest of George C. Edgeter .....	5	7	7
<b>Distribution of outlays by account:</b>			
Indian tribal funds .....	307,386	354,676	358,060
Funds contributed for the advancement of the Indian race .....	408	203	203
Bequest of George C. Edgeter .....	89	.....	.....

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits [;], and purchase of not to exceed 150 passenger carrying motor vehicles, of which 100 shall be for replacement only [;]. *Provided, That notwithstanding any other provision of law, receipts collected from Indian timber sales shall hereafter be available to the Bureau of Indian Affairs to defray costs associated with servicing timber sales.* (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Department of Transportation: "Federal-Aid Highways (Liquidation of Contract Authorization) (Trust Fund)."

TERRITORIAL AND INTERNATIONAL AFFAIRS

TERRITORIAL AND INTERNATIONAL AFFAIRS

The Secretary of the Interior is charged with the responsibility of promoting the economic and political development of those territories and the Trust Territory which are under U.S. jurisdiction and within the responsibility of the Interior Department. The Secretary originates and implements Federal policy; guides and coordinates certain operating programs and construction projects; provides information services and technical assistance; and participates in foreign policy and defense matters concerning the territories, the Freely Associated States, and the Trust Territory.

Federal Funds

General and special funds:

ADMINISTRATION OF TERRITORIES\*

\*See Part II for additional information.

For expenses necessary for the administration of territories under the jurisdiction of the Department of the Interior, [\$78,224,000] \$61,933,000, of which (1) [\$75,501,000] \$58,971,000 shall be available until expended for technical assistance; late charges and payments of the annual interest rate differential required by the Federal Financing Bank, under terms of the second refinancing of an existing loan to the Guam Power Authority, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for support of governmental functions; construction grants to the Government of the Virgin Islands as authorized by Public Law 97-357 (96 Stat. 1709); construction grants to the Government of Guam, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241; 90 Stat. 272); and (2) [\$2,723,000] \$2,962,000 for salaries and expenses of the Office of Territorial and International Affairs: *Provided, That the territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: Provided further, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, shall be audited by the General Accounting Office, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 99-396, except that should the Secretary of the Interior believe that the performance standards of such agreement are not being met, operations funds may be withheld, but only by Act of Congress as required by Public Law 99-396.* (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-0412-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Guam:			
00.01 Construction grants .....	4,360	5,500	1,100
American Samoa:			
00.02 Operations grants .....	19,763	20,776	15,400
00.03 Construction grants .....	5,633	4,313	1,950
Virgin Islands:			
00.04 Construction grants .....	.....	2,900	2,400
Northern Mariana Islands:			
00.05 Covenant grants .....	32,686	35,344	34,360
00.06 Other construction grants .....	3,187	.....	.....
Territorial administration:			
00.07 Office of Territorial and International Affairs .....	2,350	2,723	2,962

TERRITORIAL AND INTERNATIONAL AFFAIRS—Continued  
General and special funds—Continued

ADMINISTRATION OF TERRITORIES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 14-0412-0-1-806	1986 actual	1987 est.	1988 est.
00.08 Technical assistance.....	4,708	7,755	2,200
00.09 Guam power authority loan assistance.....	8,066	1,968	1,561
00.91 Total direct program.....	80,753	81,279	61,933
01.01 Reimbursable program.....	2,751	2,000	2,000
10.00 Total obligations.....	83,504	83,279	63,933
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-2,661	-2,000	-2,000
14.00 Non-Federal sources.....	-1,441	-1,550	-1,655
21.40 Unobligated balance available, start of year.....	-7,439	-3,055	
24.40 Unobligated balance available, end of year.....	3,055		
31.00 Redemption of debt.....	1,441	1,550	1,655
40.00 Budget authority (appropriation).....	76,459	78,224	61,933
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	79,402	79,729	60,278
72.40 Obligated balance, start of year.....	42,592	42,070	40,349
74.40 Obligated balance, end of year.....	-42,070	-40,349	-41,582
77.00 Adjustments in expired accounts.....	-89		
90.00 Outlays.....	79,834	81,450	59,045

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	76,459	78,224	61,933
Outlays.....	79,834	81,450	59,045
<b>Rescission proposal:</b>			
Budget authority.....		-2,500	
Outlays.....		-2,000	-500
<b>Total:</b>			
Budget authority.....	76,459	75,724	61,933
Outlays.....	79,834	79,450	58,545

Status of Direct Loans (in thousands of dollars)

Identification code 14-0412-0-1-806	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	63,334	61,893	60,343
1251 Repayments: Repayments and prepayments.....	-1,441	-1,550	-1,655
1290 Outstanding, end of year.....	61,893	60,343	58,688

This appropriation contains support for basic Government operations for those territories requiring such support, capital infrastructure improvements, economic development assistance, and technical assistance.

Object Classification (in thousands of dollars)

Identification code 14-0412-0-1-806	1986 actual	1987 est.	1988 est.
<b>Direct program:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,486	1,610	1,621
11.3 Other than full-time permanent.....	31	50	50
11.5 Other personnel compensation.....	9	10	10
11.9 Total personnel compensation.....	1,526	1,670	1,681
12.1 Personnel benefits: Civilian.....	251	302	478
13.0 Benefits for former personnel.....	34	45	45
21.0 Travel and transportation of persons.....	308	490	490
22.0 Transportation of things.....	23	25	25
23.1 Rental payments to GSA.....	178	210	241
23.2 Rental payments to others.....	100	120	170
24.0 Printing and reproduction.....	19	50	50
25.0 Other services.....	936	850	800
26.0 Supplies and materials.....	20	15	15
31.0 Equipment.....	55	55	60

41.0 Grants, subsidies, and contributions.....	77,303	77,447	57,878
99.0 Subtotal, direct program.....	80,753	81,279	61,933
99.0 Reimbursable program.....	2,751	2,000	2,000
99.9 Total obligations.....	83,504	83,279	63,933

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	51	55	55
Total compensable workyears: Full-time equivalent employment.....	51	55	55
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	1	1	1

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (90 Stat. 299; 91 Stat. 1159; 92 Stat. 495); grants for the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; grants for the compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands, in addition to local revenues, for support of governmental functions; **[\$67,387,000] \$14,820,000, of which \$12,220,000 is for operations; and of which \$2,600,000 is for construction, to remain available until expended: Provided, That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with chapter 35 of title 31, United States Code: Provided further, That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration [; Provided further, That notwithstanding the proviso under "Trust Territory of the Pacific Islands" in Public Law 97-257 making funds available for the relocation and resettlement of the Bikini people in the Marshall Islands, such funds shall be available for relocation and resettlement of the Bikini people to any location]. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)**

Program and Financing (in thousands of dollars)

Identification code- 14-0414-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Trust Territory operations.....	10,284	8,378	1,133
00.02 Federated States of Micronesia operations.....	38,763	38,763	
00.03 Republic of the Marshall Islands operations.....	10,940	10,940	
00.04 Republic of Palau operations.....	10,084	10,084	11,087
<b>Trust Territory construction:</b>			
00.05 Capital improvements.....	10,481		
00.06 Capitol relocation.....			2,600
00.07 Enewetak support.....	857	900	
00.08 Bikini resettlement.....	1,664	1,500	
10.00 Total obligations (object class 41.0).....	83,073	70,565	14,820
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-9,796	-3,178	
24.40 Unobligated balance available, end of year.....	3,178		
40.00 Budget authority (appropriation).....	76,455	67,387	14,820
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	83,073	70,565	14,820
72.40 Obligated balance, start of year.....	47,913	37,858	23,423
74.40 Obligated balance, end of year.....	-37,858	-23,423	-20,023
90.00 Outlays.....	93,128	85,000	18,220

Under the terms of the 1947 Trustee Agreement between the United States and the Security Council of the

United Nations, the United States exercises full jurisdiction over the Trust Territory and is obligated to promote the political, economic, and educational advancement of the inhabitants. These responsibilities are carried out through the Department of the Interior.

The Trusteeship Agreement is no longer in effect with respect to the Republic of the Marshall Islands and the Federated States of Micronesia. Their assistance is discussed in the "Compact of Free Association" account. The United States has approved a Compact with the Republic of Palau. However, Palau will continue to have the status of a Trust Territory until Palau approves the Compact.

COMPACT OF FREE ASSOCIATION

For the Enjebi Community Trust Fund, as authorized by Public Law 99-239, \$2,250,000: *Provided*, That notwithstanding any other provision of law, the funds made available under this head in Public Law 99-349 shall remain available for obligation until expended: *Provided further*, That notwithstanding any other provision of law, for purposes of economic assistance as provided pursuant to the Compacts of Free Association, the effective date of the Compacts shall be October 1, 1986, except that the effective date for commencing the Kwajalein use and impact payments pursuant to sections 211(a)(1) and 213(a) of Public Law 99-239 shall be October 1, 1985: *Provided further*, That the \$60,719,000 made available in fiscal year 1986 for the Compacts pursuant to Public Law 99-349 from the "Trust Territory of the Pacific Islands" appropriation shall remain available until expended for the Trust Territory of the Pacific Islands: *Provided further*, That upon the effective date determined by the President for implementing the Compacts, \$60,719,000 of the amount made available for fiscal year 1987 under the "Trust Territory of the Pacific Islands" appropriation pursuant to this Act shall be considered to have been made available and expended for the "Compact of Free Association" appropriation as of October 1, 1986. *For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, and 223 of the Compact of Free Association, \$27,920,000, to remain available until expended, as authorized by Public Law 99-239: Provided, That notwithstanding the provisions of the Public Laws 99-500 and 99-591, the effective date of the Palau Compact for purposes of economic assistance pursuant to the Palau Compact of Free Association, Public Law 99-658, shall be the effective date of the Palau Compact as determined pursuant to section 101(d) of Public Law 99-658. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)*

Program and Financing (in thousands of dollars)

Identification code	14-0415-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Assistance to the Marshall Islands	10,032	28,547	35,210
00.02	Assistance to the Federated States of Micronesia		45,585	75,770
00.03	Federal services assistance		18,750	17,920
00.04	Program grant assistance		160,000	15,370
00.05	Prior service benefits		8,000	
00.06	Enjebi trust fund		5,000	
00.07	Capital relocation	12,000		
10.00	Total obligations (object class 41.0)	22,032	265,882	144,270
<b>Financing:</b>				
21.40	Unobligated balance available, start of year		-198,840	-9,340
24.40	Unobligated balance available, end of year	198,840	9,340	
39.00	Budget authority	220,872	76,382	144,270
<b>Budget authority:</b>				
40.00	Appropriation	210,840	2,250	27,920
60.00	Appropriation (permanent, indefinite)	10,032	74,132	116,350
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	22,032	265,882	144,270
72.40	Obligated balance, start of year		12,000	

74.40	Obligated balance, end of year	-12,000		
90.00	Outlays	10,032	277,882	144,270

The peoples of the Marshall Islands and the Federated States of Micronesia approved Compacts of Free Association negotiated by the United States and their governments. The Compact of Free Association Act of 1985 constitutes the necessary authorizing legislation to make annual payments to the two states during the next fifteen years, totalling \$2.3 billion. This assistance will aid in their successful development as sovereign states.

MICRONESIAN CLAIMS FUND, TRUST TERRITORY OF THE PACIFIC ISLANDS

Program and Financing (in thousands of dollars)

Identification code	14-0416-0-1-806	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
72.40	Obligated balance, start of year	272	215	
74.40	Obligated balance, end of year	-215		
90.00	Outlays	57	215	

PAYMENTS TO THE UNITED STATES TERRITORIES, FISCAL ASSISTANCE

Program and Financing (in thousands of dollars)

Identification code	14-0418-0-1-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Advance payments to Guam of estimated U.S. income tax collections	54,172	43,000	46,000
00.02	Advance payments to the Virgin Islands of estimated U.S. excise tax collections	25,840	22,000	24,000
10.00	Total obligations (object class 41.0)	80,012	65,000	70,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-97		
60.00	Budget authority (appropriation) (permanent, indefinite)	79,915	65,000	70,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	80,012	65,000	70,000
72.40	Obligated balance, start of year		1,880	
74.40	Obligated balance, end of year	-1,880		
90.00	Outlays	78,132	66,880	70,000

Public Law 95-348 requires that certain revenues collected by the Internal Revenue Service involving Guam and the Virgin Islands (income taxes withheld and excise taxes) be paid prior to the start of the fiscal year of collection. The 1988 funding is for the 1989 prepayment.

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY

Federal Funds

General and special funds:

OFFICE OF THE SECRETARY SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of the Interior, including \$1,586,000 for the Immediate Office of the Secretary, \$42,816,000, \$50,976,000, of which not to exceed \$10,000 may be for official reception and representation expenses. (43 U.S.C. 1451, 1457;

OFFICE OF THE SECRETARY—Continued

General and special funds—Continued

【OFFICE OF THE SECRETARY】 SALARIES AND EXPENSES—Continued

Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h.)

Program and Financing (in thousands of dollars)

Identification code 14-0102-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Departmental direction.....	5,824	5,445	6,256
00.02 Program direction and coordination.....	4,023	3,932	4,581
00.03 Policy, budget, and administration.....	15,524	14,041	17,045
00.04 Hearings and appeals.....	5,241	5,200	5,983
00.05 Aircraft services.....	1,662	1,658	1,774
00.06 Central services.....	8,625	12,540	15,337
00.91 Total direct program.....	40,899	42,816	50,976
01.01 Reimbursable program.....	54,135	58,000	63,000
10.00 Total obligations.....	95,034	100,816	113,976
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-54,135	-58,000	-63,000
25.00 Unobligated balance lapsing.....	396		
40.00 Budget authority (appropriation).....	41,296	42,816	50,976
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	40,899	42,816	50,976
72.40 Obligated balance, start of year.....	22,401	3,706	5,712
74.40 Obligated balance, end of year.....	-3,706	-5,712	-5,945
77.00 Adjustments in expired accounts.....	4,846		
90.00 Outlays.....	64,440	40,810	50,743

This appropriation provides overall departmental direction and guidance including such activities and functions as: congressional liaison, public affairs, and equal opportunity; program direction and coordination; activities concerning policy, budget, and administration; the Department's quasi-judicial and appellate responsibilities; aviation policy; and general administrative support, such as space and postage for the Secretarial accounts.

Object Classification (in thousands of dollars)

Identification code 14-0102-0-1-306	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	23,481	23,024	25,233
11.3 Other than full-time permanent.....	586	914	888
11.5 Other personnel compensation.....	360	94	88
11.8 Special personal services payments.....	6		
11.9 Total personnel compensation.....	24,433	24,032	26,209
12.1 Personnel benefits: Civilian.....	3,009	3,037	5,148
13.0 Benefits for former personnel.....	193	200	170
21.0 Travel and transportation of persons.....	765	953	1,029
22.0 Transportation of things.....	11	20	38
23.1 Rental payments to GSA.....	4,983	6,642	7,812
23.2 Rental payments to others.....	35	36	36
23.3 Communications, utilities, and miscellaneous charges.....	1,261	1,551	1,663
24.0 Printing and reproduction.....	391	478	551
25.0 Other services.....	5,205	5,327	7,231
26.0 Supplies and materials.....	452	517	571
31.0 Equipment.....	161	23	518
99.0 Subtotal, direct obligations.....	40,899	42,816	50,976
99.0 Reimbursable obligations.....	54,135	58,000	63,000
99.9 Total obligations.....	95,034	100,816	113,976

Personnel Summary

Direct program:			
Total number of full-time permanent positions.....	683	581	617

Total compensable workyears: Full-time equivalent employment.....	645	593	628
Reimbursable program:			
Total compensable workyears: Full-time equivalent employment.....	32	20	30

OFFICE OF THE SECRETARY (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code 14-0105-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Endangered species.....	552		
00.02 Mining reclamation research.....	410		
10.00 Total obligations (object class 25.0).....	962		
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-33		
21.40 Unobligated balance available, start of year.....	-1,180		
25.00 Unobligated balance lapsing.....	1,202		
40.00 Budget authority (appropriation).....	951		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	962		
72.40 Obligated balance, start of year.....	2,175	2,499	538
74.40 Obligated balance, end of year.....	-2,499	-538	
78.00 Adjustments in unexpired accounts.....	-33		
90.00 Outlays.....	605	1,961	538

Under this program, the Department provides leadership and support in the conduct of selected research projects carried out by foreign nations. No funds are requested in 1987 or 1988. Amounts reflected above represent the close out of the program.

【CONSTRUCTION MANAGEMENT】

【For necessary expenses of the Office of Construction Management, \$684,000.】 (43 U.S.C. 1451, 1457; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 14-0103-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	685	684	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-12		
25.00 Unobligated balance lapsing.....	69		
40.00 Budget authority (appropriation).....	742	684	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	673	684	
72.40 Obligated balance, start of year.....	274	175	112
74.40 Obligated balance, end of year.....	-175	-112	-112
77.00 Adjustments in expired accounts.....	-7		
90.00 Outlays.....	765	747	

Note.—Excludes \$684 thousand in 1988 for activities transferred to the Department of Interior, Bureau of Indian Affairs, Operation of Indian programs account.

This office assists the bureaus and offices of the Department of the Interior in improving their performance in planning, designing, constructing and operating facilities. The 1988 Budget proposes to fund this office under the Bureau of Indian Affairs.

**Object Classification** (in thousands of dollars)

Identification code 14-0103-0-1-306	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	436	450	
11.3 Other than full-time permanent.....	16		
11.5 Other personnel compensation.....	7		
11.9 Total personnel compensation.....	459	450	
12.1 Personnel benefits: Civilian.....	50	53	
21.0 Travel and transportation of persons.....	17	18	
23.1 Rental payments to GSA.....	39	67	
23.2 Rental payments to others.....		2	
23.3 Communications, utilities, and miscellaneous charges.....	10	18	
24.0 Printing and reproduction.....	3	4	
25.0 Other services.....	103	68	
26.0 Supplies and materials.....	4	4	
99.9 Total obligations.....	685	684	

**Personnel Summary**

Total number of full-time permanent positions.....	13	10	
Total compensable workyears: Full-time equivalent employment.....	10	10	

**MISCELLANEOUS EXPIRING APPROPRIATIONS**

**Program and Financing** (in thousands of dollars)

Identification code 14-9911-0-1-300	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	244		
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-2		
21.40 Unobligated balance available, start of year.....	-271	-29	-29
24.40 Unobligated balance available, end of year.....	29	29	29
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	244		
72.40 Obligated balance, start of year.....	362	164	164
74.40 Obligated balance, end of year.....	-164	-164	-164
77.00 Adjustments in expired accounts.....	-10		
78.00 Adjustments in unexpired accounts.....	-2		
90.00 Outlays.....	430		

Amounts above reflect the spendout of available funds for issues related to water policy and close out of the youth conservation corps program.

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing** (in thousands of dollars)

Identification code 14-4523-0-4-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses: Sales program:			
00.01 Goods and services.....	13,818	13,872	15,271
00.02 Aircraft services.....	47,308	50,000	50,000
10.00 Total obligations.....	61,126	63,872	65,271
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-59,701	-63,872	-65,271
17.00 Recovery of prior year obligations.....	-1,425		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,425		
72.98 Obligated balance, start of year: Fund balance.....	3,179	2,603	2,603
74.98 Obligated balance, end of year: Fund balance.....	-2,603	-2,603	-2,603

78.00 Adjustments in unexpired accounts.....	-1,425		
90.00 Outlays.....	577		

This fund finances central reproduction, communication, supplies, health services, aircraft, and other such services which may be performed more advantageously on a reimbursable basis (43 U.S.C. 1467).

**Object Classification** (in thousands of dollars)

Identification code 14-4523-0-4-306	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	8,197	8,560	8,822
11.3 Other than full-time permanent.....	455	467	471
11.5 Other personnel compensation.....	220	222	226
11.8 Special personal services payments.....	547	536	536
11.9 Total personnel compensation.....	9,419	9,784	10,055
12.1 Personnel benefits: Civilian.....	1,179	1,242	1,275
13.0 Benefits for former personnel.....	8		
21.0 Travel and transportation of persons.....	544	489	487
22.0 Transportation of things.....	107	107	107
23.1 Rental payments to GSA.....	10	11	
23.3 Communications, utilities, and miscellaneous charges.....	1,185	1,000	1,066
24.0 Printing and reproduction.....	1,428	1,554	1,554
25.0 Other services.....	43,483	44,888	45,903
26.0 Supplies and materials.....	3,132	3,248	3,252
31.0 Equipment.....	631	1,549	1,572
99.9 Total obligations.....	61,126	63,872	65,271

**Personnel Summary**

Total number of full-time permanent positions.....	254	311	315
Total compensable workyears:			
Full-time equivalent employment.....	236	349	353
Full-time equivalent of overtime and holiday hours.....	8	8	8

**ADMINISTRATIVE PROVISIONS**

There is hereby authorized for acquisition from available resources within the Working Capital Fund, [12 additional aircraft, 10] 8 aircraft, all of which shall be for replacement [only: *Provided*, That no programs funded with appropriated funds in the "Office of the Secretary", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund]. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts in 1986 are included in the schedules of the parent appropriations as follows:  
Labor: Employment and Training Administration, "Training and employment services."

**OFFICE OF THE SOLICITOR**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of the Solicitor, [\$20,880,000] \$24,794,000. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

**Program and Financing** (in thousands of dollars)

Identification code 14-0107-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	19,335	20,880	24,794
01.01 Reimbursable program.....	370	95	50
10.00 Total obligations.....	19,705	20,975	24,844

OFFICE OF THE SOLICITOR—Continued  
General and special funds—Continued  
SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-0107-0-1-306	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-370	-95	-50
25.00	Unobligated balance lapsing	50		
40.00	<b>Budget authority (appropriations)</b>	<b>19,385</b>	<b>20,880</b>	<b>24,794</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	19,335	20,880	24,794
72.40	Obligated balance, start of year	1,286	708	791
74.40	Obligated balance, end of year	-708	-791	-932
77.00	Adjustments in expired accounts	-112		
90.00	<b>Outlays</b>	<b>19,801</b>	<b>20,797</b>	<b>24,653</b>

The Office of the Solicitor in the Department of the Interior provides legal advice and counsel to the Secretary and all constituent bureaus and offices of the Department. All attorneys and auxiliary personnel, with the exception of those in the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Office of Hearings and Appeals, are under the supervision of the Solicitor. The Office is comprised of the headquarters staff, located in Washington, DC, and 20 regional and field offices.

Object Classification (in thousands of dollars)

Identification code	14-0107-0-1-306	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	13,936	13,930	15,036
11.3	Other than full-time permanent	44	90	94
11.5	Other personnel compensation	21	81	286
11.9	<b>Total personnel compensation</b>	<b>14,001</b>	<b>14,101</b>	<b>15,416</b>
12.1	Personnel benefits: Civilian	1,684	2,041	2,844
21.0	Travel and transportation of persons	36	400	700
22.0	Transportation of things		19	30
23.1	Rental payments to GSA	1,867	2,158	2,527
23.3	Communications, utilities, and miscellaneous charges	756	855	1,044
24.0	Printing and reproduction	121	190	197
25.0	Other services	739	897	1,292
26.0	Supplies and materials	103	145	417
31.0	Equipment	28	74	327
99.0	<b>Subtotal, direct obligations</b>	<b>19,335</b>	<b>20,880</b>	<b>24,794</b>
99.0	Reimbursable obligations	370	95	50
99.9	<b>Total obligations</b>	<b>19,705</b>	<b>20,975</b>	<b>24,844</b>

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	324	309	345
Total compensable workyears: Full-time equivalent employment	352	337	370
<b>Reimbursable:</b>			
Total number of full-time permanent positions	3		
Total compensable workyears: Full-time equivalent employment	8		

OFFICE OF INSPECTOR GENERAL  
Federal Funds

General and special funds:

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, **[\$16,300,000] \$18,090,000.** (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	14-0104-0-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Audits	10,369	10,736	12,120
00.02	Investigations	2,217	2,430	2,714
00.03	Administration	2,568	3,134	3,256
00.91	<b>Total direct program</b>	<b>15,154</b>	<b>16,300</b>	<b>18,090</b>
01.01	Reimbursable program	37	50	50
10.00	<b>Total obligations</b>	<b>15,191</b>	<b>16,350</b>	<b>18,140</b>
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-37	-50	-50
25.00	Unobligated balance lapsing	270		
40.00	<b>Budget authority (appropriation)</b>	<b>15,424</b>	<b>16,300</b>	<b>18,090</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	15,154	16,300	18,090
72.40	Obligated balance, start of year	2,928	2,696	2,218
74.40	Obligated balance, end of year	-2,696	-2,218	-2,026
77.00	Adjustments in expired accounts	-585		
90.00	<b>Outlays</b>	<b>14,802</b>	<b>16,778</b>	<b>18,282</b>

Public Law 95-452 established the Office of Inspector General. The mission of the office includes auditing and investigating departmental activities, providing leadership and recommending policies to promote economy and efficiency, preventing and detecting fraud and abuse, and keeping the Secretary informed of problems and deficiencies in departmental programs and operations.

Object Classification (in thousands of dollars)

Identification code	14-0104-0-1-306	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	9,252	10,433	10,420
11.3	Other than full-time permanent	70	50	50
11.5	Other personnel compensation	69	262	305
11.9	<b>Total personnel compensation</b>	<b>9,391</b>	<b>10,745</b>	<b>10,775</b>
12.1	Personnel benefits: Civilian	1,594	1,610	2,346
13.0	Benefits for former personnel	9	9	9
21.0	Travel and transportation of persons	1,612	1,664	2,175
22.0	Transportation of things	66	33	274
23.1	Rental payments to GSA	768	796	796
23.3	Communications, utilities, and miscellaneous charges	257	314	324
24.0	Printing and reproduction	92	100	130
25.0	Other services	1,194	907	1,025
26.0	Supplies and materials	65	72	101
31.0	Equipment	106	50	136
99.0	<b>Subtotal, direct obligations</b>	<b>15,154</b>	<b>16,300</b>	<b>18,090</b>
99.0	Reimbursable obligations	37	50	50
99.9	<b>Total obligations</b>	<b>15,191</b>	<b>16,350</b>	<b>18,140</b>

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	289	289	300

Total compensable workyears:			
Full-time equivalent employment.....	289	289	300
Full-time equivalent of holiday and overtime hours.....	6	6	6
Reimbursable:			
Total compensable workyears: Full-time equivalent employment.....	1	1	1

OPERATION AND MAINTENANCE OF QUARTERS

Program and Financing (in thousands of dollars)

Identification code 14-5052-0-2-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	23	52	52
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-5	-13	-13
24.40 Unobligated balance available, end of year.....	13	13	13
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund).....	31	52	52
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	23	52	52
72.40 Obligated balance, start of year.....	3	2	3
74.40 Obligated balance, end of year.....	-2	-3	-4
90.00 Outlays.....	24	51	51

These activities provide for the utilization of receipts from the rental of quarters for the operation and maintenance of those quarters as authorized by section 320 of Public Law 98-473.

Object Classification (in thousands of dollars)

Identification code 14-5052-0-2-306	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	12	22	24
12.1 Personnel benefits: Civilian.....	2	3	4
25.0 Other services.....	5	9	9
26.0 Supplies and materials.....	3	15	12
31.0 Equipment.....	1	3	3
99.9 Total obligations.....	23	52	52

Personnel Summary

Total number of full-time permanent positions.....	1	1	1
Total compensable workyears: Full-time equivalent employment.....	1	1	1

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Sec. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

Sec. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods or volcanoes; for emergency reclamation projects under section 410 of Public Laws 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not

carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, U.S.C.: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed \$300,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members: *Provided*, That no funds available to the Department of the Interior are available for any expenses of the Great Hall of Commerce.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued by the General Services Administration for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

[SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of, pre-leasing and leasing activities (including but not limited to: calls for information, tract selection, notices of sale, receipt of bids and award of leases) of lands described in, and under the same terms and conditions set forth in section 107 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190.]

SEC. [108] 107. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance changing the name of the mountain located 63 degrees, 04 minutes, 15 seconds west, presently named and referred to as Mount McKinley.

SEC. [109] 108. Notwithstanding any other provision of law, appropriations in this title shall be available to provide insurance on official motor vehicles, aircraft, and boats operated by the Department of the Interior in Canada and Mexico.

[SEC. 110. No funds provided in this title may be used to detail any employee to an organization unless such detail is in accordance with Office of Personnel Management regulations.]

[Sec. 111. (a) The Secretary of the Interior may consider and accept, as part of the Outer Continental Shelf oil and gas leasing program for 1987 to 1992, any recommendation included in any proposal submitted to him with respect to lease sales on the California Outer Continental Shelf by the co-chairmen of the Congressional panel established pursuant to Public Law 99-190 or by the Governor of California on May 7, 1986. The major components of those proposals shall be examined in the final environmental impact statement for the program. Consideration or acceptance of any such recommendation shall not require the preparation of a revised or supplemental draft environmental impact statement.

(b) The Secretary shall submit a copy of the draft proposed final leasing program for offshore California to the cochairmen of the negotiating group referred to in subsection (a) who shall have a period of 30 days in which to review such program and provide their comments and the comments of the negotiating group on it to the Secretary prior to its submission to the President and the Congress. When submitting the proposed final leasing program to the President

and the Congress in accordance with section 18(d) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(d)), such submission shall indicate in detail why any specific portion of the proposals referred to in subsection (a) of this section was not accepted.

(c) Prior to the approval of the Final Program, referenced in subsection (a), the Secretary may conduct prelease activities for proposed California OCS Lease Sales 95, 91, and 119 and may make changes in those sales on the basis of comments submitted by the Congressional negotiating group or others, except that the Secretary may not issue a: (1) call for information and nominations for Sale 95 prior to March 1, 1987, and no draft environmental impact statement shall be published for Sale 91 sooner than 90 days after the Secretary's submission of the draft of the proposed Final Five Year Program to the members of the Congressional panel, and (2) final notice of lease sale for Lease Sale 91 prior to January 1, 1989.

(d) The members of Congress designated under Sec. 111 of Public Law 99-190 (99 Stat. 1243) are hereby authorized to continue as the Congressional negotiating group and to negotiate with the Department of the Interior, to provide the Secretary of the Interior with the appropriate range of advice, including proposals, and to review and comment on proposals by the Department of the Interior with respect to future oil and gas leasing and protection of lands on the California Outer Continental Shelf. ]

[Sec. 112. Notwithstanding any other law, the Secretary of the Interior shall convey without reimbursement to the State of Montana no later than December 31, 1986, all of the right, including all water rights, title, and interest of the United States in and to the fish hatchery property located south of Miles City, Montana, and known as the Miles City National Fish Hatchery, consisting of 168.22 acres, more or less, of land, together with any improvements and related personal property thereon. ]

[Sec. 113. The Secretary of the Interior is directed to designate the Laurel Highlands National Recreational Trail, as designated by the Secretary of the Interior pursuant to section 4 of the National Trails System Act, as part of the Potomac Heritage Trail, as requested by the State of Pennsylvania in its April 1984 application, subject to the provisions of paragraph (11) of section 5(a) of the National Trails System Act, as amended. ]

[Sec. 114. (a) In order to provide for needed facilities for visitors to Fort Sumter National Monument, including a tour boat dock and associated facilities, and an interpretive and museum facility in cooperation with the State of South Carolina and the city of Charleston, the Secretary of the Interior (in this section referred to as the "Secretary"), is authorized to acquire by purchase with donated or appropriated funds, donation, or exchange, not to exceed 8.91 acres of lands, including submerged lands, and interests in lands, within the area generally depicted on the map entitled "Dockside II, Proposed Site, Tourboat Facility", which map shall be on file and available for public inspection in the office of the National Park Service. When acquired, lands, including submerged lands and interests in lands, depicted on such map shall be administered by the Secretary as a part of Fort Sumter National Monument, subject to the laws and regulations applicable to such monument, and subject to the provisions of this section.

(b)(1) With respect to the lands, including submerged lands, and interests in lands acquired pursuant to section (a), the Secretary is authorized—

(A) to convey, notwithstanding the provisions of section 5 of Public Law 90-400 (82 Stat. 356) and subject to the provisions of subsection (2), a leasehold interest in not to exceed one and a half acres to the State of South Carolina or the city of Charleston or either of them for development by either of them or their agents or lessees of a marine museum and associated administrative facilities;

(B) to grant covenants or easements for ingress and egress to the State of South Carolina, the city of Charleston, and to other parties as the Secretary may deem necessary to facilitate public use; and

(C) to enter into cooperative agreements with the State of South Carolina, the city of Charleston, and other parties as the Secretary may deem necessary, pursuant to which construction, maintenance, and use of buildings, utilities, parking facilities, and other improvements may be shared among the parties to the agreement.

(2) Any conveyance made pursuant to subsection (b)(1)(A) and any renewal thereof may be for a period of up to 50 years, and may include the option to purchase the property in fee by the lessee

within the first 10 years, upon payment by the lessee of the cost of the property to the United States plus interest based on the average yield of United States Treasury notes with maturities of one year. The Secretary may convey title to the property in fee in the event such option to purchase is exercised, subject to the condition that the property is used for a public marine museum and associated administrative facilities. Notwithstanding any other provision of law, any leasehold interest conveyed pursuant to subsection (b)(1)(A) shall be conveyed without monetary consideration. The proceeds from any conveyance of property in fee pursuant to subsection (b)(1)(A) shall be deposited in the Land and Water Conservation Fund in the Treasury of the United States.

(c) Section 117 of Public Law 96-199 (94 Stat. 71) is hereby repealed.

(d)(1) Notwithstanding any other provision of law, sums heretofore appropriated but not, on the date of enactment of this joint resolution, obligated for construction of a tourboat facility at the Broad Street site, and for the acquisition and construction of the Fleet landing site for Fort Sumter National Monument, which was authorized by section 117 of Public Law 96-199 (94 Stat. 71) are hereby made available for obligation for the acquisition of the lands including submerged lands, and interests in lands identified in section (a) and for construction of necessary facilities thereon, and to the extent that sums heretofore appropriated for land acquisition of the Fleet landing site are not sufficient to cover the cost of acquisition of the properties identified in section (a), sums heretofore appropriated for construction of facilities at the Broad Street site and the Fleet landing site may be obligated for the purposes of acquisition as authorized in section (a).

(2) In addition to the sums made available under section (d)(1), there is authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(e) The Secretary of the Interior shall transfer administrative jurisdiction over the Federal property, consisting of approximately 1 acre, known as the Broad Street site, to the Secretary of the Department in which the Coast Guard is operating, who shall transfer to the Secretary of the Interior, subject to such reservations, terms, and conditions as may be necessary for Coast Guard purposes, administrative jurisdiction over the Federal property, consisting of approximately 1 acre located near Fort Moultrie on Sullivan's Island for purposes of a maintenance workshop, storage, and seasonal housing in connection with the administration and protection of the Fort Sumter National Monument. ]

[Sec. 115. (1) The primary term of any geothermal lease in effect as of July 27, 1984, issued pursuant to the Geothermal Act of 1970 (Public Law 91-581, 84 Stat. 1566, 30 U.S.C. 1001-1025) is hereby extended to December 31, 1988, if the Secretary of the Interior finds that—

(a) a bona fide sale of the geothermal resource, from a well capable of production, for delivery to or utilization by a facility or facilities, has not been completed (1) due to administrative delays by government entities, beyond the control of the lessee, or (2) such sale would be uneconomic;

(b) substantial investment in the development of or for the benefit of the lease has been made; and

(c) the lease would otherwise expire prior to December 31, 1988.

(2)(a) The Secretary of the Interior (hereinafter in this section referred to as "the Secretary") shall publish for public comment in the Federal Register within 120 days after the date of enactment of this section a proposed list of significant thermal features within the following units of the National Park System:

Mount Rainier National Park;  
Lassen Volcanic National Park;  
Yellowstone National Park;  
Bering Land Bridge National Preserve;  
Gates of the Arctic National Park and Preserve;  
Yukon-Charley Rivers National Preserve;  
Katmai National Park;  
Aniakchak National Monument and Preserve;  
Wrangell-St. Elias National Park and Preserve;  
Glacier Bay National Park and Preserve;  
Denali National Park and Preserve;  
Lake Clark National Park and Preserve;  
Hot Springs National Park;  
Sequoia National Park;  
Hawaii Volcanoes National Park;  
Lake Mead National Recreation Area;  
Big Bend National Park;

Olympic National Park;  
 Grand Teton National Park;  
 John D. Rockefeller, Jr. Memorial Parkway;  
 Haleakala National Park; and  
 Crater Lake National Park.

The Secretary shall include with such list the basis for his determination with respect to each thermal feature on the list. Based on public comment on such list, the Secretary is authorized to make additions to or deletions from the list. Not later than the 60th day from the date on which the proposed list was published in the Federal Register, the Secretary shall transmit the list to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives together with copies of all public comments which he has received and indicating any additions to or deletions from the list with a statement of the reasons therefor and the basis for inclusion of each thermal feature on the list. The Secretary shall consider the following criteria in determining the significance of thermal features:

- (1) size, extent, and uniqueness;
- (2) scientific and geologic significance;
- (3) the extent to which such features remain in a natural, undisturbed condition; and
- (4) significance of thermal features to the authorized purposes for which the National Park System unit was created.

The Secretary shall not issue any geothermal lease pursuant to the Geothermal Steam Act of 1970 (Public Law 91-581, 84 Stat. 1566), as amended, until such time as the Secretary has transmitted the list to the Committees of Congress as provided in this section.

(b) The Secretary shall maintain a monitoring program for those significant thermal features listed pursuant to subsection (a) of this section.

(c) Upon receipt of an application for a geothermal lease the Secretary shall determine on the basis of scientific evidence if exploration, development, or utilization of the lands subject to the geothermal lease application is reasonably likely to result in a significant adverse effect on a significant thermal feature listed pursuant to subsection (a) of this section. Such determination shall be subject to notice and public comment. If the Secretary determines on the basis of scientific evidence that the exploration, development, or utilization of the land subject to the geothermal lease application is reasonably likely to result in a significant adverse effect on a significant thermal feature listed pursuant to subsection (a) of this section, the Secretary shall not issue such geothermal lease. In addition, the Secretary shall withdraw from leasing under the Geothermal Steam Act of 1970, as amended, those lands, or portion thereof, subject to the application for geothermal lease, the exploration, development, or utilization of which is reasonably likely to result, based on the Secretary's determination, in a significant adverse effect on a significant thermal feature listed pursuant to subsection (a) of this section.

(d) With respect to all geothermal leases issued after the date of enactment of this section the Secretary shall include stipulations in leases necessary to protect significant thermal features listed pursuant to subsection (a) of this section where a determination is made based on scientific evidence that the exploration, development, or utilization of the lands subject to the lease is reasonably likely to adversely affect such significant features. Such stipulations shall include, but are not limited to:

- (1) requiring the lessee to reinject geothermal fluids into the rock formations from which they originate;
- (2) requiring the lessee to report annually to the Secretary on its activities;
- (3) requiring the lessee to continuously monitor geothermal production and injection wells; and
- (4) requiring the lessee to suspend activity, temporarily or permanently, on the lease if the Secretary determines that ongoing exploration, development, or utilization activities are having a significant adverse effect on significant thermal features listed pursuant to subsection (a) of this section until such time as the significant adverse effect is eliminated.

(e) The Secretary of Agriculture shall consider the effects on significant thermal features of those units of the National Park System identified in subsection (a) of this section in determining whether to consent to leasing under the Geothermal Steam Act of 1970, as amended, on national forest or other lands administered by the Department of Agriculture available for leasing under the Geothermal Steam Act of 1970, as amended, including public, withdrawn, and acquired lands.

(f) Nothing contained in this section shall affect the ban on leasing under the Geothermal Steam Act of 1970, as amended, with respect to the Island Park Known Geothermal Resources Area, as provided for in Public Law 98-473 (98 Stat. 1837) and Public Law 99-190 (99 Stat. 1267).

(g) Except as provided herein, nothing contained in this section shall affect or modify the authorities or responsibilities of the Secretary under the Geothermal Steam Act of 1970, as amended, or any other provision of law.

(h) The provisions of this section shall remain in effect until Congress determines otherwise.】

【SEC. 116. (a) Section 1102(a) of the National Parks and Recreation Act of 1978 (Public Law 95-625) is amended by inserting the following after the second sentence: "In addition, the Secretary may acquire by any of the foregoing methods not to exceed ten acres outside the boundaries of the national river for an administrative headquarters site, and funds appropriated for land acquisition shall be available for the acquisition of the administrative headquarters site."】

(b) Section 1112 of Public Law 95-625 is amended by striking "\$500,000" and inserting "\$3,000,000".】

【SEC. 117. (1) The Women in Military Service for America Memorial Foundation is authorized to establish a memorial on Federal land in the District of Columbia and its environs to honor women who have served in the Armed Forces of the United States. Such memorial shall be established in accordance with the provisions of H.R. 4378, as approved by the Senate on September 10, 1986 (S. Rpt. 99-421).】

(2) The organization or organizations approved by the Secretary shall establish the memorial with non-Federal funds.】

【SEC. 118. (1) The Black Revolutionary War Patriots Foundation is authorized to establish a memorial on Federal land in the District of Columbia and its environs to honor the estimated five thousand courageous slaves and free black persons who served as soldiers and sailors or provided civilian assistance during the American Revolution and to honor the countless black men, women, and children who ran away from slavery or filed petitions with courts and legislatures seeking their freedom. Such memorial shall be established in accordance with the provisions of H.R. 4378, as approved by the House of Representatives on September 29, 1986.】

(2) The Black Revolutionary War Patriots Foundation shall establish the memorial with non-Federal funds.】

【SEC. 119. The Secretary of the Interior shall designate the visitor center to be associated with the headquarters of the Illinois and Michigan Canal National Heritage Corridor as the "George M. O'Brien Visitor Center" in recognition of the leadership and contributions of Representative George M. O'Brien with respect to the creation and establishment of this national heritage corridor.】

【SEC. 120. Notwithstanding any other provisions of the Land and Water Conservation Fund Act of 1965, Public Law 88-578, as amended, or other law, Land and Water Conservation Fund assisted land in Berkeley, Illinois, assisted under project No. 17-00180, may be exchanged for existing public lands if Land and Water Conservation Fund conversion criteria regarding equal fair market value and reasonably equivalent use and location are met.】

【SEC. 121. None of the funds provided by this Act shall be expended by the Secretary of the Interior to promulgate final regulations concerning paleontological research on Federal lands until the Secretary has received the National Academy of Sciences' report concerning the permitting and post-permitting regulations concerning paleontological research and until the Secretary has, within 30 days, submitted a report to the appropriate committees of the Congress comparing the National Academy of Sciences' report with the proposed regulations of the Department of the Interior.】

【SEC. 122. Subsection (b) of the first section of the Act of August 9, 1955, as amended (25 U.S.C. 415(b)) is further amended—

- (1) by striking "or" immediately before "(2)"; and
- (2) by inserting immediately before the period at the end thereof the following: ", or (3) if the term does not exceed seventy-five years (including options to renew), and the lease is executed under tribal regulations approved by the Secretary under this clause (3)".】

【SEC. 123. Section 515(b)(10)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977 is amended by inserting after "qualified registered engineer" the following: "or a qualified registered professional land surveyor in any State which authorizes land surveyors to prepare and certify such maps or plans".】

【SEC. 124. Notwithstanding any other provision of law, no funds appropriated by this Act shall be available for the implementation, by

the Secretary of the Interior or the Attorney General or any other officer acting on behalf of the United States, of the "Agreement to Settle Pending Litigation Between the United States and the Owners of Certain Oil Shale Mining Claims in Colorado", dated August 4, 1986, or for the patenting of any other oil shale placer claims located prior to passage of the 1920 Mineral Leasing Act, for a period of 180 days from the date of enactment of this provision, in order to provide a period for Congressional review of this agreement: *Provided*, That the provisions of this section affecting the aforesaid settlement agreement shall be effective only if the United States Court of Appeals for the Tenth Circuit and the United States District Court for the District of Colorado approve a stay in the cases affected by such settlement agreement for 180 days and the parties to such agreement agree to continue to be bound by such agreement for the 180-day period: *Provided further*, That the Attorney General of the United States and the Secretary of the Interior are directed to immediately and in good faith seek concurrence of all parties to the agreement to continue such agreement for 180 days and to request such courts to issue stays for such period.] (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

### GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, building, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

SEC. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

SEC. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 1535 and 1536): *Provided*, That reimbursements for costs of supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 204. Appropriations in this title shall be available for hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchases of reprints; payment for telephone services in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

[SEC. 205. Of the appropriations provided for the Central Utah Project, in this or any other Act, not more than 20 percent of the total in any one fiscal year may be expended by the Secretary for all administrative expenses: *Provided*, That the Inspector General of the Department of the Interior shall annually audit expenditures by the Bureau of Reclamation to determine compliance with this section: *Provided further*, That the Bureau of Reclamation's General Administrative Expenses appropriation shall be used to fund the audit: *Provided further*, That the Bureau of Reclamation shall not delay or stop construction of the project due to this limitation and shall apply all the remaining appropriations to completion of the project.]

[SEC. 206. The Central Utah Water Conservancy District shall pay principal and interest on those features of the Central Utah Project which develop 60,000 acre-feet of municipal and industrial water supply for which deferral was invoked in 1981, without the benefit of exceptions (1) and (2) of the last proviso of the first sentence of section 301(b) of the Water Supply Act of 1958, 43 U.S.C. 390(b)(2): *Provided*, That in the event that the Bonneville Unit is not substantially complete, as determined by the Secretary, at the end of fiscal year 1995, the Central Utah Water Conservancy District will be credited with \$2,000,000 to be applied to its repayment obligation for the Bonneville

Unit each year that the project is not substantially complete, as determined by the Secretary, but in no case beyond fiscal year 2000.] (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

### TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

[SEC. 303. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided*, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.]

SEC. [304] 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. [305] 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. [306] 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency *except as otherwise provided by Law*.

SEC. [307] 306. Except for lands described by sections 105 and 106 of Public Law 96-560, section 103 of Public Law 96-550, section 5(d)(1) of Public Law 96-312, and except for land in the State of Alaska, and lands in the national forest system released to management for any use the Secretary of Agriculture deems appropriate through the land management planning process by any statement or other Act of Congress designating components of the National Wilderness Preservation System now in effect or hereinafter enacted, and except to carry out the obligations and responsibilities of the Secretary of the Interior under section 17(k)(1) (A) and (B) of the Mineral Leasing Act of 1920 (30 U.S.C. 226), none of the funds provided in this Act shall be obligated for any aspect of the processing or issuance of permits or leases pertaining to exploration for or development of coal, oil, gas, oil shale, phosphate, potassium, sulphur, gilsonite, or geothermal resources on Federal lands within any component of the National Wilderness Preservation System or within any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning in Executive Communication 1504, Ninety-sixth Congress (House Document numbered 96-119); or within any lands designated by Congress as wilderness study areas or within Bureau of Land Management wilderness study areas: *Provided*, That nothing in this section shall prohibit the expenditure of funds for any aspect of the processing or issuance of permits pertaining to exploration for or development of the mineral resources described in this section, within any component of the National Wilderness Preservation System now in effect or hereinafter enacted, any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning, within any lands designated by Congress as wilderness study areas, or Bureau of Land Management wilderness study areas, under valid existing rights, or leases validly issued in accordance with all applicable Federal, State, and local laws or valid mineral rights in existence prior to October 1, 1982: *Provided further*, That funds provided in this Act may be used by the Secretary of Agriculture in any area of National Forest lands or the Secretary of the Interior to issue under their existing authority in any area of National Forest or

public lands withdrawn pursuant to this Act such permits as may be necessary to conduct prospecting, seismic surveys, and core sampling conducted by helicopter or other means not requiring construction of roads or improvement of existing roads or ways, for the purpose of gathering information about and inventorying energy, mineral, and other resource values of such area, if such activity is carried out in a manner compatible with the preservation of the wilderness environment: *Provided further*, That seismic activities involving the use of explosives shall not be permitted in designated wilderness areas: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to augment recurring surveys of the mineral values of wilderness areas pursuant to section 4(d)(2) of the Wilderness Act and acquire information on other national forest and public land areas withdrawn pursuant to this Act, by conducting in conjunction with the Secretary of Energy, the National Laboratories, or other Federal agencies, as appropriate, such mineral inventories of areas withdrawn pursuant to this Act as he deems appropriate. These inventories shall be conducted in a manner compatible with the preservation of the wilderness environment through the use of methods including core sampling conducted by helicopter; geophysical techniques such as induced polarization, synthetic aperture radar, magnetic and gravity surveys; geochemical techniques including stream sediment reconnaissance and x-ray diffraction analysis; land satellites; or any other methods he deems appropriate. The Secretary of the Interior is hereby authorized to conduct inventories or segments of inventories, such as data analysis activities, by contract with private entities deemed by him to be qualified to engage in such activities whenever he has determined that such contracts would decrease Federal expenditures and would produce comparable or superior results: *Provided further*, That in carrying out any such inventory or surveys, where National Forest System lands are involved, the Secretary of the Interior shall consult with the Secretary of Agriculture concerning any activities affecting surface resources: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to issue oil and gas leases for the subsurface of any lands designated by Congress as wilderness study areas, that are immediately adjacent to producing oil and gas fields or areas that are prospectively valuable. Such leases shall allow no surface occupancy and may be entered only by directional drilling from outside the wilderness study area or other nonsurface disturbing methods.

SEC. [308] 307. None of the funds provided in this Act shall be used to evaluate, consider, process, or award oil, gas, or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7, and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

SEC. [309] 308. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless such assessments and the basis therefor are presented to the Committees on Appropriations [and are approved by such committees].

[SEC. 310. Employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment except as provided by law.]

SEC. [311] 309. Notwithstanding any other provisions of law, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, and the Secretary of the Smithsonian Institution are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.

SEC. [312] 310. None of the funds provided by this Act to the United States Fish and Wildlife Service may be obligated or expended to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

[SEC. 313. None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1987 by this or

any other Act may be used to implement the proposed jurisdictional interchange program until enactment of legislation which authorizes the jurisdictional interchange.]

[SEC. 314. Not to exceed \$500,000 appropriated or made available under this or any other Act may be used by the executive branch for soliciting proposals, preparing or reviewing studies or drafting proposals designed to aid in or achieve the transfer out of Federal ownership, management or control in whole or in part the facilities and functions of Naval Petroleum Reserve Numbered 1 (Elk Hills), located in Kern County, California, established by Executive order of the President, dated September 2, 1912, and Naval Petroleum Reserve Numbered 3 (Teapot Dome), located in Wyoming, established by Executive order of the President, dated April 30, 1915: *Provided*, That a report on any such studies shall be submitted to the Speaker of the House of Representatives and the President of the Senate no later than June 30, 1987.]

[SEC. 315. Notwithstanding any other provision of law, funds appropriated by this or any other Act shall be available to the Trust Territory of the Pacific Islands on the same basis as such funds were available during fiscal year 1986 until alternative funding is available under the terms of the Compact of Free Association Act of 1985 (Public Law 99-239).]

SEC. [316] 311. Notwithstanding any other provision of law, any lease for those Federal lands within the Gallatin and Flathead National Forests which were affected by case CV-82-42-BU of the United States District Court for the District of Montana, Butte Division, for which the Secretary of the Interior or the Secretary of Agriculture has directed or assented to the suspension of operations and production pursuant to section 39 of the Act of February 25, 1920 (30 U.S.C. 184) shall be excepted from the limits on aggregate acreage set out in that Act: *Provided*, That any person, association or corporation receiving relief under this section shall bring its aggregate acreage into compliance with the provisions of the Act of February 25, 1920 (30 U.S.C. 184) within six months from the date of suspension of operation and production ends.

[SEC. 317. No funds appropriated by this Act shall be available for the implementation or enforcement of any rule or regulation of the United States Fish and Wildlife Service, Department of the Interior, requiring the use of steel shot in connection with the hunting of waterfowl in any State of the United States unless the appropriate State regulatory authority approves such implementation.]

[SEC. 318. Section 221 of the Biomass Energy and Alcohol Fuels Act of 1980 (Public Law 96-294; 42 U.S.C. 8821) is amended by striking out "June 30, 1986" and inserting in lieu thereof "June 30, 1987".]

[SEC. 319. Section 12(b)(7)(iv) of the Act of January 2, 1976 (Public Law 94-204), as amended, is amended by striking the word "ten" and inserting in lieu thereof the word "seven".]

SEC. [320] 312. To assure that National Forest and Bureau of Land Management timber included in sales defaulted by the purchaser, or returned under the Federal Timber Contract Payment Modification Act (Public Law 98-478), is available for resale [in a timely manner, such sales shall be subject only to one level of administrative appeal. This limitation shall not abridge the right of judicial review. Actions or such administrative appeals should be completed within 90 days of receipt of the notice of appeal.], *the Secretary of Agriculture and the Secretary of Interior are authorized to resell, as part of the sales programs provided for by this Act, all such timber, and to permit necessary roads and other developments, notwithstanding any other provision of law. Sales that are reoffered [shall] may be modified, [including minor additions or deletions, as appropriate, to reduce adverse environmental impacts, pursuant to current land management plans and guidelines, and such modifications in themselves should not be construed to require the preparation of new or supplemental environmental assessments.] without subjecting the decision to reoffer the sale to administrative appeal or judicial review. This section shall not apply to any decision on the determination of damages due to the Government for defaulted or canceled contracts. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591 section 101(h).)*



## DEPARTMENT OF JUSTICE

### GENERAL ADMINISTRATION

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES\*

\*See Part II for additional information.

For expenses necessary for the administration of the Department of Justice, [ \$67,000,000: Provided, That none of the funds in this Act shall be used for positions for the Departmental Leadership offices of the Department of Justice in excess of 56 ] \$103,513,000. (8 U.S.C. 1103 (A); 28 U.S.C. 501, 503, 504, 507-526, 1929; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

#### Program and Financing (in thousands of dollars)

Identification code 15-0129-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Program direction and policy coordination .....	52,011	51,221	68,465
00.02 Administrative review and appeals .....	15,396	17,132	35,048
00.03 Federal justice research program .....	282	263	.....
00.91 Total direct program .....	67,689	68,616	103,513
01.01 Reimbursable program .....	9,088	8,500	8,600
10.00 Total obligations .....	76,777	77,116	112,113
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-9,088	-8,500	-8,600
17.00 Recovery of prior year obligations .....	-99	.....	.....
21.40 Unobligated balance available, start of year .....	-445	-263	.....
24.40 Unobligated balance available, end of year .....	263	.....	.....
25.00 Unobligated balance lapsing .....	348	.....	.....
39.00 <b>Budget authority</b> .....	<b>67,756</b>	<b>68,353</b>	<b>103,513</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>67,756</b>	<b>67,000</b>	<b>103,513</b>
44.20 <b>Supplemental for civilian pay raises</b> .....	<b>575</b>	.....	.....
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....	<b>778</b>	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	67,690	68,616	103,513
72.40 Obligated balance, start of year .....	6,804	9,580	13,393
74.40 Obligated balance, end of year .....	-9,580	-13,393	-18,879
77.00 Adjustments in expired accounts .....	-533	.....	.....
78.00 Adjustments in unexpired accounts .....	-99	.....	.....
89.00 <b>Outlays</b> .....	<b>64,282</b>	<b>64,803</b>	<b>98,027</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	64,282	63,477	98,000
91.20 Outlays from civilian pay raise supplemental .....	.....	564	11
91.40 Outlays from retirement contribution supplemental .....	.....	762	16

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	67,756	68,353	103,513
Outlays .....	64,282	64,803	98,027
<b>Supplemental under existing legislation:</b>			
Budget authority .....	.....	11,212	.....
Outlays .....	.....	10,618	594
<b>Total:</b>			
Budget authority .....	67,756	79,565	103,513
Outlays .....	64,282	75,421	98,621

**Program direction and policy coordination.**—The Attorney General, aided by the Deputy Attorney General, Associate Attorney General, and other Department

policy-level officials, directs and supervises the programs and activities of the Department. This activity includes the Governor's Project and the Annual Report for Organized Crime Drug Enforcement.

**Administrative review and appeals.**—This activity includes the Office of the Pardon Attorney and the Executive Office for Immigration Review (EOIR). The Pardon Attorney receives and reviews all petitions for clemency. The Executive Office for Immigration Review contains the Immigration Judge function and the Board of Immigration Appeals. EOIR was established January 1, 1983 to improve the immigration hearing and appeal process. Workload for the activity follows:

#### PARDON ATTORNEY

Cases:	1986 actual	1987 est.	1988 est.
Grants of pardon .....	55	55	55
Grants of commutation .....	.....	5	5
Denials and no actions .....	290	250	250
Correspondence sent out .....	16,077	15,700	15,700

#### EXECUTIVE OFFICE FOR IMMIGRATION REVIEW

Appeals, motions, hearings, and petitions pending, beginning of year .....	86,946	66,115	62,213
Received .....	123,186	181,127	271,277
Terminated .....	144,017	185,029	237,013
Pending, end of year .....	66,115	62,213	96,477

#### Object Classification (in thousands of dollars)

Identification code 15-0129-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	35,916	36,707	50,894
11.3 Other than full-time permanent .....	2,606	2,414	2,726
11.5 Other personnel compensation .....	891	845	863
11.8 Special personal services payments .....	19	114	121
11.9 Total personnel compensation .....	39,432	40,080	54,604
12.1 Personnel benefits: Civilian .....	4,242	4,922	8,767
13.0 Benefits for former personnel .....	36	36	36
21.0 Travel and transportation of persons .....	1,001	1,113	2,673
22.0 Transportation of things .....	176	200	217
23.1 Rental payments to GSA .....	5,623	6,648	10,875
23.3 Communications, utilities, and miscellaneous charges .....	3,227	3,082	3,676
24.0 Printing and reproduction .....	384	488	585
25.0 Other services .....	10,763	10,256	16,791
26.0 Supplies and materials .....	1,921	1,469	1,675
31.0 Equipment .....	884	322	3,614
99.0 Subtotal, direct obligations .....	67,689	68,616	103,513
99.0 Reimbursable obligations .....	9,088	8,500	8,600
99.9 Total obligations .....	76,777	77,116	112,113

#### Personnel Summary

Direct:	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions .....	1,032	1,011	1,314
Total compensable workyears:			
Full-time equivalent employment .....	1,084	1,089	1,358
Full-time equivalent of overtime and holiday hours .....	21	21	21
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	51	42	41
Total compensable workyears: Full-time equivalent employment .....	51	42	41

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

For additional capital for the Working Capital Fund, \$4,000,000, to remain available until expended. (28 U.S.C. 527.)

**Program and Financing (in thousands of dollars)**

Identification code 15-4526-0-4-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Employee data .....	7,074	8,214	9,301
00.02 Telecommunications .....	35,685	29,631	30,018
00.03 Data processing .....	36,056	49,132	51,284
00.04 Publication services .....	3,150	3,625	3,743
00.05 Space management .....	55,082	82,746	82,746
00.06 Property management .....	622	563	563
00.07 Justice building service .....	6,114	7,241	7,525
00.08 Justice data center-Wash. relocation .....			4,000
00.91 Total operating expenses .....	143,783	181,152	189,180
01.01 Capital investment .....	328	1,399	1,399
10.00 Total obligations .....	144,111	182,551	190,579
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-143,840	-181,152	-185,180
21.98 Unobligated balance available, start of year: Fund balance .....	-4,461	-4,190	-2,791
24.98 Unobligated balance available, end of year: Fund balance .....	4,190	2,791	1,392
40.00 Budget authority (appropriation) .....			4,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	271	1,399	5,399
72.98 Obligated balance, start of year: Fund balance .....	5,122	8,656	8,656
74.98 Obligated balance, end of year: Fund balance .....	-8,656	-8,656	-8,656
90.00 Outlays .....	-3,263	1,399	5,399

The Working Capital Fund finances on a reimbursable basis those administrative services that can be performed more efficiently at the Department level. In 1988, the Department plans to relocate the Washington, D.C. Data Center and to consolidate separate data communications networks into a single network.

**Object Classification (in thousands of dollars)**

Identification code 15-4526-0-4-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	13,282	14,532	15,018
11.3 Other than full-time permanent .....	932	458	458
11.5 Other personnel compensation .....	798	718	720
11.9 Total personnel compensation .....	15,012	15,708	16,196
12.1 Personnel benefits: Civilian .....	1,662	1,826	1,880
21.0 Travel and transportation of persons .....	134	204	207
22.0 Transportation of things .....	51	295	296
23.1 Rental payments to GSA .....	2,487	3,280	3,937
23.3 Communications, utilities, and miscellaneous charges .....	50,461	47,764	48,616
24.0 Printing and reproduction .....	351	236	237
25.0 Other services .....	70,551	108,432	110,376
26.0 Supplies and materials .....	2,288	2,456	2,484
31.0 Equipment .....	1,114	2,350	6,350
99.9 Total obligations .....	144,111	182,551	190,579

**Personnel Summary**

Total number of full-time permanent positions .....	463	511	524
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	449	467	509
Full-time equivalent of overtime and holiday hours .....	55	55	55

**UNITED STATES PAROLE COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the United States Parole Commission, as authorized by law, **[\$10,300,000]** \$12,253,000. (18 U.S.C. 4202-04, 4212, 4255, 5005, 5041; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 15-1061-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	9,215	10,539	12,253
01.01 Reimbursable program .....	17		
10.00 Total obligations .....	9,232	10,539	12,253
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-17		
25.00 Unobligated balance lapsing .....	164		
39.00 Budget authority .....	9,379	10,539	12,253
<b>Budget authority:</b>			
40.00 Appropriation .....	9,379	10,300	12,253
44.20 Supplemental for civilian pay raises .....		84	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		155	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	9,215	10,539	12,253
72.40 Obligated balance, start of year .....	1,178	1,521	2,271
74.40 Obligated balance, end of year .....	-1,521	-2,271	-2,864
77.00 Adjustments in expired accounts .....	31		
89.00 Outlays .....	8,903	9,789	11,660
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	8,903	9,561	11,649
91.20 Outlays from civilian pay raise supplemental .....		80	4
91.40 Outlays from retirement contribution supplemental .....		148	7

The United States Parole Commission makes decisions to grant or deny parole to Federal prisoners serving sentences of one year and a day or more, sets conditions of parole, supervises parolees and mandatory releasees, recommitts parolees in the event of violations of the conditions of supervision, and determines the termination of supervision in accordance with the Parole Commission and Reorganization Act of 1976.

In 1988, this program will meet the statutory limitations by granting or denying parole within the legal time requirements to all Federal prisoners who are eligible for parole consideration. In addition to this basic function, the Commission will seek to improve the rehabilitation process by monitoring an effective parole supervision program through the U.S. probation officers. Finally, the Commission conducts ongoing research programs and administers its responsibilities under the labor and pension laws.

Workload for this appropriation is as follows:

	1986 actual	1987 est.	1988 est.
<b>Hearings:</b>			
Initial .....	12,564	14,869	17,597
Record review .....	21,102	24,317	28,022
Rescission .....	889	971	1,060
Local revocation .....	317	361	412
Institutional revocation .....	2,330	2,344	2,358
Other .....	465	686	1,013
Statutory review .....	2,656	2,656	2,656
<b>Appeal decisions:</b>			
National .....	4,854	5,620	6,508
Administrative .....	194	161	135
OJ decisions and appeals .....	210	206	202

Object Classification (in thousands of dollars)

Identification code 15-1061-0-1-751	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	4,873	5,344	5,448
11.3 Other than full-time permanent .....	608	660	668
11.5 Other personnel compensation .....	55	41	42
11.8 Special personal services payments .....		18	18
11.9 Total personnel compensation .....	5,536	6,063	6,176
12.1 Personnel benefits: Civilian .....	731	881	1,521
13.0 Benefits for former personnel .....	5	4	4
21.0 Travel and transportation of persons .....	527	704	856
22.0 Transportation of things .....	133	76	160
23.1 Rental payments to GSA .....	562	1,388	1,662
23.3 Communications, utilities, and miscellaneous charges .....	586	550	608
24.0 Printing and reproduction .....	95	76	77
25.0 Other services .....	700	618	983
26.0 Supplies and materials .....	138	99	113
31.0 Equipment .....	202	80	93
99.0 Subtotal, direct obligations .....	9,215	10,539	12,253
99.0 Reimbursable obligations .....	17		
99.9 Total obligations .....	9,232	10,539	12,253

Personnel Summary

Total number of full-time permanent positions .....	175	179	179
Total compensable workyears:			
Full-time equivalent employment .....	162	176	176
Full-time equivalent of overtime and holiday hours .....	1	1	1

LEGAL ACTIVITIES

Federal Funds

General and special funds:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES\*

\*See Part II for additional information.

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed \$20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and rent of private or Government-owned space in the District of Columbia; **[\$208,934,000]** *\$762,598,000*, of which not to exceed \$6,000,000 for litigation support contracts shall remain available until September 30, **[1988]** *1989: Provided*, That of the funds available in this appropriation, **[\$1,537,000]** *\$24,718,000* shall be available for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys **[and]**, the Antitrust Division, and offices funded through Salaries and expenses, General Administration, to remain available until expended: *Provided further*, That of the funds appropriated to the Department of Justice in **[title II of]** this Act, not to exceed \$1,000,000, may be transferred to this appropriation to pay expenses related to the activities of any Independent Counsel appointed pursuant to 28 U.S.C. 591, et seq., upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate **[and approval under said Committees' policies concerning the reprogramming of funds contained in section 607 of this Act.]**: *Provided further*, That amounts obligated under the headings, Salaries and expenses, United States Attorneys and Salaries and expenses, Antitrust Division, shall be merged under this appropriation: *Provided further*, That the Chief, U.S. National Central Bureau, INTERPOL, may establish and collect fees to process name checks and background records for noncriminal employment, licensing, and humanitarian purposes and, notwithstanding the provisions of 31 U.S.C. 3302, credit not more than \$150,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services.

**[SALARIES AND EXPENSES, ANTITRUST DIVISION]**

**[For expenses necessary for the enforcement of antitrust and kindred laws, \$43,000,000]** (19 U.S.C. 1619; 21 U.S.C. 886; 28 U.S.C. 501, 505-506, 510-520, 524-526, 541-550; 48 U.S.C. 1424, 1617, 1694; 50 U.S.C. App. 6; Department of Justice Appropriation Act, 1987, as in-

cluded in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-0128-0-1-752	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
00.01 Conduct of Supreme Court proceedings and review of appellate matters .....	3,547	3,829	4,331
00.02 General tax matters .....	32,615	34,094	48,466
00.03 Criminal matters .....	43,337	45,942	56,151
00.04 Claims, customs, and general civil matters .....	70,706	76,146	99,154
00.05 Land, natural resources, and Indian matters .....	20,819	24,192	32,927
00.06 Legal opinions .....	1,920	2,298	2,872
00.07 Civil rights matters .....	22,301	23,499	26,792
00.08 Interpol .....	2,757	3,036	3,839
00.09 Independent counsel .....	150	250	
00.10 Legal activities office automation .....		1,537	24,718
00.11 Antitrust .....	42,531	43,745	45,558
00.12 U.S. attorneys .....			413,555
00.13 Special council for discrimination .....			4,235
00.91 Total direct program .....	240,683	258,568	762,598
01.01 Reimbursable program .....	5,993	19,161	20,320
10.00 Total obligations .....	246,676	277,729	782,918
Financing:			
11.00 Offsetting collections from: Federal funds .....	-5,993	-19,161	-20,320
21.40 Unobligated balance available, start of year .....	-4,326	-2,030	
24.40 Unobligated balance available, end of year .....	2,030		
25.00 Unobligated balance lapsing .....	734		
39.00 Budget authority .....	239,121	256,538	762,598
Budget authority:			
40.00 Appropriation .....	238,771	251,934	762,598
42.00 Transferred from other accounts .....	350		
43.00 Appropriation (adjusted) .....	239,121	251,934	762,598
44.20 Supplemental for civilian pay raises .....		1,961	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		2,643	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	240,683	258,568	762,598
72.40 Obligated balance, start of year .....	39,332	38,650	55,414
73.40 Obligated balance transferred, net .....			45,327
74.40 Obligated balance, end of year .....	-38,650	-55,414	-117,245
77.00 Adjustments in expired accounts .....	-1,274		
89.00 Outlays .....	240,091	241,804	746,094
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals .....	240,091	237,337	745,957
91.20 Outlays from civilian pay raise supplemental .....		1,912	49
91.40 Outlays from retirement contribution supplemental .....		2,555	88
Distribution of budget authority by account:			
Salaries and expenses, General Legal Activities .....	196,585	213,538	717,040
Salaries and expenses, Antitrust Division .....	42,536	43,000	45,558
Distribution of outlays by account:			
Salaries and expenses, General Legal Activities .....	200,077	200,094	702,494
Salaries and expenses, Antitrust Division .....	40,014	41,710	43,600

NOTES

Includes \$413,555 thousand in 1988 for U.S. Attorneys activities previously financed from:

(In thousands of dollars)

	1986 actual	1987 est.
Salaries and expenses, United States Attorneys .....	312,510	357,328

The activities previously financed under Salaries and expenses, Antitrust Division in 1986 and 1987 are presented in these schedules and are proposed to be financed in this account in 1988. Budget authority and outlays are distributed by account above.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	239,121	256,538	762,598
Outlays .....	240,091	241,804	746,094

General and special funds—Continued

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES—Continued

[SALARIES AND EXPENSES, ANTITRUST DIVISION]—Continued

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Supplemental under existing legislation:			
Budget authority .....		8,085	
Outlays .....		7,774	311
Proposed for later transmittal under proposed legislation:			
Budget authority .....			843
Outlays .....			818
Total:			
Budget authority .....	239,121	264,623	763,441
Outlays .....	240,091	249,578	747,223

The following legal activities of the Department are financed from this appropriation:

*Conduct of Supreme Court proceedings and review of appellate matters.*—This program consists of supervising and controlling all appellate matters and representing the Government before the U.S. Supreme Court.

WORKLOAD

	1986 actual	1987 est.	1988 est.
Cases:			
Pending, beginning of term .....	297	348	362
Received .....	1,626	2,052	2,147
Terminated .....	1,575	2,038	2,138
Pending, end of term .....	348	362	371
Other activities:			
Appellate determinations .....	1,801	1,512	1,512
Certiorari determinations .....	710	723	723
Miscellaneous recommendations .....	542	362	362

*General tax matters.*—This program is responsible for the prosecution or defense of cases arising under the internal revenue laws and other statutes.

WORKLOAD

	1986 actual	1987 est.	1988 est.
Cases:			
Pending, beginning of year .....	18,903	19,995	23,209
Received .....	29,090	31,999	39,950
Terminated .....	27,998	28,785	31,500
Pending, end of year .....	19,995	23,209	31,659

*Criminal matters.*—This program supervises the enforcement of all Federal criminal statutes except for statutes dealing specifically with tax, antitrust, land, and civil rights matters.

WORKLOAD <sup>1</sup>

	1986 actual	1987 est.	1988 est.
Cases:			
Pending, beginning of year .....	430	423	428
Received .....	331	342	403
Terminated .....	338	337	376
Pending, end of year .....	423	428	455
Matters:			
Pending, beginning of year .....	694	723	728
Received .....	440	442	538
Terminated .....	411	437	504
Pending, end of year .....	723	728	762

<sup>1</sup> Includes direct operational authority only.

*Claims, customs, and general civil matters.*—Civil suits and claims of the Government, except tax, land, and civil rights matters, are brought or defended through this program. In 1988, program increases are requested in response to the burgeoning caseload in a number of civil litigation areas, and the expectation that this increasing trend is likely to continue.

WORKLOAD <sup>1</sup>

	1986 actual	1987 est.	1988 est.
Cases:			
Pending, beginning of year .....	22,387	23,610	25,501
Received .....	11,231	10,832	11,864
Terminated .....	10,008	8,941	9,008
Pending, end of year .....	23,610	25,501	28,357

<sup>1</sup> Excludes delegated and supervised cases.

*Land, natural resources, and Indian matters.*—Under this program all civil suits and matters relating to title, possession, and use of Federal land and natural resources are handled, as well as civil litigation involving Indians and Indian affairs in which the United States is interested. Criminal and civil prosecutions for Federal air and water pollution violations are also included. In 1988, program increases are requested to respond to a burgeoning caseload in defensive litigation.

WORKLOAD

	1986 actual	1987 est.	1988 est.
Cases:			
Pending, beginning of year .....	7,368	7,292	8,013
Received .....	2,409	3,540	4,067
Terminated .....	2,485	2,819	3,027
Pending, end of year .....	7,292	8,013	9,053
Matters:			
Pending, beginning of year .....	6,739	6,429	5,729
Received .....	3,046	1,000	1,000
Terminated .....	3,356	1,700	1,700
Pending, end of year .....	6,429	5,729	5,029

*Legal opinions.*—Opinions are prepared for the President and executive agencies, and proposed Executive orders and proclamations are reviewed for form and legality.

WORKLOAD

	1986 actual	1987 est.	1988 est.
Executive orders and proclamations .....	50	70	70
Opinions .....	510	530	530
Intradepartmental opinions .....	570	620	620
Special assignments .....	2,600	2,900	2,900

*Civil rights matters.*—Within this program, cases and matters involving the civil rights of persons within the jurisdiction of the United States are handled.

WORKLOAD

	1986 actual	1987 est.	1988 est.
Cases:			
Pending, beginning of year .....	899	936	956
Received .....	141	150	150
Terminated .....	104	130	125
Pending, end of year .....	936	956	981
Matters:			
Pending, beginning of year .....	4,080	4,300	4,520
Received .....	4,679	4,680	4,680
Terminated .....	4,459	4,460	4,500
Pending, end of year .....	4,300	4,520	4,650

*Interpol (U.S. National Central Bureau).*—This program facilitates international law enforcement cooperation as the United States liaison unit, on behalf of the Attorney General, to the International Criminal Police Organization.

WORKLOAD

	1986 actual	1987 est.	1988 est.
Investigative matters pending beginning of year (IMPS) .....	34,380	44,693	58,100
Investigative matters received (IMRS) .....	18,356	24,780	33,452
Total workload .....	52,736	69,473	91,552

*Independent counsel.*—Funding for an independent counsel is provided from the general legal activities

appropriation whenever possible violations of Federal law are alleged against senior administration officials pursuant to the provisions of 28 U.S.C. 591, et seq. In 1986, two independent counsels were appointed to investigate allegations concerning former members of the Administration.

**Legal activities office automation.**—This fund provides for the development and acquisition of office automation systems for the various legal divisions and U.S. Attorneys offices.

In 1988, this program will also fund office automation systems in the Department's management offices.

**Antitrust.**—The Antitrust Division is being funded from the general legal activities appropriation beginning in 1988. The Antitrust Division administers and enforces the antitrust and related statutes. This program primarily involves the investigation of suspected violations of the antitrust laws, the conduct of civil and criminal proceedings in the Federal courts, and the maintenance of competitive conditions.

**WORKLOAD**

Cases and investigations:	1986 actual	1987 est.	1988 est.
Pending, beginning of year	603	609	619
Filed and instituted	629	640	640
Terminated	623	630	630
Pending, end of year	609	619	629
Miscellaneous proceedings	3,845	4,470	3,666

**U.S. Attorneys.**—The U.S. Attorneys are being funded from the general legal activities appropriation beginning in 1988. The U.S. Attorneys are responsible for the prosecution of criminal offenses against the United States, the representation of the Government in civil actions in which the United States is concerned, and the initiation of proceedings for the collection of fines, penalties, and forfeitures owed to the United States. The 1988 estimates provide for defense of an increasing number of monetary claims against the United States as well as an increase of drug law prosecutions.

**U.S. ATTORNEYS**

Cases:	1986 actual	1987 est.	1988 est.
Pending, beginning of year	185,253	192,865	200,665
Filed:			
Criminal	34,208	34,900	39,680
Civil	88,720	90,500	93,200
Total received	122,928	125,400	132,880
Terminated:			
Criminal	30,607	31,200	35,480
Civil	84,709	86,400	89,000
Total terminated	115,316	117,600	124,480
Pending, end of year	192,865	200,665	209,065
Criminal trials	3,485	3,560	4,040
Civil trials	1,019	1,039	1,069
Total trials	4,504	4,599	5,109
Criminal appeals filed	3,196	3,291	3,730
Civil appeals filed	2,721	2,774	2,854
Total appeals filed	5,917	6,065	6,584
Criminal appeals terminated	2,932	3,110	3,525
Civil appeals terminated	2,583	2,633	2,709
Total appeals terminated	5,515	5,743	6,234

Workhours in court	744,708	758,835	842,900
Matters:			
Pending, beginning of year	91,045 <sup>1</sup>	91,722	94,022
Received:			
Criminal	96,968	101,800	106,900
Civil	95,475	96,000	96,000
Total received	192,443	197,800	202,900
Terminated	191,716	195,550	210,400
Pending, end of year	91,772	94,022	86,522
Prosecutions declined	42,400	44,500	46,700
Proceedings before grand jury	20,111	20,860	23,170
Workhours before grand jury	76,792	83,470	92,700
Collections (in thousands of dollars)	235,951	248,000	308,000

<sup>1</sup> Adjusted after 1985 Statistical Reports published.

**Special counsel for discrimination.**—Sections 274b (c)(1) and (c)(4) of the Immigration and Nationality Act authorizes the President to appoint, with Senate consent, the Special Counsel for Immigration-Related Unfair Employment Practices within the Department of Justice for a four-year term. This Special Counsel, in accordance with Attorney General regulations, will establish regional offices as necessary to perform his duties.

**Reimbursable program.**—This reflects reimbursable funding for the following:

Civil Division—to perform functions of the Office of Alien Property; Criminal Division—for detailing of staff to provide assistance to other agencies and for other miscellaneous purposes; Lands Division—from client agencies for land appraisal contracts and from the Environmental Protection Agency pursuant to Superfund litigation; Civil Rights Division—for activities related to the Department's Equal Employment Opportunity Program; and U.S. Attorneys—derived primarily from the Federal Emergency Management Agency to research statutory authorities and to write Presidential Emergency Action documents based on that research.

**Object Classification (in thousands of dollars)**

Identification code 15-0128-0-1-752	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	129,026	133,460	378,580
11.3 Other than full-time permanent	8,411	5,809	15,478
11.5 Other personnel compensation	1,762	1,790	3,540
11.8 Special personal services payments	607	766	2,926
11.9 Total personnel compensation	139,806	141,825	400,524
12.1 Personnel benefits: Civilian	15,832	17,732	69,267
13.0 Benefits for former personnel	129	123	203
21.0 Travel and transportation of persons	8,638	10,025	22,732
22.0 Transportation of things	1,346	1,298	3,361
23.1 Rental payments to GSA	14,508	24,703	71,605
23.2 Rental payments to others	13	10	212
23.3 Communications, utilities, and miscellaneous charges	15,996	15,828	49,502
24.0 Printing and reproduction	2,203	2,349	5,834
25.0 Other services	34,586	36,284	103,160
26.0 Supplies and materials	2,806	3,222	7,351
31.0 Equipment	4,431	4,604	28,224
41.0 Grants, subsidies, and contributions	383	562	623
42.0 Insurance claims and indemnities		3	
43.0 Interest and dividends	6		
99.0 Subtotal, direct obligations	240,683	258,568	762,598
99.0 Reimbursable obligations	5,993	19,161	20,320
99.9 Total obligations	246,676	277,729	782,918

**Personnel Summary**

Direct:			
Total number of full-time permanent positions	3,746	3,806	10,680

General and special funds—Continued

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES—Continued

[SALARIES AND EXPENSES, ANTITRUST DIVISION]—Continued

Personnel Summary—Continued

Total compensable workyears:			
Full-time equivalent employment.....	3,680	3,776	10,338
Full-time equivalent of overtime and holiday hours.....	32	40	62
Reimbursable:			
Total number of full-time permanent positions.....	6	6	6
Total compensable workyears: Full-time equivalent employment.....	93	138	218

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 15-0128-2-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			843
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			843
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			843
74.40 Obligated balance, end of year.....			-25
90.00 Outlays.....			818

The administration has proposed legislation to sunset the Interstate Commerce Commission and complete deregulation of the Motor Carrier, Freight Forwarder, and Water Carrier industries. Remaining rail-related activities would transfer to the Departments of Justice and Transportation. The Justice Department would assume responsibility for reviewing applications for rail-related mergers, consolidations and acquisitions under the Clayton Act.

Object Classification (in thousands of dollars)

Identification code 15-0128-2-1-752	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....			764
12.1 Personnel benefits: Civilian.....			79
99.9 Total obligations.....			843

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows:  
Environmental Protection Agency: "Hazardous substance superfund."

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those allowed under the Foreign Service Act of 1980 as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters of personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; advances of funds abroad; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; [\$564,000] \$510,000. (8 U.S.C. 1103, 1252, 1551; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-0100-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	597	571	510
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	73		
39.00 Budget authority.....	670	571	510
<b>Budget authority:</b>			
40.00 Appropriation.....	670	564	510
44.20 Supplemental for civilian pay raises.....		3	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		4	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	597	571	510
72.40 Obligated balance, start of year.....	108	113	98
74.40 Obligated balance, end of year.....	-113	-98	-87
77.00 Adjustments in expired accounts.....	11		
89.00 Outlays.....	603	586	521
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	603	579	521
91.20 Outlays from civilian pay raise supplemental.....		3	
91.40 Outlays from retirement contribution supplemental.....		4	

In 1988, the Foreign Claims Settlement Commission will provide continuing service to former and prospective claimants on a total of 35 completed international and war claims related programs. This staff will also be providing advice on policy determinations, preliminary planning, evaluation of pending claims legislation, and liaison with Congressional committees considering legislation intended to provide compensation to new categories of claimants.

Object Classification (in thousands of dollars)

Identification code 15-0100-0-1-153	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	302	325	306
11.3 Other than full-time permanent.....	102	25	25
11.9 Total personnel compensation.....	404	350	331
12.1 Personnel benefits: Civilian.....	40	42	52
13.0 Benefits for former personnel.....	4	72	
21.0 Travel and transportation of persons.....	6	5	4
22.0 Transportation of things.....	1		
23.1 Rental payments to GSA.....	83	55	66
23.3 Communications, utilities, and miscellaneous charges.....	26	20	23
24.0 Printing and reproduction.....	6	10	16
25.0 Other services.....	20	10	11
26.0 Supplies and materials.....	7	6	6
31.0 Equipment.....		1	1
99.9 Total obligations.....	597	571	510

Personnel Summary

Total number of full-time permanent positions.....	16	9	9
Total compensable workyears: Full-time equivalent employment.....	11	9	9

PAYMENT OF VIETNAM AND USS PUEBLO PRISONER OF WAR CLAIMS

Program and Financing (in thousands of dollars)

Identification code 15-0104-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0).....	3	15	10
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-49	-46	-31

24.40	Unobligated balance available, end of year.....	46	31	21
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	3	15	10
90.00	Outlays.....	3	15	10

The War Claims Act of 1948, as amended, authorizes payments to American military prisoners of war and American civilians captured by hostile forces in Southeast Asia during the Vietnam conflict. There are still several pending claims.

**[SALARIES AND EXPENSES, UNITED STATES ATTORNEYS]\***

\*See Part II for additional information.

**[For necessary expenses of the Offices of the United States Attorneys, \$320,000,000.]** (Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**[For an additional amount for "Salaries and expenses, United States Attorneys", \$31,000,000.]** (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

**Program and Financing (in thousands of dollars)**

Identification code	15-0322-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	U.S. attorneys.....	312,510	357,328	
00.02	Bankruptcy matters .....	9,675		
00.91	Total direct program .....	322,185	357,328	
01.01	Reimbursable program.....	1,159	1,159	
10.00	Total obligations .....	323,344	358,487	
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,159	-1,159	
21.40	Unobligated balance available, start of year.....	-6,477		
25.00	Unobligated balance lapsing.....	2,016		
39.00	<b>Budget authority</b> .....	<b>317,724</b>	<b>357,328</b>	
<b>Budget authority:</b>				
40.00	<b>Appropriation</b> .....	<b>317,724</b>	<b>351,000</b>	
44.20	<b>Supplemental for civilian pay raises</b> .....		<b>2,818</b>	
44.40	<b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>3,510</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	322,185	357,328	
72.40	Obligated balance, start of year .....	40,640	34,797	45,327
73.40	Obligated balance transferred, net.....			-45,327
74.40	Obligated balance, end of year.....	-34,797	-45,327	
77.00	Adjustments in expired accounts.....	-43		
89.00	Outlays.....	327,985	346,798	
<b>Outlays:</b>				
90.00	Outlays, excluding pay and retirement supplementals .....	327,985	340,470	
91.20	Outlays from civilian pay raise supplemental.....		2,818	
91.40	Outlays from retirement contribution supplemental .....		3,510	

NOTES

Excludes \$413,555 thousand in 1988 for U.S. Attorneys activities transferred to the Department of Justice, Salaries and Expenses, General Legal Activities account. Comparable amounts for 1986 (\$312,510 thousand) and 1987 (\$357,328 thousand) are included above.

Excludes \$28,179 thousand in 1987 for Oversight of Bankruptcy Cases transferred to the Department of Justice, United States trustees system fund. Comparable amounts for 1986 (\$9,675 thousand) are shown above.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	317,724	357,328	
Outlays.....	327,985	346,798	
Supplemental under existing legislation:			
Budget authority .....		887	

Outlays.....		887	
Total:			
Budget authority .....	317,724	358,215	
Outlays.....	327,985	347,685	

The Government is represented in each of the 94 judicial districts by a U.S. attorney.

**U.S. attorneys.**—The U.S. attorneys are being funded from the General Legal Activities appropriation beginning in 1988.

**Object Classification (in thousands of dollars)**

Identification code	15-0322-0-1-752	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	187,744	204,596	
11.3	Other than full-time permanent .....	8,768	9,126	
11.5	Other personnel compensation.....	1,338	1,475	
11.8	Special personal services payments.....	1,786	1,798	
11.9	Total personnel compensation .....	199,636	216,995	
12.1	Personnel benefits: Civilian .....	23,973	28,609	
13.0	Benefits for former personnel .....	80	80	
21.0	Travel and transportation of persons .....	6,777	8,149	
22.0	Transportation of things.....	1,610	1,721	
23.1	Rental payments to GSA.....	25,489	30,053	
23.2	Rental payments to others.....	182	182	
23.3	Communications, utilities, and miscellaneous charges... ..	25,044	26,433	
24.0	Printing and reproduction .....	2,426	2,769	
25.0	Other services.....	30,760	32,750	
26.0	Supplies and materials.....	2,614	2,892	
31.0	Equipment.....	3,589	6,695	
42.0	Insurance claims and indemnities .....	5		
99.0	Subtotal, direct obligations .....	322,185	357,328	
99.0	Reimbursable obligations .....	1,159	1,159	
99.9	Total obligations .....	323,344	358,487	

**Personnel Summary**

Total number of full-time permanent positions.....	6,002	5,958
Total compensable workyears:		
Full-time equivalent employment.....	5,439	5,858
Full-time equivalent of overtime and holiday hours.....	24	24

**SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE\***

\* See Part II for additional information.

For necessary expenses of the United States Marshals Service; including acquisition, lease, maintenance, and operation of vehicles and aircraft, **[\$142,000,000]** \$216,092,000, of which not to exceed \$1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites: Provided, That notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the United States Marshals Service may collect fees and expenses for the service of civil process, including: complaints, summonses, subpoenas and similar process; and seizures, levies, and sales associated with judicial orders of execution; and credit not to exceed \$1,000,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services. (18 U.S.C. 1963, 3053, 3059, 3192, 4008, 3521-3528; 19 U.S.C. 1613; 21 U.S.C. 881; 28 U.S.C. 510, 524, 561-562, 565, 567, 569-572, 1921; 31 U.S.C. 3324; 48 U.S.C. 1424(b), 1614(c), 1694(b)(3); Federal Rules of Civil Procedure 4; Federal Rules of Criminal Procedure 4, 9; Supplemental Admiralty Rules; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**[For an additional amount for "Salaries and expenses, United States Marshals Service", \$17,000,000.]** (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

General and special funds—Continued

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE—  
Continued

Program and Financing (in thousands of dollars)

Identification code 15-0324-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	145,001	164,445	216,092
01.01 Reimbursable program .....	2,603	3,548	3,665
10.00 Total obligations .....	147,604	167,993	219,757
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-2,119	-2,888	-2,983
14.00 Non-Federal sources .....	-484	-660	-682
25.00 Unobligated balance lapsing .....	1,124		
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	25		
39.00 Budget authority .....	146,150	164,445	216,092
Budget authority:			
40.00 Appropriation .....	146,150	159,000	216,092
44.20 Supplemental for civilian pay raises .....		2,234	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		3,211	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	145,001	164,445	216,092
72.40 Obligated balance start of year .....		13,811	22,034
74.40 Obligated balance, end of year .....	-13,811	-22,034	-32,839
89.00 Outlays .....	131,190	156,222	205,287
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals .....	131,190	151,050	205,014
91.20 Outlays from civilian pay raise supplemental .....		2,122	112
91.40 Outlays from retirement contribution supplemental .....		3,050	161

Note.—Includes \$17,618 thousand in 1988 for Protection of Witnesses program previously financed from the Department of Justice, Fees and expenses of witnesses appropriation.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	146,150	164,445	216,092
Outlays .....	131,190	156,222	205,287
Supplemental under existing legislation:			
Budget authority .....		405	
Outlays .....		385	20
Total:			
Budget authority .....	146,150	164,850	216,092
Outlays .....	131,190	156,607	205,307

The Federal Government is represented in each of the 94 judicial districts by a U.S. Marshal. The primary mission of the U.S. Marshals Service is responsibility for the protection of the Federal judiciary, protection of witnesses, execution of warrants and court orders, and custody and transportation of unsentenced prisoners. It is the principal support force in the Federal judicial system and an integral part of the Federal law enforcement community. Beginning in 1988, the expenses of protected witnesses and their dependents will be funded from this appropriation.

**Reimbursable program.**—Federal funds in 1988 are derived primarily from the U.S. Air Force for Intercontinental Ballistic Missile transportation security services provided by the U.S. Marshals Service, as well as the Bureau of Prisons for the transportation of sentenced prisoners, and the Department of State for security details at the United Nations. Non-Federal funds are derived from State and local governments for witness protection and for the transportation of prisoners pursuant to State writs.

U.S. MARSHALS

	1986 actual	1987 est.	1988 est.
Criminal bench hours .....	106,882	117,100	128,300
Fugitive felon warrants received .....	11,645	12,200	12,800
USMS fugitive felon arrests/clears .....	10,604	10,600	10,600
Felon warrants unexecuted, end of year .....	9,509	10,900	12,900
Witness security program—new witnesses .....	217	342	390
Total program principal witnesses .....	5,181	5,523	5,813
Prisoners received .....	89,558	92,300	97,000
Property seizures .....	8,286	8,722	9,181

Object Classification (in thousands of dollars)

Identification code 15-0324-0-1-752	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	67,615	74,359	79,345
11.3 Other than full-time permanent .....	2,803	2,260	2,379
11.5 Other personnel compensation .....	8,575	13,791	15,950
11.8 Special personal services payments .....	2,074	1,789	19,457
11.9 Total personnel compensation .....	81,067	92,199	117,131
12.1 Personnel benefits: Civilian .....	11,877	16,194	25,281
13.0 Benefits for former personnel .....	37	3	3
21.0 Travel and transportation of persons .....	13,886	16,655	19,619
22.0 Transportation of things .....	918	629	692
23.1 Rental payments to GSA .....	11,469	15,989	19,578
23.3 Communications, utilities, and miscellaneous charges .....	9,532	6,844	8,884
24.0 Printing and reproduction .....	360	522	568
25.0 Other service .....	8,671	6,948	12,733
26.0 Supplies and materials .....	3,889	2,648	4,018
31.0 Equipment .....	3,274	5,800	7,571
42.0 Insurance claims and indemnities .....	21	14	14
99.0 Subtotal, direct obligations .....	145,001	164,445	216,092
99.0 Reimbursable obligations .....	2,603	3,548	3,665
99.9 Total obligations .....	147,604	167,993	219,757

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,624	2,724	2,948
Total compensable workyears:			
Full-time equivalent employment .....	2,605	2,794	2,933
Full-time equivalent of overtime and holiday hours .....	275	438	502
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	27	27	27
Total compensable workyears:			
Full-time equivalent employment .....	54	54	54
Full-time equivalent of overtime and holiday hours .....	8	8	8

SUPPORT OF UNITED STATES PRISONERS\*

\*See Part II for additional information.

For support of United States prisoners in non-Federal institutions, [\$50,000,000; and in addition, \$5,000,000], \$76,914,000, which shall remain available until expended; of which not to exceed \$5,000,000 shall be available under the Cooperative Agreement Program [until expended] for the purposes of renovating, constructing, and equipping State and local correctional facilities: *Provided*, That amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prisoner population to be housed in the facility, or in other facilities in the same correctional system, as projected by the Attorney General: *Provided further*, That following agreement on or completion of any Federally assisted correctional facility construction, the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing Federal prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement: *Provided further*, That funds earmarked for the support of United States prisoners in non-Federal institutions in the Department of Justice Appropriations Acts, 1984 and 1985, that remain unobligated at the end of fiscal year 1986, are restored effective immediately before September 30, 1986, for the purpose of liquidating any 1986 obligations for that activity that cannot be funded from 1986 appropriations. (18 U.S.C. 4001-4003, 4006-4009, 4042, 4082, 4085-4086,

4125, 4282-4283, 4285, 5040; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

[For an additional amount for "Support of United States prisoners", \$5,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

**Program and Financing** (in thousands of dollars)

Identification code 15-1020-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Care of U.S. prisoners in non-Federal institutions.....	54,435	55,000	71,914
00.02 Cooperative agreement program.....	4,051	12,124	5,000
10.00 Total obligations.....	58,486	67,124	76,914
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-6,390	-7,124	
24.40 Unobligated balance available, end of year.....	7,124		
25.00 Unobligated balance restored.....	-1,671		
40.00 <b>Budget authority (appropriation).....</b>	<b>57,549</b>	<b>60,000</b>	<b>72,429</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	58,486	67,124	76,914
72.40 Obligated balance, start of year.....	25,474	23,284	27,921
74.40 Obligated balance, end of year.....	-23,284	-27,921	-28,923
77.00 Adjustments in expired accounts.....	-135		
90.00 Outlays.....	60,541	62,487	75,912

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	57,549	60,000	76,914
Outlays.....	60,541	62,487	75,912
Supplemental under existing legislation:			
Budget authority.....		9,630	
Outlays.....		8,956	674
Total:			
Budget authority.....	57,549	69,630	76,914
Outlays.....	60,541	71,443	76,586

**Care of U.S. prisoners in non-Federal institutions.**—Under this program, the U.S. Marshals Service contracts with State and local jails to board Federal prisoners and detainees for short periods of time. These periods of detention occur before and during a trial and while awaiting transfer to Federal institutions after conviction. Approximately 95,500 prisoners will be boarded in approximately 835 jails at an average cost of \$39.69 per offender day in 1988.

**Cooperative agreement program.**—Agreements are negotiated with State and local governments for renovating, constructing, and equipping facilities that detain Federal prisoners.

**Object Classification** (in thousands of dollars)

Identification code 15-1020-0-1-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.5 Other personnel compensation.....	9		
11.8 Special personal services payments.....	1,249	1,130	1,295
11.9 Total personnel compensation.....	1,258	1,130	1,295
12.1 Personnel benefits: Civilian personnel.....	28	25	35
21.0 Travel and transportation of persons.....	67		
23.3 Communications, utilities, and miscellaneous charges.....	1		
25.0 Other services.....	53,050	53,740	70,454
26.0 Supplies and materials.....	20	100	125
41.0 Grants, subsidies, and contributions.....	4,060	12,129	5,005
42.0 Insurance claims and indemnities.....	2		
99.9 Total obligations.....	58,486	67,124	76,914

**FEES AND EXPENSES OF WITNESSES**

For expenses, mileage, compensation, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, including advances; [\$52,187,000] \$37,359,000, to remain available until expended, of which not to exceed \$1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites. (5 U.S.C. 503(b), 5537, 5751; 18 U.S.C. 3495-96, 4203, 4241, 4242; 28 U.S.C. 524, 1783, 1821, 1825, 1915, 1922; 31 U.S.C. 3324; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 15-0311-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Fees and expenses of witnesses.....	30,519	34,354	36,584
00.02 Protection of witnesses.....	13,029	17,641	
00.03 Victim compensation fund.....	275	579	775
00.91 Total direct program.....	43,823	52,574	37,359
01.01 Reimbursable program.....	31	50	50
10.00 Total obligations.....	43,854	52,624	37,409
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-31	-50	-50
21.40 Unobligated balance available, start of year.....		-1,387	-1,000
24.40 Unobligated balance available, end of year.....	1,387	1,000	1,000
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	2		
39.00 <b>Budget authority.....</b>	<b>45,212</b>	<b>52,187</b>	<b>37,359</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	45,362	52,187	37,359
41.00 Transferred to other accounts.....	-150		
43.00 <b>Appropriation (adjusted).....</b>	<b>45,212</b>	<b>52,187</b>	<b>37,359</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	43,823	52,574	37,359
72.40 Obligated balance, start of year.....	7,291	12,194	15,190
74.40 Obligated balance, end of year.....	-12,194	-15,190	-15,937
77.00 Adjustments in expired accounts.....	-3,252		
90.00 Outlays.....	35,668	49,578	36,612

Note.—Excludes \$17,618 thousand in 1988 for Protection of Witnesses program transferred to Salaries and expenses, U.S. Marshals Service. Comparable amounts for 1986 (\$13,029 thousand) and 1987 (\$17,641 thousand) are included above.

Fees and expenses are paid to witnesses who appear on behalf of the Government in cases in which the United States is a party. Costs incurred are affected by factors over which the Department of Justice exercises little control. The U.S. attorneys and the Department's six legal divisions are served by this appropriation.

**Fact witnesses.**—Payment for attendance fees, per diem and travel is provided for witnesses who testify as to events or facts about which they have personal knowledge.

**Protection of witnesses.**—Beginning in 1988, the expenses of protected witnesses will be funded from the U.S. Marshals Service appropriation.

**Expert witnesses.**—Provides for the payment of fees and expenses associated with the preparation and presentation of testimony by technical and scientific experts in legal proceedings involving the United States.

**Mental competency examinations.**—This program provides payments to psychiatrists and physicians for court-ordered examinations of the mental competency of persons accused of offenses against the United States. Reports and court testimony relating to the examinations are included in these fees.

General and special funds—Continued

FEEES AND EXPENSES OF WITNESSES—Continued

**Victim compensation fund.**—This fund pays restitution to any victim of a crime committed by a protected witness who causes or threatens death or serious bodily injury.

**Reimbursable program.**—Non-Federal funds are received through reimbursement from states and localities to cover the costs of maintaining those State and local organized crime witnesses and their families who have been accepted into the witness protection program.

Object Classification (in thousands of dollars)

Identification code 15-0311-0-1-752	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation: Special personal services payments:			
11.8 Fees and expenses of witnesses.....	20,068	21,726	23,413
11.8 Fees, protection of witnesses.....	13,020	17,641	.....
11.9 Total personnel compensation.....	33,088	39,367	23,413
Travel and transportation of persons:			
21.0 Per diem in lieu of subsistence.....	1,246	1,452	1,575
21.0 Mileage.....	3,120	3,637	3,946
21.0 Other.....	6,049	7,489	7,600
25.0 Other services.....	45	50	50
42.0 Insurance claims and indemnities.....	275	579	775
99.0 Subtotal, direct obligations.....	43,823	52,574	37,359
99.0 Reimbursable obligations.....	31	50	50
99.9 Total obligations.....	43,854	52,624	37,409

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE\*

\*See Part II for additional information.

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, **[\$29,637,000]** \$29,123,000, of which **[\$23,266,000]** \$21,740,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Act of 1980 (Public Law 96-422; 94 Stat. 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: *Provided*, That notwithstanding section 501(e)(2)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act. (*Reorganization Plan No. 1 of 1966; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 15-0500-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Prevention and conciliation of community disputes.....	6,285	6,482	7,383
00.02 Reception, processing and care of Cubans and Haitians.....	26,414	26,034	21,740
01.01 Reimbursable program.....	30	85	.....
10.00 Total obligations.....	32,729	32,601	29,123
Financing:			
11.00 Offsetting collections from: Federal funds.....	-30	-85	.....
21.40 Unobligated balance available, start of year.....	-6,846	-2,730	.....
22.40 Unobligated balance transferred, net.....	-33	.....	.....
24.40 Unobligated balance available, end of year.....	2,730	.....	.....
25.00 Unobligated balance lapsing.....	64	.....	.....
39.00 Budget authority.....	28,614	29,786	29,123

<b>Budget authority:</b>			
40.00 Appropriation.....	28,614	29,637	29,123
44.20 Supplemental for civilian pay raises.....	.....	64	.....
44.40 Supplemental for retirement contributions (P.L. 99-335).....	.....	85	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	32,699	32,516	29,123
72.40 Obligated balance, start of year.....	13,848	4,239	7,579
74.40 Obligated balance, end of year.....	-4,239	-7,579	-9,646
77.00 Adjustments in expired accounts.....	-218	.....	.....
89.00 Outlays.....	42,090	29,176	27,056
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	42,090	29,033	27,050
91.20 Outlays from civilian pay raise supplemental.....	.....	61	3
91.40 Outlays from retirement contribution supplemental.....	.....	82	3

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(in thousands of dollars)

Enacted/requested:	1987 actual	1987 est.	1988 est.
Budget authority.....	28,614	29,786	29,123
Outlays.....	42,090	29,176	27,056
<b>Supplemental under existing legislation:</b>			
Budget authority.....	.....	41	.....
Outlays.....	.....	31	10
<b>Total:</b>			
Budget authority.....	28,614	29,827	29,123
Outlays.....	42,090	29,207	27,066

**Prevention and conciliation of community disputes.**—The Community Relations Service (CRS) provides assistance to communities in resolving disputes, disagreements, and difficulties arising from discriminatory practices based on race, color, or national origin which impair the rights of citizens or which disrupt or threaten to disrupt peaceful relations among citizens.

The 1988 request will provide CRS with resources to continue to focus on racial disputes in the areas of law enforcement, immigration, corrections, education, employment, housing, community development, and Indian rights, among others. In 1988, CRS also anticipates continuing response to conflicts involving Indo-Chinese refugees as well as the Ku Klux Klan. CRS will continue to monitor and will help communities to forestall threats of urban civil disorder.

**Reception, processing and care of Cubans and Haitians.**—This activity provides for the reception, processing, resettlement, health and mental care, and other services of Cuban and Haitian entrants who entered the United States in 1980 and each year thereafter and who subsequently have been detained by the Immigration and Naturalization Service for their undocumented or unauthorized entry into the United States.

Object Classification (in thousands of dollars)

Identification code 15-0500-0-1-752	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	4,644	4,687	4,903
11.3 Other than full-time permanent.....	251	252	186
11.5 Other personnel compensation.....	25	25	25
11.8 Special personal services payments payments.....	12	12	34
11.9 Total personnel compensation.....	4,932	4,976	5,148
12.1 Personnel benefits: Civilian.....	522	612	976
21.0 Travel and transportation of persons.....	661	673	635
22.0 Transportation of things.....	19	19	20
23.1 Rental payments to GSA.....	617	911	928
23.3 Communications, utilities, and miscellaneous charges.....	503	491	568
24.0 Printing and reproduction.....	-3	2	3
25.0 Other services.....	19,319	18,663	15,007

26.0	Supplies and materials.....	67	68	71
31.0	Equipment.....	51	52	30
32.0	Land and structures.....	4		
41.0	Grants, subsidies, and contributions.....	6,007	6,049	5,737
99.0	Subtotal, direct obligations.....	32,699	32,516	29,123
99.0	Reimbursable obligations.....	30	85	
99.9	Total obligations.....	32,729	32,601	29,123

**Personnel Summary**

Total number of full-time permanent positions.....	118	118	118
Total compensable workyears: Full-time equivalent employment.....	119	115	113

**[SALARIES AND EXPENSES, OVERSIGHT OF BANKRUPTCY CASES]  
UNITED STATES TRUSTEES SYSTEM FUND\***

\*See Part II for additional information.

For necessary expenses of the bankruptcy trustees, \$11,500,000. Effective immediately before November 10, 1986, section 408(c) of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2687), is amended by striking out "November 10, 1986" and inserting in lieu thereof "September 30, 1987".

For the necessary expenses of the United States Trustees Program, \$53,525,000, for activities authorized by sec. 115 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554): Provided, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors. (12 U.S.C. 1904b; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....			27,853
Collections.....		27,853	38,661
Total available for appropriation.....		27,853	66,514
Unappropriated balance, end of year.....		27,853	66,514

**Program and Financing (in thousands of dollars)**

Identification code 15-5073-0-2-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....		11,743	53,525
<b>Financing:</b>			
39.00 Budget authority.....		11,743	53,525
<b>Budget authority:</b>			
40.00 Appropriation (general fund).....		11,500	53,525
44.20 Supplemental for civilian pay raises.....		93	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		150	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		11,743	53,525
72.40 Obligated balance, start of year.....			588
74.40 Obligated balance, end of year.....		-588	-3,264
89.00 Outlays.....		11,155	50,849
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....		10,925	50,836
91.20 Outlays from civilian pay raise supplemental.....		88	5
91.40 Outlays from retirement contribution supplemental.....		142	8

**NOTES**

Excludes \$9,829 thousand in 1986 for U.S. Trustees activities shown in the Department of Justice, Salaries and expenses, U.S. Attorneys.

Includes \$11,500 thousand in 1987 for United States trustees system fund previously funded from the Department of Justice, Oversight of bankruptcy cases.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....		11,743	53,525
Outlays.....		11,155	50,849
Supplemental under existing legislation:			
Budget authority.....		16,436	
Outlays.....		15,614	822
Total:			
Budget authority.....		28,179	53,525
Outlays.....		26,769	51,671

**United States trustee system fund.**—The Bankruptcy Judges, U.S. Trustees and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554), expands the current pilot program to a twenty-one region nationwide program encompassing ninety-four judicial districts. The United States trustee program supervises the administration of bankruptcy cases in the Federal Bankruptcy Courts. In 1987 and 1988, the estimates reflect phased expansion of the program's jurisdiction to all Federal judicial districts. The nationwide expansion will be completed in 1989. Appropriated amounts are being sought for 1987 and 1988. 1989 amounts will be derived from receipts.

**BANKRUPTCY MATTERS**

	1986 actual	1987 est.	1988 est.
Chapter 7 cases filed.....	100,123	127,772	141,500
Chapter 7 cases closed.....	75,000	90,000	100,000
Chapter 7 cases pending.....	99,888	137,660	179,160
Chapter 11 cases filed.....	6,715	7,565	7,565
Chapter 11 cases closed.....	5,500	6,500	7,000
Chapter 11 cases pending.....	11,971	13,036	13,601
Chapter 13 cases filed.....	35,367	39,788	44,271
Number of new cases filed.....	142,205	175,125	193,336

**Object Classification (in thousands of dollars)**

Identification code 15-5073-0-2-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		6,005	25,561
11.3 Other than full-time permanent.....		236	294
11.5 Other personnel compensation.....		72	626
11.9 Total personnel compensation.....		6,313	26,481
12.1 Personnel benefits: Civilian.....		834	3,813
13.0 Benefits for former personnel.....		28	63
21.0 Travel and transportation of persons.....		408	1,192
22.0 Transportation of things.....		80	353
23.1 Rental payments to GSA.....		1,581	5,917
23.2 Rental payments to others.....			250
23.3 Communications, utilities, and miscellaneous charges.....		865	3,147
24.0 Printing and reproduction.....		59	263
25.0 Other services.....		845	7,512
26.0 Supplies and materials.....		247	1,313
31.0 Equipment.....		483	3,221
99.9 Total obligations.....		11,743	53,525

**Personnel Summary**

Total number of full-time permanent positions.....	193	893
Total compensable workyears:		
Full-time equivalent employment.....	283	713
Full-time equivalent of overtime and holiday hours.....		5

**ASSETS FORFEITURE FUND**

For expenses authorized by 28 U.S.C. 524, as amended by the Comprehensive Forfeiture Act of 1984 and the Anti-Drug Abuse Act of

General and special funds—Continued

ASSETS FORFEITURE FUND—Continued

1986 [as passed the House of Representatives on October 8, 1986 or similar legislation if enacted into law], such sums as may be necessary to be derived from the Department of Justice Assets Forfeiture Fund. (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....		5,000	33,000
Collections.....		140,000	140,000
Adjustment in available collections.....	55,879		
Total available for appropriation.....		145,000	173,000
Appropriation.....		112,000	120,000
Transfers to the general fund.....	-50,879		
Unappropriated balance, end of year.....	5,000	33,000	53,000

Program and Financing (in thousands of dollars)

Identification code 15-5042-0-2-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	42,832	112,000	120,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-93,711		
25.00 Unobligated balance lapsing.....	50,879		
40.00 Budget authority (appropriation) (indefinite, special fund).....		112,000	120,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-50,879	112,000	120,000
72.40 Obligated balance, start of year.....	231	6,283	67,667
74.40 Obligated balance, end of year.....	-6,283	-67,667	-128,615
90.00 Outlays.....	-56,931	50,616	59,052

Note.—After 1986, collections will be reported as special fund receipts and budget authority when appropriated. In 1986, \$93,711 thousand was erroneously credited to this account.

The Comprehensive Crime Control Act of 1984 established the Assets forfeiture fund into which the proceeds or sales of forfeited or seized property are deposited. In establishing this fund Congress requires an annual appropriation of a specific amount.

Object Classification (in thousands of dollars)

Identification code 15-5042-0-2-752	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.5 Other personnel compensation.....	6	8	8
11.8 Special personal services payments.....	631	1,804	1,812
12.1 Personnel benefits: Civilian.....	25	78	84
21.0 Travel and transportation of persons.....	58	1,959	2,100
22.0 Transportation of things.....	133	336	360
23.2 Rental payments to others.....	579	1,500	1,608
23.3 Communications, utilities, and miscellaneous charges.....	312	560	720
24.0 Printing and reproduction.....	29	179	192
25.0 Other services.....	40,393	100,805	108,004
26.0 Supplies and materials.....	482	1,344	1,440
31.0 Equipment.....	160	3,360	3,600
43.0 Interest and dividends.....	24	67	72
99.9 Total obligations.....	42,832	112,000	120,000

INTERAGENCY LAW ENFORCEMENT

Federal Funds

General and special funds:

ORGANIZED CRIME DRUG ENFORCEMENT

Program and Financing (in thousands of dollars)

Identification code 15-0323-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Corrections.....	-78	4,213	
00.02 Presidential Commission on Organized Crime.....	951		
10.00 Total obligations.....	873	4,213	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-4,135	-4,213	
24.40 Unobligated balance available, end of year.....	4,213		
25.00 Unobligated balance lapsing.....	6		
40.00 Budget authority (appropriation).....	957		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	873	4,213	
72.40 Obligated balance, start of year.....	6,965	472	
74.40 Obligated balance, end of year.....	-472		
77.00 Adjustments in expired accounts.....	-711		
90.00 Outlays.....	6,655	4,685	

The President's Commission on Organized Crime was terminated on April 1, 1986, as provided by Executive Order 12507.

Object Classification (in thousands of dollars)

Identification code 15-0323-0-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	102		
11.3 Other than full-time permanent.....	357		
11.5 Other personnel compensation.....	24		
11.8 Special personal services payments.....	37		
11.9 Total personnel compensation.....	520		
12.1 Personnel benefits: Civilian.....	44		
21.0 Travel and transportation of persons.....	85		
22.0 Transportation of things.....	9		
23.1 Rental payments to GSA.....	72		
23.3 Communications, utilities, and miscellaneous charges.....	48		
24.0 Printing and reproduction.....	19		
25.0 Other services.....	65	4,213	
26.0 Supplies and materials.....	11		
99.9 Total obligations.....	873	4,213	

Personnel Summary

Total number of full-time permanent positions.....	20		
Total compensable workyears: Full-time equivalent employment.....	4		

FEDERAL BUREAU OF INVESTIGATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed [one thousand five hundred seventy-nine] 2,000 passenger motor vehicles of which [one thousand four hundred fifty] 1,650 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and oper-

ation of aircraft; and not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; **[\$1,260,000,000]** \$1,484,421,000, of which not to exceed \$10,000,000 for automated data processing and telecommunications and \$1,000,000 for undercover operations shall remain available until September 30, **[1988]** 1989; of which \$3,000,000 for research related to investigative activities shall remain available until expended; of which \$13,000,000 for the construction of Engineering Research Facility shall remain available until expended; of which \$11,358,000 for a highly sophisticated system to assist in language translation and recording for the New York field office shall remain available until expended; and of which not to exceed \$500,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism: *Provided*, That **[notwithstanding the provisions of title 31 U.S.C. 3302,]** the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for noncriminal employment and licensing purposes, and *notwithstanding the provisions of 31 U.S.C. 3302*, credit not more than **[\$15,500,000]** \$17,500,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: *Provided further*, That not to exceed **[\$45,000]** \$70,000 shall be available for official reception and representation expenses. **[** *Provided further*, That \$13,800,000 for the expansion and renovation of the New York field office shall remain available until expended **]**. (28 U.S.C. 524, 531-37; 18 U.S.C. 3052, 3059; 22 U.S.C. 4081, 4084; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**[**For an additional amount for "Salaries and expenses", \$2,000,000. **]** (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

**Program and Financing** (in thousands of dollars)

Identification code	15-0200-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Criminal, security, and other investigations.....	737,116	807,746	907,911
00.02	Investigative support.....	147,911	180,174	203,829
00.03	State and local assistance.....	89,489	111,864	123,275
00.04	Program direction.....	67,228	48,515	56,073
00.91	Total operating expenses.....	1,041,744	1,148,299	1,291,088
Capital investment:				
01.01	Criminal, security, and other investigations.....	31,447	48,551	67,560
01.02	Investigative support.....	62,906	143,317	124,224
01.03	State and local assistance.....	3,093	1,006	1,006
01.04	Program direction.....	1,191	460	543
01.91	Total capital investment.....	98,637	193,334	193,333
01.92	Total direct program.....	1,140,381	1,341,633	1,484,421
02.01	Reimbursable program.....	43,499	67,018	86,780
10.00	Total obligations.....	1,183,880	1,408,651	1,571,201
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-28,603	-50,839	-69,357
14.00	Non-Federal sources.....	-14,896	-16,179	-17,423
21.40	Unobligated balance available, start of year.....	-33,409	-47,319	.....
24.40	Unobligated balance available, end of year.....	47,319	.....	.....
25.00	Unobligated balance lapsing.....	2,215	.....	.....
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	507	.....	.....
39.00	<b>Budget authority</b> .....	<b>1,157,013</b>	<b>1,294,314</b>	<b>1,484,421</b>
Budget authority:				
40.00	<b>Appropriation</b> .....	<b>1,157,013</b>	<b>1,262,000</b>	<b>1,484,421</b>
44.10	Supplemental for wage-board pay raises.....	141	.....	.....
44.20	Supplemental for civilian pay raises.....	9,168	.....	.....
44.40	Supplemental for retirement contributions (P.L. 99-335).....	23,005	.....	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,140,381	1,341,633	1,484,421
72.40	Obligated balance, start of year.....	290,945	247,546	313,063

74.40	Obligated balance, end of year.....	-247,546	-313,063	-331,104
77.00	Adjustments in expired accounts.....	-281	.....	.....
89.00	<b>Outlays</b> .....	<b>1,183,499</b>	<b>1,276,116</b>	<b>1,466,380</b>
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	1,183,499	1,243,899	1,466,283
91.10	Outlays from wage-board pay raise supplemental.....	141	.....	.....
91.20	Outlays from civilian pay raise supplemental.....	9,140	28	.....
91.40	Outlays from retirement contribution supplemental.....	22,936	69	.....

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	1,157,013	1,294,314	1,484,421
Outlays.....	1,183,499	1,276,116	1,466,380
Supplemental under existing legislation:			
Budget authority.....	9,675	.....	.....
Outlays.....	3,989	5,686	.....
Total:			
Budget authority.....	1,157,013	1,303,989	1,484,421
Outlays.....	1,183,499	1,280,105	1,472,066

The overall objectives of the Federal Bureau of Investigation (FBI) are to have a significant impact towards reducing criminal activity, to investigate civil matters in which the Federal Government has an interest, and to provide information to the executive branch relating to national security.

These objectives result in the FBI's being actively involved in a wide range of investigations, including traditional law enforcement investigations (bank robbery, kidnaping, fugitive, bank embezzlement, etc.), investigations involving more modern phenomena (organized crime, white-collar crime, civil rights violations, antitrust violations, etc.), and investigations of hostile intelligence activities within the United States. The Drug Enforcement Administration (DEA) reports to the Director of the FBI and the FBI has concurrent jurisdiction with DEA over Federal drug violations.

The activities of the FBI are divided into the following general categories:

**Criminal, security, and other investigations.**—This activity includes all field investigations of the Federal Bureau of Investigation. These investigations are conducted by FBI Special Agents in 59 field offices and more than 400 resident agencies located throughout the United States and Puerto Rico. National priority investigations include white-collar crime, organized crime, terrorism and foreign counterintelligence. Other investigative areas are civil rights, fugitive, general government crimes, personal crimes, civil and general property crimes, applicant, and other investigations. An increase of \$45 million is planned for the FBI's Investigative Programs in 1988.

The FBI is reimbursed by other Federal agencies for certain investigative activities such as preemployment background inquiries and name checks.

This activity also includes resources devoted to national program supervision, coordination, and management of FBI investigations.

	1986 actual	1987 est.	1988 est.
Investigative matters.....	321,151	372,000	401,000
Arrests.....	8,234	8,412	8,565
Convictions.....	12,215	12,512	13,015

**Investigative support.**—Investigative support consists of training, forensic laboratories, attachés in foreign countries, investigative records and communications,

General and special funds—Continued

SALARIES AND EXPENSES—Continued

ADP and telecommunications, and technical field support and equipment. The FBI will invest \$13 million for construction of the Engineering Research Facility that will enable the collocation of FBI and DEA research and development staffs. Also planned are capital investments of \$10 million to continue the design and implementation of an integrated digital voice privacy radio system that will support FBI, DEA, and United States Marshals Service operations. An amount of \$2.5 million will be utilized for dormitory furnishings at the FBI Academy.

	1986 actual	1987 est.	1988 est.
Federal training—FBI Academy:			
New agents trained.....	444	710	650
In-service training.....	4,867	2,500	4,500
Federal training—field: Special agents trained in field.....	8,224	8,224	8,224
Forensic services—Federal: Examinations performed.....	907,286	910,000	910,000
Investigative support systems: Clusters installed.....	76	70	12
Field locations served.....	62	62	62
Name checks processed.....	2,429,250	2,450,000	2,400,000

**State and local assistance.**—The FBI supports State and local law enforcement by providing training, laboratory, identification, and informational services. Emphasis is being placed on the training of State and local police instructors to enable their agencies to become more self-sufficient and, thereby, allow the FBI to concentrate its resources on high priority initiatives. Training is conducted at various locations within the United States but most courses are conducted at the FBI National Academy in Quantico, VA.

The FBI's National Crime Information Center (NCIC) and Uniform Crime Reporting (UCR) program provide criminal justice information to Federal, state and local law enforcement agencies without charge. The NCIC system contains over 18 million records relating to wanted and missing persons, stolen property, and criminal histories. The UCR program collects data from nearly 16,000 law enforcement agencies and provides this information to criminal justice agencies and researchers, the academic community, and others.

The FBI's Identification Division is the national repository for fingerprint identification data. In 1988, approximately 7.3 million fingerprint cards will be processed. Processing of noncriminal fingerprint checks for State and local agencies and banking institutions is on a reimbursable basis.

	1986 actual	1987 est.	1988 est.
General law enforcement training:			
State and locals trained at FBI Academy.....	4,280	2,110	4,175
State and locals trained in field.....	18,734	18,734	18,734
Forensic services non-Federal: Examinations performed.....	387,148	380,000	380,000
Fingerprint cards processed.....	7,310,433	7,349,000	7,265,000
NCIC transactions.....	183,949,095	195,000,000	205,000,000
UCR statistical reports processed.....	1,300,000	1,500,000	11,000,000

**Program direction.**—This activity includes the management, administrative support, legal, planning, evaluation, inspection, and financial functions of the FBI. Some workload measures include press releases, assistance to media, dissemination of FBI publications, title III applications, undercover operations proposals, civil actions, field office audits and position classification matters.

Object Classification (in thousands of dollars)

Identification code	15-0200-0-1-751	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	590,615	642,083	676,288
11.3	Other than full-time permanent.....	558	386	396
11.5	Other personnel compensation.....	65,803	64,292	68,074
11.9	Total personnel compensation.....	656,976	706,761	744,758
12.1	Personnel benefits: Civilian.....	93,847	132,492	197,039
13.0	Benefits for former personnel.....	361	361	361
21.0	Travel and transportation of persons.....	31,150	29,110	35,519
22.0	Transportation of things.....	5,674	7,472	8,128
23.1	Rental payments to GSA.....	46,165	67,501	85,004
23.2	Rental payments to others.....	3,335	4,135	4,773
23.3	Communications, utilities, and miscellaneous charges.....	49,158	50,252	58,250
24.0	Printing and reproduction.....	2,258	2,391	2,473
25.0	Other services.....	98,761	102,859	103,720
26.0	Supplies and materials.....	36,814	34,951	37,483
31.0	Equipment.....	98,637	193,334	193,333
32.0	Lands and structures.....	16,729	9,584	13,150
42.0	Insurance claims and indemnities.....	516	360	360
91.0	Unvouchered.....		70	70
99.0	Subtotal, direct obligations.....	1,140,381	1,341,633	1,484,421
99.0	Reimbursable obligations.....	43,499	67,018	86,780
99.9	Total obligations.....	1,183,880	1,408,651	1,571,201

Personnel Summary

Direct:			
Total number of full-time permanent positions.....	21,692	22,456	22,974
Total compensable workyears:			
Full-time equivalent employment.....	20,572	21,831	22,267
Full-time equivalent of overtime and holiday hours.....	2,295	2,556	2,601
Reimbursable:			
Total number of full-time permanent positions.....	786	2,361	2,459
Total compensable workyears: Full-time equivalent employment.....	621	1,389	2,227

DRUG ENFORCEMENT ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the Drug Enforcement Administration, including not to exceed \$70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed [five hundred seventy-five] 525 passenger motor vehicles of which four hundred eighty-nine are for replacement only for police-type use without regard to the general purchase price limitation for the current [fiscal] fiscal year; and acquisition, lease, maintenance, and operation of aircraft; [\$412,000,000] \$522,047,000, of which not to exceed \$1,200,000 for research shall remain available until expended; [and] not to exceed \$1,700,000 for purchase of evidence and payments for information, not to exceed \$4,000,000 for contracting for ADP and telecommunications equipment, and not to exceed \$2,000,000 for technical equipment shall remain available until September 30, [1988] 1989: Provided, That \$140,000 shall only be available for the establishment and operation of an office in Hilo, Hawaii: Provided further, That notwithstanding section 1345 of title 31, United States Code, funds made available to the Drug Enforcement Administration in any fiscal year may be used for travel, transportation, and subsistence expenses of State, county, and local law enforcement officers attending conferences, meetings, and training courses at the FBI Academy, Quantico, Virginia. (Reorganization Plan No. 2 of 1973; Reorganization Plan No. 1 of 1968; 21 U.S.C. 801-966 as amended; 40 U.S.C. 304; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

【For an additional amount for “Salaries and expenses”, \$60,000,000.】 (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

**【CONSTRUCTION】**

【For necessary expenses of the Drug Enforcement Administration for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for an all source intelligence center, \$7,500,000, to remain available until expended: *Provided*, That such funds shall be available for obligation upon submission by the Attorney General to the Committees on Appropriations no later than July 1, 1987, of a reprogramming request in accordance with section 607 of this Act which sets forth specific details for the use of such funds.】 (Department of Justice Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code 15-1100-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Enforcement.....	232,669	322,361	350,271
00.02 Investigative support.....	108,128	139,224	139,279
00.03 State and local assistance.....	3,924	4,293	4,798
00.04 Program direction.....	27,633	24,548	27,699
00.91 Total direct program.....	372,354	490,426	522,047
01.01 Reimbursable program.....	13,467	27,000	27,000
10.00 Total obligations.....	385,821	517,426	549,047
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-12,604	-26,150	-26,150
14.00 Non-Federal sources.....	-863	-850	-850
21.40 Unobligated balance available, start of year.....	-10,016	-1,009	.....
24.40 Unobligated balance available, end of year.....	1,009	.....	.....
25.00 Unobligated balance lapsing.....	276	.....	.....
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	37	.....	.....
39.00 Budget authority.....	363,660	489,417	522,047
<b>Budget authority:</b>			
40.00 Appropriation.....	363,660	479,500	522,047
44.10 Supplemental for wage-board pay raises.....	.....	8	.....
44.20 Supplemental for civilian pay raises.....	.....	2,585	.....
44.40 Supplemental for retirement contributions (P.L. 99-335).....	.....	7,324	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	372,354	490,426	522,047
72.40 Obligated balance, start of year.....	38,181	76,805	93,845
74.40 Obligated balance, end of year.....	-76,805	-93,845	-104,366
77.00 Adjustments in expired accounts.....	13,998	.....	.....
89.00 Outlays.....	347,728	473,386	511,526
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	347,728	463,802	511,193
91.10 Outlays from wage-board pay raise supplemental.....	.....	8	.....
91.20 Outlays from civilian pay raise supplemental.....	.....	2,498	87
91.40 Outlays from retirement contribution supplemental.....	.....	7,078	246

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	363,660	489,417	522,047
Outlays.....	347,728	473,386	511,526
Supplemental under existing legislation:			
Budget authority.....	.....	776	.....
Outlays.....	.....	776	.....
Total:			
Budget authority.....	363,660	490,193	522,047
Outlays.....	347,728	474,162	511,526

The mission of the Drug Enforcement Administration (DEA) is to control abuse of narcotics and dangerous drugs by restricting the aggregate supply of those drugs. At the Federal level, DEA is the lead drug law

enforcement agency. DEA accomplishes its objectives through coordination with State, local, and other Federal officials in drug enforcement activities, development and maintenance of drug intelligence systems, regulation of legitimate controlled substances activities, and enforcement coordination and intelligence-gathering activities with foreign government agencies.

Cooperation among Federal law enforcement agencies is extensive, especially within the 13 organized crime drug enforcement (OCDE) task forces. DEA's involvement is integral to this nationwide coordinated enforcement strategy. With the OCDE program, the expansion of DEA/FBI cooperative efforts, and the resources provided in the Omnibus Drug Supplemental Appropriation Act of 1987, overall drug enforcement capabilities have been significantly strengthened in recent years.

The activities of the DEA are divided into the following general categories:

**ENFORCEMENT**

**Domestic enforcement.**—This activity encompasses efforts to eliminate or immobilize major drug trafficking organizations and thereby reduce the domestic supply of illicit drugs. In 1988, additional resources are targeted at investigative efforts to maximize the seizure of traffickers' assets, and DEA and contracted ADP support for the field. The measures below reflect the level of activity performed by this program.

	1986 actual	1987 est.	1988 est.
DEA initiated arrests.....	6,823	7,104	7,946
Other Federal referral arrests.....	1,364	1,398	1,500
DEA Cooperative arrests.....	3,440	4,268	5,542
Task Force initial arrests.....	3,970	4,238	4,883
Clandestine labs seized.....	431	475	500
DEA/OCDE arrests.....	2,570	2,570	2,570
Assets seized (\$ millions).....	378	450	500

**Foreign cooperative investigations.**—This activity encompasses efforts to (1) reduce, at the source, production of opium, heroin, cocaine, marijuana, and illicitly produced and diverted legitimate dangerous drugs destined for the United States, and (2) collect and disseminate intelligence. The measures below reflect the level of activity performed by this program.

	1986 actual	1987 est.	1988 est.
Foreign cooperative arrests.....	1,108	1,464	1,809
Intelligence reports.....	105	105	105
Special field intelligence programs.....	30	30	30

**Diversion control.**—By authority of the Controlled Substances Act (CSA) of 1970 and the Comprehensive Crime Control Act (CCCA) of 1984, this activity addresses the problem of the diversion of controlled substances from the legitimate channels in which they are manufactured, distributed, and dispensed. The measures below reflect the level of activity performed by this program:

	1986 actual	1987 est.	1988 est.
Investigations:			
Periodic.....	740	820	875
Targeted.....	353	400	400
Preregistrant (nonpractitioners).....	1,276	1,276	1,300
Administrative revocations.....	307	700	750

**INVESTIGATIVE SUPPORT**

**Intelligence.**—This activity encompasses the collection, analysis, and dissemination of drug intelligence in support of DEA and Federal, State and local agencies.

General and special funds—Continued

SALARIES AND EXPENSES—Continued  
[CONSTRUCTION]—Continued

The measures below reflect the level of activity performed by this program.

	1986 actual	1987 est.	1988 est.
Intelligence reports .....	855	900	900
Special field intelligence programs .....	21	21	21
Information responses .....	17,000	17,000	17,000
El Paso Intelligence Center (EPIC) watch transactions .....	363,580	375,000	385,000

**DEA Laboratory Services.**—This activity encompasses laboratory analysis of evidence and expert testimony in support of investigation and prosecution of drug traffickers. The measure below reflects the level of activity performed by this program:

	1983 actual	1987 est.	1988 est.
Laboratory exhibits analyzed .....	31,689	33,300	34,500

**DEA Training.**—This activity encompasses entry level training for all special agents, diversion investigators, and intelligence analysts; advanced, in service and specialized training for investigative and other personnel; executive, mid-level management, and supervisory training for appropriate agency officials, and foreign language training for all DEA personnel assigned to overseas and border offices as needed. The measure below reflects the level of activity performed by this program.

	1986 actual	1987 est.	1988 est.
Students trained .....	7,295	8,300	8,000

**Research, engineering, and technical operations.**—This activity encompasses providing high quality and timely radio communications capability, technical and investigative equipment assistance support, maintenance and operation of an aircraft fleet, acquisition of a quality motor vehicle fleet, and research programs directly related to the DEA law enforcement and intelligence functions. The increase for 1988 will provide a cadre of Special Agents for the covert installation and adaptation of technical equipment, enhance DEA's investigative capabilities, and provide a cadre of technicians to perform installations and repair of technical investigative and radio communication equipment.

**ADP and telecommunications.**—This activity encompasses provision of automated data processing and telecommunication support on a nationwide and worldwide basis. The increase for 1988 will provide necessary resources for the second phase in securing, through TEMPEST-rated capability, the remaining segments of the Office Automation System.

**Records management.**—This activity encompasses effective and efficient records management, Freedom of Information/Privacy Act, and library support.

STATE AND LOCAL ASSISTANCE

**State and local training and laboratory services.**—This activity encompasses training for State and laboratory services, local, military, and other Federal professionals and laboratory analysis of drug evidence. Agency-wide resources are also targeted for prevention of drug abuse.

Work load measures are provided below:

	1986 actual	1987 est.	1988 est.
Laboratory exhibits analyzed .....	7,963	9,600	9,600
Participants in training courses .....	9,449	9,455	9,455

PROGRAM DIRECTION

**Executive direction and administrative services.**—This activity encompasses the overall management and direction of DEA personnel, general services, and Equal Employment Opportunity functions. The increase for 1988 will ensure staff integrity, improve security of staff and facilities, and provide physical fitness services.

REIMBURSABLE PROGRAM

**Reimbursable program.**—The primary reimbursements to DEA are for the training of foreign drug law enforcement officials (funded by the Department of State), the expenses incurred in managing seized assets, and other purposes to be reimbursed from the Department of Justice Assets Forfeiture Fund.

	1986 actual	1987 est.	1988 est.
Foreign officers trained .....	1,573	1,600	1,600

Object Classification (in thousands of dollars)

Identification code 15-1100-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	154,188	171,790	188,764
11.3 Other than full-time permanent .....	1,607	1,294	1,294
11.5 Other personnel compensation .....	16,775	18,462	18,610
11.9 Total personnel compensation .....	172,570	191,546	208,668
12.1 Personnel benefits: Civilian .....	30,621	50,388	72,396
13.0 Benefits for former personnel .....	87		
21.0 Travel and transportation of persons .....	15,657	24,201	25,247
22.0 Transportation of things .....	2,861	5,717	5,769
23.1 Rental payments to GSA .....	18,036	27,044	32,445
23.2 Rental payments to others .....	2,650	6,408	6,408
23.3 Communications, utilities, and miscellaneous charges .....	27,315	23,593	25,535
24.0 Printing and reproduction .....	747	998	1,008
25.0 Other services .....	73,487	90,235	94,535
26.0 Supplies and materials .....	11,261	14,513	14,969
31.0 Equipment .....	16,952	48,158	34,942
32.0 Lands and structures .....		7,500	
42.0 Insurance claims and indemnities .....	110	125	125
99.0 Subtotal, direct obligations .....	372,354	490,426	522,047
99.0 Reimbursable obligations .....	13,467	27,000	27,000
99.9 Total obligations .....	385,821	517,426	549,047

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	4,895	5,680	5,730
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	4,706	5,174	5,593
Full-time equivalent of overtime and holiday hours .....	610	660	705
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	30	30	30
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	22	25	25
Full-time equivalent of overtime and holiday hours .....	5	5	5

Trust Funds

DRUG ABUSE PREVENTION AND CONTROL GIFT FUND

Program and Financing (in thousands of dollars)

Identification code 15-8906-0-7-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		2	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2	-2	
24.40 Unobligated balance available, end of year .....	2		
39.00 <b>Budget authority</b> .....			

Relations of obligations to outlays:	
71.00 Obligations incurred, net .....	2 .....
90.00 Outlays .....	2 .....

Amounts donated to this account are available for drug enforcement activities.

**IMMIGRATION AND NATURALIZATION SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including not to exceed \$50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use (not to exceed 1,670, of which four hundred ninety [all of which] shall be for replacement only) and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; [\$593,000,000] \$838,828,000, of which not to exceed \$400,000 for research shall remain available until expended: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of \$25,000 except in such instances when the Commissioner makes a determination that this restriction is impossible to implement: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That no funds appropriated in this Act may be used to implement Immigration and Naturalization Service reorganization proposals which would have the purpose of or would result in the closing of the Northern Regional Office of the Immigration and Naturalization Service at Fort Snelling, Minnesota: *Provided further*, That effective immediately before September 30, 1986, \$3,385,000 made available for "Construction" for the Immigration and Naturalization Service in Public Law 99-88 shall be available for the Immigration and Naturalization Service, "Salaries and Expenses" (94 Stat. 96-98; 22 U.S.C. 1621-1645; 50 U.S.C. App. 2001-2017; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 15-1217-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Operating expenses:			
00.01 Enforcement .....	360,860	380,833	521,554
00.02 Citizenship and benefits .....	50,026	53,276	73,903
00.03 Immigration support .....	123,151	126,503	167,460
00.04 Program direction .....	32,795	32,607	41,929
00.91 Total operating expenses .....	566,832	593,219	804,846
Capital investment:			
01.01 Enforcement .....	4,983	8,353	16,669
01.02 Citizenship and benefits .....	35	460	690
01.03 Immigration support .....	2,398	9,982	16,353
01.04 Program direction .....	95	237	270
01.91 Total capital investment .....	7,511	19,032	33,982
01.92 Total direct program .....	574,343	612,251	838,828
02.01 Reimbursable program .....	20,072	77,054	80,665
10.00 Total obligations .....	594,415	689,305	919,493
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-7,051	-76,205	-79,816
14.00 Non-Federal sources .....	-13,021	-849	-849
17.00 Recovery of prior year obligations .....	-33		
21.40 Unobligated balance available, start of year .....	-7,677	-3,477	
22.40 Unobligated balance transferred, net .....	33		

24.00 Unobligated balance available, end of year .....	3,477		
25.00 Unobligated balance lapsing .....	507		
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	617		
39.00 Budget authority .....	571,267	608,774	838,828
Budget authority:			
40.00 Appropriation .....	571,267	593,000	838,828
44.10 Supplemental for wage-board pay raises .....		85	
44.20 Supplemental for civilian pay raises .....		5,503	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		10,186	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	574,343	612,251	838,828
72.40 Obligated balance, start of year .....	83,687	75,704	120,569
74.40 Obligated balance, end of year .....	-75,704	-120,569	-122,247
77.00 Adjustments in expired accounts .....	1,437		
78.00 Adjustments in unexpired accounts .....	-33		
89.00 Outlays .....	583,730	567,386	837,150
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals .....	583,730	552,400	836,362
91.10 Outlays from wage-board pay raise supplemental .....		85	
91.20 Outlays from civilian pay raise supplemental .....		5,224	279
91.40 Outlays from retirement contribution supplemental .....		9,677	509

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	571,267	608,774	838,828
Outlays .....	583,730	567,386	837,150
Supplemental under existing legislation:		147,793	
Budget authority .....		147,793	
Outlays .....		107,844	39,949
Rescission proposal:		-24,598	
Budget .....		-24,598	
Outlays .....		-22,753	-1,845
Total:			
Budget authority .....	571,267	731,969	838,828
Outlays .....	583,730	652,477	875,254

The Immigration and Naturalization Service is responsible for administering laws relating to the admission, exclusion, deportation, and naturalization of aliens. Specifically, the Service inspects aliens to determine their admissibility into the United States; adjudicates requests of aliens for benefits under the law; prevents illegal entry into the United States; investigates, apprehends, and removes aliens in this country in violation of the law; and examines alien applicants wishing to become citizens.

**Enforcement.**—This activity contains most of the resources needed for preventing illegal entry into the United States and facilitating the entry of qualified persons. This includes inspection of applicants for admission, patrol of the border, and the location of illegal aliens who are in the United States following illegal entry or violation of status after legal entry. Apprehensions are made through the inspection of farms and ranches, by the investigation of information about the location of undocumented aliens, and through investigative case work. Also included are the resources for the Service's nationwide anti-smuggling program and for the detention and deportation of illegal aliens.

Most reimbursements received by the Service are for overtime work performed by immigration inspectors at air and sea ports of entry as required by statute. The Airport and Airways Development Act requires that the carriers reimburse the Service for inspections per-

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

formed outside normal duty hours at the convenience of the carrier.

WORKLOAD			
	1986 actual	1987 est.	1988 est.
Total persons inspected	328,041,885	328,000,000	328,000,000
Remote adjudications completed	643,797	700,000	700,000
Smugglers conveyances seized	13,965	14,000	14,700
Deportable aliens apprehended (border patrol)	1,692,544	1,900,000	2,198,200
Smuggled aliens apprehended (border patrol)	114,665	127,950	146,530
Smugglers apprehended (border patrol)	19,225	21,470	24,350
Smugglers apprehended (anti-smuggling)	3,016	3,500	4,200
Deportable aliens apprehended (investigations):			
Noncasework	37,614	38,000	38,000
Casework	22,664	23,000	95,592
Cases completed (investigations)	26,463	26,500	46,436
Cases completed (anti-smuggling)	1,804	2,000	2,400
Convictions of smugglers (total)	6,579	6,800	7,700
Number of detention days	1,437,266	1,651,000	1,957,000
Average workday stay in detention	10.5	14.4	14.3
Detentions	137,332	115,000	136,800
Aliens expelled	1,614,519	1,794,000	2,136,700
Inadmissible aliens intercepted (inspections)	720,061	605,000	737,000
Agricultural worker program:			
Applicants for temporary resident status		177,000	533,000
Applicants granted temporary resident status		111,000	333,000
Deportation proceedings			10,000
Appeals to Board of Immigration Appeals			500
Appeals to Court of Appeals			100
Major fraud investigations			270
Major fraud prosecution			50

**Citizenship and benefits.**—The resources necessary to provide the benefits of the Immigration and Nationality Act are provided in this activity. Included in this activity are the adjudication of applications and petitions submitted for benefits and the processing of naturalization and citizenship petitions and applications. All operations conducted overseas, except preinspection, are within this activity.

WORKLOAD			
	1986 actual	1987 est.	1988 est.
Naturalization applications completed	434,060	473,000	473,000
Other applications and petitions completed by adjudications and naturalization	1,357,018	1,400,000	1,450,000

**Immigration support.**—This activity includes the resources for construction, communications, records management, automated data processing, training of personnel, research and development, field management, legal proceedings, and the alien documentation program (ADIT). In addition, it provides a capability to scientifically examine and analyze documents to assist in the identification, investigation and prosecution of major conspiracies which provide fraudulent documents and smuggled aliens.

WORKLOAD			
	1986 actual	1987 est.	1988 est.
Basic officer training completions	752	690	1,784
Extension training program completions	580	600	600
Other training completions	3,628	3,506	3,696
Alien files opened	627,706	600,000	1,050,000
General searches completed	3,255,682	3,300,000	3,300,000
Information services inquiries	9,096,751	9,500,000	6,300,000
Scientific examination and analysis of fraudulent documents conducted	48,400	63,000	65,000
New I&NS data inputs at El Paso Intelligence Center (EPIC) processed	21,320	25,000	22,600
Queries researched at EPIC	31,452	29,700	26,000
Positive I&NS responses to queries received by EPIC provided	5,394	6,000	5,400

**Program direction.**—This activity contains resources for the overall administration and management of the Service.

Object Classification (in thousands of dollars)				
Identification code 15-1217-0-1-751	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	267,475	292,144	348,387
11.3	Other than full-time permanent	19,024	12,691	21,551
11.5	Other personnel compensation	52,031	49,281	59,881
11.8	Special personal services payments	595	296	296
11.9	Total personnel compensation	339,125	354,412	430,115
12.1	Personnel benefits: Civilian	50,717	58,252	105,501
13.0	Benefits for former personnel	512	255	255
21.0	Travel and transportation of persons	16,687	24,672	53,875
22.0	Transportation of things	1,757	1,479	1,541
23.1	Rental payments to GSA	25,024	29,388	42,184
23.2	Rental payments to others	2,110	2,049	2,049
23.3	Communications, utilities, and miscellaneous charges	20,612	14,950	18,424
24.0	Printing and reproduction	3,231	3,377	4,494
25.0	Other services	86,962	83,919	115,837
26.0	Supplies and materials	17,705	20,024	30,474
31.0	Equipment	8,562	15,700	33,782
32.0	Lands and structures	1,082	3,678	201
42.0	Insurance claims and indemnities	217	27	27
44.0	Refunds	36	19	19
91.0	Unvouchered	4	50	50
99.0	Subtotal, direct obligations	574,343	612,251	838,828
99.0	Reimbursable obligations	20,072	77,054	80,665
99.9	Total obligations	594,415	689,305	919,493

Personnel Summary				
<b>Direct:</b>				
	Total number of full-time permanent positions	11,694	12,251	16,010
	Total compensable workyears:			
	Full-time equivalent employment	11,656	12,199	14,597
	Full-time equivalent of overtime and holiday hours	1,198	3,394	3,940
<b>Reimbursable:</b>				
	Total number of full-time permanent positions		391	391
	Total compensable workyears:			
	Full-time equivalent employment		230	342
	Full-time equivalent of overtime and holiday hours	275	454	547

IMMIGRATION LEGALIZATION			
Amounts Available for Appropriation (in thousands of dollars)			
	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year			11,310
Receipts		159,850	233,330
Total available for appropriation		159,850	244,640
Appropriation		-148,540	-180,692
Unappropriated balance, end of year		11,310	63,948

Program and Financing (in thousands of dollars)			
Identification code 15-5086-0-2-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01	Enforcement	556	1,981
00.02	Citizenship and benefits	59,399	96,607
00.03	Immigration support	56,412	70,607
00.04	Program direction	22,249	10,974
00.91	Total operating expenses	138,616	180,169
01.03	Capital investment: Immigration support	9,924	523
10.00	Total obligations	148,540	180,692
<b>Financing:</b>			
39.00	Budget authority	148,540	180,692
Budget authority:			
40.00	Appropriation (indefinite)	148,540	
60.00	Appropriation (permanent, indefinite)		180,692

Relation of obligations to outlays:			
71.00	Obligations incurred, net	148,540	180,692
72.40	Obligated balance, start of year		9,859
74.40	Obligated balance, end of year	-9,859	-12,024
90.00	Outlays	138,681	178,527

The Immigration Reform and Control Act of 1986, title II, section 201(a), amends section 245(c) of the Immigration and Nationality Act by permitting the Attorney General to provide for a schedule of fees to be charged for filing legalization applications and further allows for the depositing payments received in a separate account with the accounts to be available without fiscal year limitation to cover administrative and other expenses incurred in connection with the review of legalization applications.

**WORKLOAD**

	1986 actual	1987 est.	1988 est.
Applicants for temporary resident status	1,635,000	2,285,000	2,940,000
Applicants adjusted to temporary resident status			2,940,000
Basic officer training completions	50	50	
Other training completions	300	100	
Alien files opened	1,650,000	2,350,000	
General searches completed	500,000	700,000	
Information services inquiries	3,100,000	4,100,000	
Scientific examination and analysis of fraudulent documents conducted	18,000	200,000	
New I&NS data inputs at El Paso Intelligence Center (EPIC) processed	1,200	2,400	
Queries researched at EPIC	2,000	4,000	
Positive I&NS responses to queries received by EPIC provided	300	600	

**Object Classification (in thousands of dollars)**

Identification code	15-5086-0-2-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		3,080	9,018
11.3	Other than full-time permanent		19,305	45,208
11.5	Other personnel compensation		186	57
11.9	Total personnel compensation		22,571	54,283
12.1	Personnel benefits: Civilian		4,889	10,146
21.0	Travel and transportation of persons		4,053	4,719
22.0	Transportation of things		291	2,902
23.1	Rental payments to GSA		12,158	18,412
23.3	Communications, utilities, and miscellaneous charges		2,913	3,170
24.0	Printing and reproduction		4,160	735
25.0	Other services		67,383	79,504
26.0	Supplies and materials		2,950	2,934
31.0	Equipment		27,172	3,887
99.9	Total obligations		148,540	180,692

**Personnel Summary**

Total number of full-time permanent positions	292	326
Total compensable workyears:		
Full-time equivalent employment	1,002	2,369
Full-time equivalent of overtime and holiday hours	6	2

**IMMIGRATION USER FEE**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year			
Receipts		120,000	150,000
Total available for appropriation		120,000	150,000
Appropriation		-70,389	-74,000
Transfers to the general fund		-49,611	-76,000
Unappropriated balance, end of year			

**Program and Financing (in thousands of dollars)**

Identification code	15-5087-0-2-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)		70,389	74,000
<b>Financing:</b>				
39.00	Budget authority		70,389	74,000
<b>Budget authority:</b>				
40.00	Appropriation (indefinite)		70,389	
60.00	Appropriation (permanent, indefinite)			74,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		70,389	74,000
90.00	Outlays		70,389	74,000

The Immigration user fee account established by Public Laws 99-500 and 99-591 provides for the reimbursement to the Immigration and Naturalization Service's appropriation the amount paid for certain expenses incurred in (a) providing immigration inspection and preinspection services for commercial aircraft and vessels, (b) providing overtime immigration inspection services for commercial aircraft and vessels, (c) administration of debt recovery, (d) expansion and operation of information systems for non-immigrant control and debt collection, (e) detection of fraudulent documents, and (f) providing detention and deportation services for excludable aliens arriving on commercial aircraft or vessels.

**WORKLOAD**

	1986 actual	1987 est.	1988 est.
Total persons inspected		33,330,000	40,000,000
Smugglers apprehended (anti-smuggling)			200
Deportable aliens apprehended (investigations):			
Noncasework			4,500
Casework			600
Cases completed (investigations)			86
Cases completed (anti-smuggling)			100
Convictions of smugglers (total)			225
Number of detention days		42,100	51,000
Average workday stay in detention		2.4	2.4
Detentions		9,900	12,000
Aliens expelled		7,425	9,000
Inadmissible aliens intercepted (inspections)		41,700	50,000

**FEDERAL PRISON SYSTEM**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed [forty of which thirty] one hundred forty-two, of which one hundred six are for replacement only) and hire of law enforcement and passenger motor vehicles; [\$598,807,000] \$760,851,000: Provided, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions [; Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year]. (18 U.S.C. 3050, 3059, 3651, 4001, 4002, 4007, 4008, 4011, 4041, 4042, 4253, 4281, 5015; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

[For an additional amount for "Salaries and expenses", \$28,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

General and special funds—Continued

SALARIES AND EXPENSES—Continued  
Program and Financing (in thousands of dollars)

Identification code 15-1060-0-1-753	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Operating expenses:			
00.01 Inmate care, custody, and programs.....	309,402	364,714	413,146
00.02 Institution administration and maintenance.....	149,451	174,601	200,644
00.03 Contract confinement.....	53,719	56,876	69,426
00.04 Program direction.....	28,090	31,922	39,247
00.91 Total operating expenses.....	540,662	628,113	722,463
01.01 Capital investment: Institutional improvements.....	8,682	19,679	38,388
01.92 Total direct program.....	549,344	647,792	760,851
02.01 Reimbursable program.....	14,986	14,463	14,050
10.00 Total obligations.....	564,330	662,255	774,901
Financing:			
Offsetting collections from:			
11.00 Federal funds.....	-1,304	-1,300	-1,300
14.00 Non-Federal sources.....	-13,682	-13,163	-12,750
25.00 Unobligated balance lapsing.....	1,202		
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	407		
39.00 Budget authority.....	550,953	647,792	760,851
Budget authority:			
40.00 Appropriation.....	550,953	626,807	760,851
44.10 Supplemental for wage-board pay raises.....		574	
44.20 Supplemental for civilian pay raises.....		3,358	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		17,053	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	549,344	647,792	760,851
72.40 Obligated balance, start of year.....	52,526	52,444	75,057
74.40 Obligated balance, end of year.....	-52,444	-75,057	-106,758
77.00 Adjustments in expired accounts.....	588		
89.00 Outlays.....	550,014	625,179	729,150
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals.....	550,014	605,873	727,471
91.10 Outlays from wage-board pay raise supplemental.....		528	46
91.20 Outlays from civilian pay raise supplemental.....		3,089	269
91.40 Outlays from retirement contribution supplemental.....		15,689	1,364

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	550,953	647,792	760,851
Outlays.....	550,014	625,179	729,150
Supplemental under existing legislation:			
Budget authority.....		548	
Outlays.....		548	
Total:			
Budget authority.....	550,953	648,340	760,851
Outlays.....	550,014	625,727	729,150

This appropriation will provide for the custody and care of an average of 44,878 offenders and for the maintenance and operation of 50 penal institutions, 5 regional offices, and a central office located in Washington, D.C.

The appropriation also finances the boarding of sentenced Federal prisoners in State and local jails and therapeutic, community residential and other facilities for short periods of time. An average of 5,820 sentenced prisoners will be in contract facilities in 1988.

The Bureau receives reimbursements for daily care and maintenance of State and local offenders, for utilities produced by Federal Prison Industries, Inc., and for meals provided to Bureau staff at institutions.

*Inmate care, custody, and programs.*—This activity covers the cost of all food, medical supplies, clothing, welfare services, release clothing, transportation, gratuities, staff salaries (including salaries of Health Resources and Services Administration commissioned officers), and operational costs of functions directly related to providing inmate care. This activity also finances the costs of institution security, academic, social and occupational education courses, religious programs, and psychological services.

*Institution administration and maintenance.*—This activity covers all costs associated with the general operation and maintenance of facilities. Included are functions of the warden's office, personnel, financial management, safety, staff training, mechanical services, motor pool operations, powerhouse operations, and other administrative functions.

*Contract confinement.*—This activity provides for the confinement of sentenced Federal offenders in contract State and local facilities and for the care of Federal prisoners in contract community residential centers.

*Program direction.*—This activity covers the costs of regional and central office executive direction and management support functions such as research and evaluation, systems support, financial management, personnel, and legal counsel.

In 1988, resources are requested to provide for a projected increase in the inmate population, activate three new facilities and new housing units at existing institutions, expand both contract confinement programs, continue ADP improvements and support costs, upgrade the motor vehicle inventory, and expand medical training.

Object Classification (in thousands of dollars)

Identification code 15-1060-0-1-753	1986 actual	1987 est.	1988 est.
<b>FEDERAL PRISON SYSTEM</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	252,315	276,544	294,505
11.3 Other than full-time permanent.....	4,404	1,822	1,878
11.5 Other personnel compensation.....	22,396	19,937	21,158
11.9 Total personnel compensation.....	279,115	298,303	317,541
12.1 Personnel benefits: Civilian.....	45,844	70,613	104,423
13.0 Benefits for former personnel.....	260	69	69
21.0 Travel and transportation of persons.....	9,094	10,047	11,733
22.0 Transportation of things.....	2,973	3,909	5,555
23.1 Rental payments to GSA.....	1,721	2,553	3,060
23.2 Rental payments to others.....	8,727	8,900	9,100
23.3 Communications, utilities, and miscellaneous charges.....	26,282	39,773	45,492
24.0 Printing and reproduction.....	401	344	350
25.0 Other services.....	91,911	106,348	128,887
26.0 Supplies and materials.....	67,285	79,944	88,828
31.0 Equipment.....	8,682	19,679	38,388
41.0 Grants, subsidies, and contributions.....	914	1,187	1,302
42.0 Insurance claims and indemnities.....	117	19	19
43.0 Interest and dividends.....	4		
99.0 Subtotal, direct obligations, Federal Prison System.....	543,330	641,688	754,747
99.0 Reimbursable obligations, Federal Prison System.....	14,986	14,463	14,050

ALLOCATION TO DEPARTMENT OF HEALTH AND HUMAN SERVICES

11.1 Personnel compensation: Full-time permanent.....	3,990	4,110	4,110
12.1 Personnel benefits: Civilian.....	1,752	1,764	1,764
13.0 Benefits for former personnel.....	40		
21.0 Travel and transportation of persons.....	53	50	50
22.0 Transportation of things.....	170	170	170

25.0	Other services .....	9	10	10
99.0	Subtotal, obligations, Department of Health and Human Services .....	6,014	6,104	6,104
99.9	Total obligations .....	564,330	662,255	774,901

**Personnel Summary**

FEDERAL PRISON SYSTEM				
<b>Direct:</b>				
	Total number of full-time permanent positions .....	10,777	11,257	12,043
	Total compensable workyears:			
	Full-time equivalent employment .....	10,337	10,915	11,328
	Full-time equivalent of overtime and holiday hours .....	595	495	501
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	127	127	127
	Total compensable workyears: Full-time equivalent employment .....	127	127	127
ALLOCATION TO DEPARTMENT OF HEALTH AND HUMAN SERVICES				
	Total number of full-time permanent positions .....	129	30	30

**NATIONAL INSTITUTE OF CORRECTIONS\***

\*See Part II for additional information.

For carrying out the provisions of sections 4351-4353 of title 18, United States Code, which established a National Institute of Corrections, **[\$9,000,000]** \$10,509,000, to remain available until expended. (18 U.S.C. 4351-4353, Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 15-1004-0-1-754	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	14,468	9,306	10,193
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-4,998	-1,057	-900
24.40 Unobligated balance available, end of year .....	1,057	900	1,216
39.00 Budget authority .....	10,527	9,149	10,509
<b>Budget authority:</b>			
40.00 Appropriation .....	10,527	9,000	10,509
44.20 Supplemental for civilian pay raises .....		20	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		129	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	14,468	9,306	10,193
72.40 Obligated balance, start of year .....	9,988	10,814	7,937
74.40 Obligated balance, end of year .....	-10,814	-7,937	-8,017
89.00 Outlays .....	13,642	12,183	10,113
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	13,642	12,046	10,101
91.20 Outlays from civilian pay raise supplemental .....		18	2
91.40 Outlays from retirement contribution supplemental .....		119	10

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested	1986 actual	1987 est.	1988 est.
Budget authority .....	10,527	9,149	10,509
Outlays .....	13,642	12,183	10,113
<b>Supplemental under existing legislation:</b>			
Budget authority .....		15	
Outlays .....		15	
<b>Total</b>			
Budget authority .....	10,527	9,164	10,509
Outlays .....	13,642	12,198	10,113

The National Institute of Corrections (NIC) was established by the Juvenile Justice and Delinquency Preven-

tion Act of 1974 to provide leadership in improving correctional programs and practices, especially in State and local organizations. The NIC awards contracts and grants to provide technical assistance to requesting correctional organizations; to maintain an information service to provide information on the latest developments, research results, et cetera, in the field of corrections; to provide training to the correctional community to improve systems and skills; and to conduct limited research and evaluation of correctional activities.

The NIC Jail Center will continue to improve the knowledge and skills of sheriffs and jail administrators, enabling them to upgrade services and practices within their jail operations.

The National Academy of Corrections will offer training to local correctional personnel working in prisons, community corrections, and jails. In 1988, the Academy will train approximately 2,430 students in the areas of management theory, current issues affecting jails, institutions, probation and parole, standards implementation, inmate services and programs, and the use of volunteers and community resources.

The dissemination of relevant correctional policies, programs, practices and resource documents will continue through the clearinghouse activity of NIC.

**Object Classification (in thousands of dollars)**

Identification code 15-1004-0-1-754	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent .....	1,445	1,630	1,687
12.1 Personnel benefits: Civilian .....	202	228	445
21.0 Travel and transportation of persons .....	1,109	1,110	1,170
22.0 Transportation of things .....	62	60	60
23.1 Rental payments to GSA .....	197	200	383
23.2 Rental payments to others .....	88	80	80
23.3 Communications, utilities, and miscellaneous charges .....	32	30	53
24.0 Printing and reproduction .....	95	95	95
25.0 Other services .....	5,568	2,943	3,090
26.0 Supplies and materials .....	102	100	100
31.0 Equipment .....	33	30	30
41.0 Grants, subsidies, and contributions .....	5,535	2,800	3,000
99.9 Total obligations .....	14,468	9,306	10,193

**Personnel Summary**

Total number of full-time permanent positions .....	41	41	41
Total compensable workyears: Full-time equivalent employment .....	44	41	41

**BUILDINGS AND FACILITIES**

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, **[\$122,511,000]** \$210,334,000 to remain available until expended: Provided, That labor of United States prisoners may be used for work performed under this appropriation. (18 U.S.C. 4003, 4009, 4010, 4042, 4125; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

[For an additional amount for "Buildings and facilities", \$96,500,000, to remain available until expended.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

General and special funds—Continued

BUILDINGS AND FACILITIES—Continued

Program and Financing (in thousands of dollars)

Identification code 15-1003-0-1-753	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Planning and site acquisition.....	10,855	9,677	4,608
00.02 New construction.....	69,840	130,624	84,942
00.03 Modernization and repair of existing facilities.....	51,837	37,100	47,378
00.91 Total direct program.....	132,532	177,401	136,928
01.01 Reimbursable program.....	4,135		
10.00 Total obligations.....	136,667	177,401	136,928
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-4,135		
17.00 Recovery of prior year obligations.....	-552		
21.40 Unobligated balance available, start of year.....	-118,166	-30,268	-72,116
24.40 Unobligated balance available, end of year.....	30,268	72,116	145,522
39.00 Budget authority.....	44,082	219,249	210,334
<b>Budget authority:</b>			
40.00 Appropriation.....	44,082	219,011	210,334
44.10 Supplemental for wage-board pay raises.....		6	
44.20 Supplemental for civilian pay raises.....		24	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		208	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	132,532	177,401	136,928
72.40 Obligated balance, start of year.....	26,835	107,204	155,525
74.40 Obligated balance, end of year.....	-107,204	-155,525	-86,076
78.00 Adjustments in unexpired accounts.....	-552		
89.00 Outlays.....	51,611	129,080	206,377
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	51,611	128,874	206,345
91.10 Outlays from wage-board pay raise supplemental.....		3	3
91.20 Outlays from civilian pay raise supplemental.....		12	12
91.40 Outlays from retirement contribution supplemental.....		191	17

**Planning and site acquisition.**—This activity reflects the costs of efforts to obtain suitable sites for approved construction projects, including site purchase and development and facility design. In 1988, resources are requested for the planning and site acquisition of medium security prisons in the Northeast and the Southeast.

**New construction.**—This activity represents costs associated with the construction of new facilities in order to reduce overcrowding and provide a safe and humane environment for staff and inmates. In 1988, resources are requested to construct medium security prisons in the Northeast and Southeast and to construct a Federal detention center.

**Modernization and repair of existing facilities.**—This activity includes rehabilitation and renovation of buildings, necessary modifications to accommodate new correctional programs, rehabilitation or replacement of utilities systems, and repair projects at existing facilities. In 1988, \$26.7 million is requested to increase capacity at existing institutions; \$17 million is requested to modernize antiquated penitentiaries; and \$18.2 million is requested to renovate other existing facilities.

Object Classification (in thousands of dollars)

Identification code 15-1003-0-1-753	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	2,120	2,181	3,748
11.3 Other than full-time permanent.....	74	76	131

11.5 Other personnel compensation.....	91	94	162
11.9 Total personnel compensation.....	2,285	2,351	4,041
12.1 Personnel benefits: Civilian.....	345	355	610
21.0 Travel and transportation of persons.....	258	266	293
22.0 Transportation of things.....	74	76	84
23.2 Rental payments to others.....	1,522	1,568	1,725
23.3 Communications, utilities, and miscellaneous charges.....	464	478	526
24.0 Printing and reproduction.....	-3	1	1
25.0 Other services.....	112,937	157,217	113,050
26.0 Supplies and materials.....	7,363	7,584	8,342
31.0 Equipment.....	512	527	580
32.0 Lands and structures.....	6,772	6,975	7,673
42.0 Insurance claims and indemnities.....	1	1	1
43.0 Interest and dividends.....	2	2	2
99.0 Subtotal, direct obligations.....	132,532	177,401	136,928
99.0 Reimbursable obligations.....	4,135		
99.9 Total obligations.....	136,667	177,401	136,928

Personnel Summary

Total number of full-time permanent positions.....	57	84	129
Total compensable workyears:			
Full-time equivalent employment.....	69	71	122
Full-time equivalent of overtime and holiday hours.....	3		

Intragovernmental funds:

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of not to exceed five (for replacement only) and hire of passenger motor vehicles. (18 U.S.C. 4121-4128; Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 15-4500-0-4-753	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Production expenses.....	146,138	179,937	195,402
00.02 Administrative expenses.....	1,915	2,209	2,347
00.03 Vocational training expenses.....	6,829	7,344	7,571
00.04 Other expenses.....	29,898	43,700	47,400
00.91 Total operating expenses.....	184,780	233,190	252,720
Capital investment:			
01.01 Buildings and improvements.....	13,928	10,450	11,606
01.02 Machinery and equipment.....	12,068	11,600	16,400
01.91 Total capital investment.....	25,996	22,050	28,006
10.00 Total obligations.....	210,776	255,240	280,726
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-239,268	-255,240	-280,726
21.98 Unobligated balance available, start of year: Fund balance.....	-103,250	-131,742	-131,742
24.98 Unobligated balance available, end of year: Fund balance.....	131,742	131,742	131,742
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-28,492		
72.10 Receivables in excess of obligations, start of year.....	-81,666	-122,427	-122,427
74.10 Receivables in excess of obligations, end of year.....	122,427	122,427	122,427
90.00 Outlays.....	12,269		

Federal Prison Industries, Inc. was created by Congress in 1934 and is a wholly-owned Government corpo-

ration. Its mission is to employ and train Federal inmates through a diversified program providing products and services to other Federal agencies. These operations are conducted in such a manner as to offer a minimum of competition to private industry and labor. Employment provides inmates with work, occupational knowledge and skills, plus money for personal expenses and family assistance.

The Corporation has been expanding its operations to provide additional industrial employment opportunities at existing and planned institutions.

**Budget program.**—Federal Prison Industries, Inc., is entirely self-sustaining. No appropriations are required. The amounts used by the Corporation for the administrative expenses and vocational training expenses are subject to a congressional limitation. Information regarding this limitation is provided separately following this account.

**Financing program.**—Revenues are derived entirely from the sale of products and services to other Federal agencies. Operating expenses are applied against these revenues, resulting in operating income or loss. Earnings surplus to the needs of the manufacturing operations, capital improvements and cash reserves are used to pay vocational training expenses, meritorious service awards, and accident compensation.

**Operating results.**—To date, Federal Prison Industries, Inc., has returned to the Treasury a total of \$82 million of retained income excess to the Corporation's needs. No contributions from budget authority have been made to offset deficits for non-revenue producing outlays since the inception of the fund.

**Object Classification (in thousands of dollars)**

Identification code 15-4500-0-4-753	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	18,196	21,906	24,736
11.3 Other than full-time permanent.....	59	98	98
11.5 Other personnel compensation.....	1,374	1,751	1,751
11.8 Special personal services payments.....	14,683	16,260	16,260
11.9 Total personnel compensation.....	34,312	40,015	42,845
12.1 Personnel benefits: Civilian.....	4,487	6,096	6,446
21.0 Travel and transportation of persons.....	742	1,176	1,434
22.0 Transportation of things.....	839	1,416	1,416
23.1 Rental payments to GSA.....		183	189
23.2 Rental payments to others.....	841	590	640
23.3 Communications, utilities, and miscellaneous charges.....	3,584	10,190	10,880
24.0 Printing and reproduction.....	275	396	396
25.0 Other services.....	4,941	14,675	15,110
26.0 Supplies and materials.....	126,015	148,900	163,446
31.0 Equipment.....	12,068	11,600	16,400
32.0 Lands and structures.....	13,928	10,450	11,606
93.0 Administrative expenses (see separate schedule).....	1,915	2,209	2,347
93.0 Vocational training expenses (see separate schedule).....	6,829	7,344	7,571
99.9 Total obligations.....	210,776	255,240	280,726

**Personnel Summary**

Total number of full-time permanent positions.....	925	962	1,047
Total compensable workyears:			
Full-time equivalent employment.....	1,034	957	997
Full-time equivalent of overtime and holiday hours.....	15	15	15

**LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED**

Not to exceed **[\$2,157,000]** \$2,347,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed **[\$7,208,000]** \$7,571,000 for the expenses of vocational training

of prisoners, both amounts to be available for services as authorized by 5 U.S.C. 3109, and to be computed on an accrual basis to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest. (*Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

**Program and Financing (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Administrative expenses (excludes depreciation).....	1,915	2,209	2,347
Vocational training expenses (excludes depreciation).....	6,829	7,344	7,571
Total obligations.....	8,744	9,553	9,918
<b>Financing:</b>			
Balance lapsing.....	286		
<b>Limitation.....</b>	<b>9,030</b>	<b>9,365</b>	<b>9,918</b>
Proposed increase in limitation due to civilian pay raises.....		133	
Proposal increase in limitation due to retirement contributions (P.L. 99-335).....		55	
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	8,744	9,553	9,918
Outlays from limitations, excluding pay and retirement supplementals.....	8,744	9,365	9,918
Outlays from civilian pay raise supplemental.....		133	
Outlays from retirement contribution supplemental.....		55	

**Object Classification (in thousands of dollars)**

Identification code 15-4500-0-4-753	1986 actual	1987 est.	1988 est.
<b>ADMINISTRATIVE EXPENSES</b>			
Personnel compensation:			
11.1 Full-time permanent.....	1,145	1,396	1,425
11.3 Other than full-time permanent.....	12	14	15
11.9 Total personnel compensation.....	1,157	1,410	1,440
12.1 Personnel benefits: Civilian.....	127	175	191
21.0 Travel and transportation of persons.....	116	120	125
22.0 Transportation of things.....	2	5	10
23.1 Rental payments to GSA.....		74	86
23.3 Communications, utilities, and miscellaneous charges.....	60	10	17
24.0 Printing and reproduction.....	39	40	43
25.0 Other services.....	240	245	250
26.0 Supplies and materials.....	136	100	150
31.0 Equipment.....	38	30	35
93.0 Administrative expenses included in schedule for fund as a whole.....	-1,915	-2,209	-2,347
99.0 Total administrative expenses.....			
<b>VOCATIONAL TRAINING EXPENSES</b>			
11.1 Personnel compensation: Full-time permanent.....	2,000	3,683	3,860
11.9 Total personnel compensation.....	2,000	3,683	3,860
12.1 Personnel benefits: Civilian.....	280	516	540
21.0 Travel and transportation of persons.....		75	100
22.0 Transportation of things.....		18	18
23.1 Standard level user charges.....		22	23
23.2 Rental payments to others.....		4	4
23.3 Communications, utilities, and miscellaneous charges.....		86	90
24.0 Printing and reproduction.....		12	13
25.0 Other services.....	925	1,000	1,050
26.0 Supplies and materials.....	1,407	708	687
31.0 Equipment.....	2,217	1,116	1,082
32.0 Lands and structures.....		104	104
93.0 Vocational training expenses included in schedule for fund as whole.....	-6,829	-7,344	-7,571
99.0 Total vocational training expenses.....			

**Intragovernmental funds—Continued**

**LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES,  
FEDERAL PRISON INDUSTRIES, INCORPORATED—Continued**

**Personnel Summary**

	1986 actual	1987 est.	1988 est.
<b>ADMINISTRATIVE EXPENSES</b>			
Total number of full-time permanent positions.....	29	29	29
Total compensable workyears: Full-time equivalent employment .....	27	29	29
<b>VOCATIONAL TRAINING EXPENSES</b>			
Total number of full-time permanent positions.....	97	97	97
Total compensable workyears: Full-time equivalent employment .....	82	92	95

**Trust Funds**

**COMMISSARY FUNDS, FEDERAL PRISONS (TRUST REVOLVING FUND)**

**Program and Financing (in thousands of dollars)**

Identification code 15-8408-0-8-753	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Sales program.....	32,935	34,600	35,650
00.02 Other .....	813	850	875
00.91 Total operating expenses.....	33,748	35,450	36,525
01.01 Capital investment: Improvements and equipment.....	1,664	1,750	1,800
10.00 Total obligations.....	35,412	37,200	38,325
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-33,709	-37,200	-38,325
21.98 Unobligated balance available, start of year: Fund balance.....	-5,183	-3,480	-3,480
24.98 Unobligated balance available, end of year: Fund balance.....	3,480	3,480	3,480
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,703		
72.98 Obligated balance, start of year: Fund balance .....	1,789	3,248	3,248
74.98 Obligated balance, end of year: Fund balance.....	-3,248	-3,248	-3,248
90.00 Outlays.....	244		

**Budget program.**—The commissary fund consists of the operation of commissaries for the inmates as an earned privilege.

**Financing.**—Profits are derived from the sale of goods to inmates. Sales for 1988 are estimated to be \$37.8 million. Adequate working capital is assured from retained earnings.

**Operating results.**—Profits received are used for general welfare and recreational items for all inmates.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income:</b>			
<b>Industrial financing program:</b>			
Revenue.....	33,209	37,200	38,325
Expense .....	31,231	37,200	38,325
Net operating income, industrial financing program.....	2,478		
<b>Nonoperating income or loss (—):</b>			
Loss on disposition of assets.....	-103		
Net nonoperating loss.....	-103		
Net income for the year.....	2,375		

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	6,972	6,727	6,362	5,987
Accounts receivable (net).....	11	9	9	9
Advances made.....	7	10	10	10
Inventories (net).....	2,745	3,610	3,975	4,350
Real property and equipment (net).....	967	962	962	962
Total assets.....	10,702	11,318	11,318	11,318
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities .....	963	1,222	1,222	1,222
Total liabilities .....	1,377	1,745	1,745	1,745
<b>Government equity:</b>				
<b>Unexpended balances:</b>				
Unobligated balance.....	5,183	3,480	3,480	3,480
Undelivered orders.....	614	3,306	3,306	3,306
Unfinanced budget authority: Invested capital.....	3,528	2,787	2,787	2,787
Total Government equity.....	9,325	9,573	9,573	9,573
<b>Analysis of changes in Government equity:</b>				
<b>Retained income:</b>				
Opening balance.....	5,985	9,174	11,549	11,549
<b>Transactions:</b>				
Net operating income.....	573	2,478		
Net nonoperating loss.....	-30	-103		
Prior period adjustment.....	2,646			
Closing balance.....	9,174	11,549	11,549	11,549
Total Government equity (end of year).....	9,325	9,573	11,549	11,549

**Object Classification (in thousands of dollars)**

Identification code 15-8408-0-8-753	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,617	2,676	2,696
11.3 Other than full-time permanent.....	64		
11.5 Other personnel compensation .....	204	200	200
11.9 Total personnel compensation.....	2,885	2,876	2,896
12.1 Personnel benefits: Civilian.....	405	414	417
21.0 Travel and transportation of persons.....	163	150	150
22.0 Transportation of things.....	11	20	20
23.2 Rental payments to others.....	109	100	100
24.0 Printing and reproduction .....	5	5	5
25.0 Other services.....	383	400	400
26.0 Supplies and materials.....	29,785	31,685	32,787
31.0 Equipment.....	1,536	1,550	1,550
32.0 Lands and structures.....	128		
41.0 Grants, subsidies, and contributions.....	2		
99.9 Total obligations.....	35,412	37,200	38,325

**Personnel Summary**

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	89	95	125
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	118	88	106
Full-time equivalent of overtime and holiday hours.....	6	6	6

**OFFICE OF JUSTICE PROGRAMS**

**Federal Funds**

**General and special funds:**

**JUSTICE ASSISTANCE\***

\*See Part II for additional information.

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act including salaries and expenses in connection therewith, **[\$115,368,000]** \$78,303,000, [and of the unobligated funds pre-

viously appropriated for the Juvenile Justice and Delinquency Prevention Act, other than funds subject to provisions of sections 222(b), 223(d), and 228(e) of title II of such Act, \$3,500,000 shall be made available for programs authorized under parts D and E of the Justice Assistance Act of 1984, all funds appropriated herein to remain available until expended; and for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, \$70,282,000 to remain available until expended. [In addition, \$5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1986 through September 30, 1987, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: *Provided*, That within thirty days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1987, a listing of names of such Mariel Cubans incarcerated in their respective facilities: *Provided further*, That the Attorney General, not later than April 1, 1987, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: *Provided further*, That the amount of reimbursements per prisoner per annum shall not exceed \$12,000.] Not to exceed \$64,000,000 \$35,000,000 shall be obligated during fiscal year [1987] 1988 for victim compensation and assistance programs, notwithstanding section 1402, 1403, or 1404 of the Victims of Crime Act of 1984 (Public Law 98-473). (*Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

[For an additional amount for "Justice assistance", \$225,000,000, to remain available until expended, for grants for drug law enforcement programs, to be used only to carry out provisions of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by H.R. 5484 as passed the House of Representatives on October 8, 1986 or similar legislation if enacted into law: *Provided*, That \$2,000,000 shall be available only to carry out a pilot prison capacity program.] (*Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.*)

Program and Financing (in thousands of dollars)

Identification code 15-0401-0-1-754	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01	18,740	18,641	22,094
00.02	16,354	19,006	20,300
00.03	79,347	57,405	
00.04	57	1,148	1,200
00.05	63,547	71,173	
00.06	6,290	5,341	4,000
00.07	9,000	10,704	10,000
00.08	4,785	5,000	
00.09	-707	2,312	
00.10	7,328	12,000	
00.11		225,000	
00.12	19,222	20,999	20,709
00.91	223,963	448,729	78,303
01.01	1,969	5,091	150
10.00	225,932	453,820	78,453
<b>Financing:</b>			
11.00	-1,969	-5,091	-150
17.00		-537	
21.40	-61,112	-32,160	
24.40	32,160		
39.00	195,011	416,032	78,303
Budget authority:			
40.00	195,211	415,650	78,303
41.00	-200		
43.00	195,011	415,650	78,303
44.20		172	

44.40	Supplemental for retirement contributions (P.L. 99-335)		210
Relation of obligations to outlays:			
71.00	Obligations incurred, net	223,963	448,729 78,303
72.40	Obligated balance, start of year	160,628	226,171 407,728
74.40	Obligated balance, end of year	-226,171	-407,728 -165,074
77.00	Adjustments in expired accounts	239	
78.00	Adjustments in unexpired accounts		-537
89.00	Outlays	158,660	266,635 320,957
Outlays:			
90.00	Outlays, excluding pay and retirement supplementals	158,660	266,272 320,938
91.20	Outlays from civilian pay raise supplemental		163 9
91.40	Outlays from retirement contribution supplemental		200 10

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[in thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	195,011	416,032	78,303
Outlays	158,660	266,635	320,957
Supplemental under existing legislation:			
Budget authority		27	
Outlays		27	
Total:			
Budget authority	195,011	416,059	78,303
Outlays	158,660	266,662	320,957

The Office of Justice Programs provides staff support and coordinates the activities of the Office of Juvenile Justice and Delinquency Prevention, the National Institute of Justice, the Bureau of Justice Statistics, the Office for Victims of Crime, and the Bureau of Justice Assistance, which administers the State and local assistance program, the Anti-Drug Abuse Act, the Public Safety Officers' Benefits program, and the Regional Information Sharing System.

**Research, evaluation, and demonstration programs.**—Funds provide for and encourage the development of basic and applied research for the improvement of Federal, State, and local criminal, civil, and juvenile justice systems; new methods for the prevention and reduction of crime and the detection, apprehension, and rehabilitation of criminals; and the dissemination of the results of such research efforts. An increase of \$2,700,000 is requested for 1988 to conduct research to control drug supply and demand.

**Criminal justice statistical programs.**—Funds provide for the collection and analysis of statistical information concerning crime, victims, offenders, criminal justice processes, juvenile delinquency, and civil disputes in support of public and private policy and decisionmaking about society's response to crime; planning, coordination, implementation and provision of technical assistance to States to initiate innovative applications of communications and information systems technology for State and local criminal justice systems; and assurance of conformance with privacy and security regulations. An increase of \$750,000 is requested for 1988 to support a multifaceted statistical program on white collar crime.

**State and local assistance.**—This program is broken into two parts: a block grant program which receives 80 percent of the funds and a discretionary grant program which receives the remaining 20 percent.

No new budget authority is requested for 1988.

**Emergency assistance.**—Funds are used to provide emergency assistance to a State or locality after the

General and special funds—Continued

JUSTICE ASSISTANCE—Continued

Attorney General has determined that a law enforcement emergency exists. A law enforcement emergency is a situation where the capacity of local resources has been exceeded. Funding for 1987 represents unused carryover funds from the previous year. An increase of \$52,000 is requested for 1988 to maintain the program at its anticipated level of funding.

**Juvenile justice programs.**—Funds under this activity assist States and localities in the development of more effective education, training, research, prevention, treatment, and rehabilitation programs in the area of juvenile delinquency. No new budget authority will be requested for 1988 since the major thrusts of the grant program—deinstitutionalization of status offenders and the separation of juvenile and adult offenders—have been achieved to the extent practicable.

**Missing children.**—Funds for this program will be used to reduce the incidence of crimes against children, particularly kidnapping and sexual exploitation, by assisting families, citizen groups, law enforcement agencies and government institutions in a national effort to insure the safety and protection of children.

**Public safety officers' benefits program.**—Funds are used to pay \$50,000 in death benefits to eligible survivors of public safety officers who die in the line of duty.

**Mariel Cubans.**—This is a reimbursement to certain States for part of the cost of incarcerating Mariel Cubans who had originally been paroled by the Federal Government. No new budget authority is requested for 1988.

**Crime control programs.**—This activity provides for expenditures from past Law Enforcement Assistance Administration programs which were not continued under the Justice System Improvement Act of 1979.

**Regional information sharing system.**—This is a program to aid State and local law enforcement agencies in the exchange of intelligence information.

No new budget authority is requested for 1988.

**Anti-drug abuse program.**—Funds for this program were appropriated in 1987 to assist State and local governments in the war against drugs. No funds are requested for 1988.

**Management and administration.**—Funds provide for executive direction and control, program operation, and administrative support of the above activities.

The planned distribution of budget authority by fiscal year is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Research, evaluation, and demonstration programs.....	18,566	18,566	22,094
Criminal justice statistical programs.....	15,982	16,002	20,300
State and local assistance.....	48,520	40,000	.....
Emergency assistance.....	1,048	.....	1,200
Juvenile justice programs.....	64,694	67,600	.....
Missing children.....	3,828	4,000	4,000
Public safety officers' benefits program.....	10,810	9,910	10,000
Mariel Cubans.....	4,785	5,000	.....
Regional information sharing system.....	9,474	9,900	.....
Anti-drug abuse program.....	.....	225,000	.....
Management and administration.....	17,304	20,054	20,709
<b>Total.....</b>	<b>195,011</b>	<b>416,032</b>	<b>78,303</b>

Object Classification (in thousands of dollars)

Identification code	15-0401-0-1-754	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	10,125	13,068	12,033
11.3	Other than full-time permanent.....	2,089	217	230
11.5	Other personnel compensation.....	188	100	100
11.8	Special personal services payments.....	341	150	.....
11.9	<b>Total personnel compensation.....</b>	<b>12,743</b>	<b>13,535</b>	<b>12,363</b>
12.1	Personnel benefits: Civilian.....	1,343	1,694	2,277
13.0	Benefits for former personnel.....	18	18	18
21.0	Travel and transportation of persons.....	422	645	587
22.0	Transportation of things.....	3	3	3
23.1	Rental payments to GSA.....	870	1,531	1,837
23.2	Rental payments to others.....	19	56	58
23.3	Communications, utilities, and miscellaneous charges.....	1,179	1,050	1,169
24.0	Printing and reproduction.....	646	705	715
25.0	Other services.....	24,325	27,998	23,253
26.0	Supplies and materials.....	226	254	187
31.0	Equipment.....	583	150	50
41.0	Grants, subsidies, and contributions.....	172,586	390,386	25,786
42.0	Insurance claims and indemnities.....	9,000	10,704	10,000
99.0	<b>Subtotal, direct obligations.....</b>	<b>223,963</b>	<b>448,729</b>	<b>78,303</b>
99.0	Reimbursable obligations.....	1,969	5,091	150
99.9	<b>Total obligations.....</b>	<b>225,932</b>	<b>453,820</b>	<b>78,453</b>

Personnel Summary

Total number of full-time permanent positions.....	334	323	287
Total compensable workyears: Full-time equivalent employment.....	319	331	301

CRIME VICTIMS FUND

Not to exceed \$35,000,000 shall be obligated during fiscal year 1988 for victim compensation and assistance programs, notwithstanding section 1402, 1403, or 1404 of the Victims of Crime Act of 1984 (Public Law 98-473).

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	59,220	62,506	70,000
Collections.....	59,220	70,000	75,000
Adjustment in available collections.....	3,286	.....	.....
<b>Total available for appropriation.....</b>	<b>130,819</b>	<b>132,506</b>	<b>145,000</b>
Appropriation.....	-59,220	-62,506	-70,000
Unappropriated balance, end of year.....	62,506	70,000	75,000

Program and Financing (in thousands of dollars)

Identification code	15-5041-0-2-754	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	64,899	64,000	35,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-3,286	.....	.....
21.40	Unobligated balance available, start of year.....	-68,313	-65,920	-64,426
24.40	Unobligated balance available, end of year.....	65,920	64,426	99,426
60.00	<b>Budget authority (appropriation) (permanent, indefinite) (special fund).....</b>	<b>59,220</b>	<b>62,506</b>	<b>70,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	61,613	64,000	35,000
72.40	Obligated balance, start of year.....	.....	52,807	51,328
74.40	Obligated balance, end of year.....	-52,807	-51,328	-30,900
90.00	<b>Outlays.....</b>	<b>8,806</b>	<b>65,479</b>	<b>55,428</b>

Note.—In 1986, \$3,286 thousand collected and erroneously credited to this account have been returned to the special fund receipt account.

Under the Victims of Crime Act of 1984 (Public Law 98-473) as amended by the Children's Justice Act

(Public Law 99-401) a special fund was established in the Treasury entitled "The Crime Victims Fund." This fund will be credited with criminal fines that are collected from persons convicted of offenses against the United States. Annual grants will be made to eligible crime victims compensation and assistance programs. An obligation limitation of \$64 million is in effect for 1987, and an obligation limitation of \$35 million is proposed for 1988.

Amounts collected in the previous year are available for obligation in the subsequent year, subject to the limitations included in appropriation language.

**Object Classification Schedule (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
15-5041-0-2-754			
25.0 Other services .....	188	2,813	1,575
41.0 Grants, subsidies, and contributions .....	64,710	61,187	33,425
99.9 Total obligations .....	64,899	64,000	35,000

**Public enterprise funds:**

**REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
15-4169-0-3-754			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	-16	180	200
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Sale of unclaimed goods .....	-14	-150	-200
21.98 Unobligated balance available, start of year: Fund balance .....		-30	
24.98 Unobligated balance available, end of year: Fund balance .....	30		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-30	30	
72.98 Obligated balance, start of year: Fund balance .....	17	17	57
74.98 Obligated balance, end of year: Fund balance .....	-17	-57	
90.00 Outlays .....	-30	-10	57

This revolving fund is used to finance antifencing operations conducted by local law enforcement agencies. Such operations are designed to disrupt commerce in stolen goods. Income derived from the sale or use of stolen goods recovered, but not claimed by the lawful owners, will be paid into this fund.

**Revenue and Expenses (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue .....	14	150	200
Expense .....	16	-180	-200
Net income for the year .....	30	-30	

**GENERAL PROVISIONS—DEPARTMENT OF JUSTICE**

Sec. 201. A total of not to exceed \$75,000 from funds appropriated to the Department of Justice in this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

Sec. 202. Notwithstanding any other provision of law [or this Act], materials produced by convict labor may be used in the construction of any highways or portion of highways located on Federal-aid systems, as described in section 103 of title 23, United States Code.

struction of any highways or portion of highways located on Federal-aid systems, as described in section 103 of title 23, United States Code.

SEC. 203. Appropriations for "Salaries and expenses, General Administration", "Salaries and expenses, United States Marshals Service", "Salaries and expenses, Federal Bureau of Investigation", "Salaries and expenses, Drug Enforcement Administration", "Salaries and expenses, Immigration and Naturalization Service", and "Salaries and expenses, Federal Prison System", shall be available for uniforms and allowances therefor as authorized by law (5 U.S.C. 5901-5902).

[SEC. 204. (a) Subject to subsection (b) of this section, authorities contained in Public Law 96-132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980", shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

(b)(1) With respect to any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counter-intelligence—

(A) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1987, may be used for purchasing property, buildings, and other facilities, and for leasing space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to section 1341 of title 31 of the United States Code, section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3324 of title 31 of the United States Code, section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c)),

(B) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1987, may be used to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31 of the United States Code,

(C) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1987, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions, without regard to section 648 of title 18 of the United States Code and section 3302 of title 31 of the United States Code, and

(D) proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code,

only, in operations designed to detect and prosecute crimes against the United States, upon the written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee established by the Attorney General in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, as in effect on July 1, 1983) or the Administrator of the Drug Enforcement Administration, as the case may be, and the Attorney General (or, with respect to Federal Bureau of Investigation undercover operations, if designated by the Attorney General, a member of such Review Committee), that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation. If the undercover operation is designed to collect foreign intelligence or counterintelligence, the certification that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation shall be by the Director of the Federal Bureau of Investigation (or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Counsel for Intelligence Policy). Such certification shall continue in effect for the duration of such undercover operation, without regard to fiscal years.

(2) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (C) and (D) of subsection (a) are no longer neces-

sary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (B) of paragraph (1) with a net value of over \$50,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation or the Drug Enforcement Administration, as much in advance as the Director or the Administrator, or the designee of the Director or the Administrator, determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(4)(A) The Federal Bureau of Investigation or the Drug Enforcement Administration, as the case may be, shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1987—

(i) submit the results of such audit in writing to the Attorney General, and

(ii) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(B) The Federal Bureau of Investigation and the Drug Enforcement Administration shall each also submit a report annually to the Congress specifying as to their respective undercover investigative operations—

(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(I) the results,

(II) any civil claims, and

(III) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(5) For purposes of paragraph (4)—

(A) the term "closed" refers to the earliest point in time at which—

(i) all criminal proceedings (other than appeals) are concluded, or

(ii) covert activities are concluded, whichever, occurs later,

(B) the term "employees" means employees, as defined in section 2105 of title 5 of the United States Code, of the Federal Bureau of Investigation, and

(C) the terms "undercover investigative operation" and "undercover operation" means any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(I) the gross receipts (excluding interest earned) exceed \$50,000, or

(II) expenditures (other than expenditures for salaries of employees) exceed \$150,000, and

(ii) which is exempt from section 3302 or 9102 of title 31 of the United States Code,

except that clauses (i) and (ii) shall not apply with respect to the report required under subparagraph (B) of such paragraph.]

[Sec. 205. Section 286 of the Immigration and Nationality Act of 1952 (8 U.S.C. 1356) is amended by inserting after subsection (c) the following new subsections:

"(d) SCHEDULE OF FEES.—In addition to any other fee authorized by law, the Attorney General shall charge and collect \$5 per individual for the immigration inspection of each passenger arriving at a port of entry in the United States, or for the preinspection of a passenger in

a place outside of the United States prior to such arrival aboard a commercial aircraft or commercial vessel.

"(e) LIMITATIONS ON FEES.—(1) No fee shall be charged under subsection (d) for immigration inspection or preinspection provided in connection with the arrival of any passenger whose journey originated in the following:

"(A) Canada,

"(B) Mexico,

"(C) a territory or possession of the United States, or

"(D) any adjacent island (within the meaning of section 101(b)(5) of this title).

"(2) No fee may be charged under subsection (d) with respect to the arrival of any passenger—

"(A) who is in transit to a destination outside the United States, and

"(B) for whom immigration inspection services are not provided.

"(f) COLLECTION.—(1) Each person that issues a document or ticket to an individual for transportation by a commercial vessel or commercial aircraft into the United States shall—

"(A) collect from that individual the fee charged under subsection (d) at the time the document or ticket is issued; and

"(B) identify on that document or ticket the fee charged under subsection (d) as a Federal inspection fee.

"(2) if—

"(A) a document or ticket for transportation of a passenger into the United States is issued in a foreign country; and

"(B) the fee charged under subsection (d) is not collected at the time such document or ticket is issued;

the person providing transportation to such passenger shall collect such fee at the time such passenger departs from the United States and shall provide such passenger a receipt for the payment of such fee.

"(3) The person who collects fees under paragraph (1) or (2) shall remit those fees to the Attorney General at any time before the date that is thirty-one days after the close of the calendar quarter in which the fees are collected. Regulations issued by the Attorney General under this subsection with respect to the collection of the fees charged under subsection (d) and the remittance of such fees to the Treasury of the United States shall be consistent with the regulations issued by the Secretary of the Treasury for the collection and remittance of the taxes imposed by subchapter C of chapter 33 of the Internal Revenue Code of 1954, but only to the extent the regulations issued with respect to such taxes do not conflict with the provisions of this section.

"(g) PROVISION OF IMMIGRATION INSPECTION AND PREINSPECTION SERVICES.—Notwithstanding section 1353(a) of this title, or any other provision of law, the immigration services required to be provided to passengers upon arrival in the United States on scheduled airline flights shall be adequately provided when needed and at no cost (other than the fees imposed under subsection (d)) to airlines and airline passengers at:

"(1) immigration serviced airports, and

"(2) places located outside of the United States at which an immigration officer is stationed for the purpose of providing such immigration services.

"(h) DISPOSITION OF RECEIPTS.—(1)(A) All of the fees collected under subsection (d) shall be deposited in a separate account within the general fund of the Treasury of the United States. Such account shall be known as the 'Immigration User Fee Account.' At the end of each 2-year period, beginning with the creation of this account, the Attorney General, following a public rulemaking with opportunity for notice and comment, shall submit a report to the Congress concerning the status of the account, including any balances therein, and recommend any adjustment in the prescribed fee that may be required to ensure that the receipts collected from the fee charged for the succeeding two years equal, as closely as possible, the cost of providing these services.

"(B) Notwithstanding any other provisions of law, all fines, penalties, liquidated damages or expenses collected pursuant to sections 271 and 273 of this title shall be deposited in the 'Immigration User Fee Account.'

"(2)(A) The Secretary of the Treasury shall refund out of the Immigration User Fee Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Attorney General

in providing immigration inspection and preinspection services for commercial aircraft or vessels and:

“(i) providing overtime immigration inspection services for commercial aircraft or vessels;

“(ii) administration of debt recovery, including the establishment and operation of a national collections office;

“(iii) expansion, operation and maintenance of information systems for nonimmigrant control and debt collection;

“(iv) detection of fraudulent documents used by passengers traveling to the United States;

“(v) providing detention and deportation services for excludable aliens arriving on commercial aircraft and vessels.

“(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Attorney General of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amount required to be refunded under subparagraph (A).

“(i) Notwithstanding any other provision of law, the Attorney General is authorized to receive reimbursement from the owner, operator, or agent of a private or commercial aircraft or vessel, or from any airport or seaport authority for expenses incurred by the Attorney General in providing immigration inspection services which are rendered at the request of such person or authority (including the salary and expenses of individuals employed by the Attorney General to provide such immigration inspection services). The Attorney General's authority to receive such reimbursement shall terminate immediately upon the provision for such services by appropriation.

“(j) REGULATIONS.—The Attorney General may prescribe such rules and regulations as may be necessary to carry out the provisions of this section.

“(k) ADVISORY COMMITTEE.—In accordance with the provisions of the Federal Advisory Committee Act, the Attorney General shall establish an advisory committee, whose membership shall consist of representatives from the airline and other transportation industries who may be subject to any fee or charge authorized by law or proposed by the Immigration and Naturalization Service for the purpose of covering expenses incurred by the Immigration and Naturalization Service. The advisory committee shall meet on a periodic basis and shall advise the Attorney General on issues related to the performance of the inspectional services of the Immigration and Naturalization Service. This advice shall include, but not be limited to, such issues as the time periods during which such services should be performed, the proper number and deployment of inspection officers, the level of fees, and the appropriateness of any proposed fee. The Attorney General shall give substantial consideration to the views of the advisory committee in the exercise of his duties.

“(l) EFFECTIVE DATES.—(1) The provisions of this section and the amendments made by this section, shall apply with respect to immigration inspection services rendered after November 30, 1986.

“(2) Fees may be charged under subsection (d) only with respect to immigration inspection services rendered in regard to arriving passengers using transportation for which documents or tickets were issued after November 30, 1986.” ]

[SEC. 206. Section 232 (8 U.S.C. 1222) is amended by striking “on board the vessel or at the airport” and all that follows through “as circumstances may require or justify,” and inserting in lieu thereof “by the Attorney General”, and section 233 (8 U.S.C. 1223) is repealed.]

[SEC. 207. Section 1203 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796(b)) is amended—

(1) in subsection (3) by striking the semicolon at the end thereof and inserting in lieu thereof “and an officially recognized or designated public employee member of a rescue squad or ambulance crew who was responding to a fire, rescue or police emergency;” and

(2) in subsection (7) by striking all after the words “law enforcement officer” and inserting “, a firefighter, or rescue squad or ambulance crew” ]

[SEC. 208. (a) None of the funds appropriated or otherwise made available in this title may be available for the performance of any pre-inspection activities by the Immigration and Naturalization Service (1) at Shannon International Airport in Ireland or (2) at Gander Airport in Newfoundland.

(b) The General Accounting Office shall conduct a comprehensive analysis of the trial pre-inspection program conducted by the Immigration and Naturalization Service at Shannon International Airport from July 1, 1986 to October 31, 1986, and shall issue a report to Congress by April 30, 1987. The report shall include an evaluation of the economic impact on American airports and of whether pre-inspection is a cost-effective means of facilitating international air travel and enhancing law enforcement.]

[SEC. 209. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term or in the case of rape: *Provided*, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.]

[SEC. 210. The Director of the Federal Bureau of Investigation and the Administrator of the Drug Enforcement Administration shall not establish and collect fees to provide training to State and local law enforcement officers at the FBI National Academy. Any fees collected for training of State and local law enforcement officers, which occurred at the National Academy on or after October 1, 1986, shall be reimbursed to the appropriate official or agency. In addition, the Director of the National Institute of Corrections shall not establish and collect fees to provide training to State and local officers which was not provided on a reimbursable basis prior to October 1, 1986.] (*Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)



## DEPARTMENT OF LABOR

### EMPLOYMENT AND TRAINING ADMINISTRATION

#### Federal Funds

#### General and special funds:

##### PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, **[\$67,363,000]** \$73,691,000 together with not to exceed **[\$44,763,000]** \$43,331,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5283, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code 16-0172-0-1-504	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Job training programs.....	7,512	8,082	8,989
00.02 Employment security.....	14,638	22,219	18,720
00.03 Financial and administrative management.....	23,942	22,942	27,172
00.04 Executive direction and administration.....	5,337	5,679	6,044
00.05 Regional operations.....	41,034	40,799	41,682
00.06 Apprenticeship services.....	12,185	13,213	14,415
00.91 Total direct program.....	104,648	112,934	117,022
01.01 Reimbursable program.....	91	96	97
10.00 Total obligations.....	104,739	113,030	117,119
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-91	-96	-97
13.00 Trust funds.....	-40,832	-44,763	-43,331
22.40 Unobligated balance transferred, net.....	.....	-808	.....
25.00 Unobligated balance lapsing.....	1,409	.....	.....
40.00 Budget authority (appropriation).....	65,225	67,363	73,691
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	63,816	68,171	73,691
72.40 Obligated balance, start of year.....	20,256	19,987	15,182
74.40 Obligated balance, end of year.....	-19,987	-15,182	-14,988
77.00 Adjustments in expired accounts.....	-2,118	.....	.....
90.00 Outlays.....	61,967	72,976	73,885

#### NOTES

Includes \$445 thousand in 1988 for activities previously financed from the Department of Health and Human Services, work incentives. Comparable amounts for 1986 (\$3,038 thousand) and 1987 (\$2,892 thousand) are excluded above.  
Excludes \$98 thousand in 1988 for activities financed by Bureau of Labor Statistics. Comparable amounts for 1986 (\$93 thousand) and 1987 (\$95 thousand) are included above.

**Job training programs.**—Provides leadership, policy direction, and administration for a decentralized system of block grants to States for job training, the summer youth training and employment program, and the dislocated worker program; the Job Corps; and services to special target groups. The request includes staff levels related to a new AFDC youth program.

**Employment security.**—Provides policy direction and management for the administration of the nationwide public employment service system and the unemployment insurance services in each State; for the settlement of trade adjustment petitions; and for a system of collecting and analyzing labor market information.

**Financial and administrative management.**—Provides for the formulation and execution of the budget, fiscal accounting and management, audit control, debt collec-

tion, internal control, contracting services, statistical and data processing management systems, personnel direction, facilities and space management, and contractor and grantee property management.

**Executive direction and administration.**—Provides general management and administrative functions, including: research and evaluation, performance standards, and publications development.

**Regional operations.**—Provides for administration and management of ETA programs in the regions. The 1988 request reflects a reduction in staff levels related to the continued implementation of the redefined regional staff role from compliance and oversight responsibilities to policy leadership and advocacy.

**Apprenticeship services.**—Promotes apprenticeship as a method of skill acquisition across a broad range of occupations and industries through a Federal-State apprenticeship administrative structure.

#### Object Classification (in thousands of dollars)

Identification code 16-0172-0-1-504	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	62,427	64,486	66,016
11.3 Other than full-time permanent.....	1,427	.....	.....
11.5 Other personnel compensation.....	665	608	603
11.9 Total personnel compensation.....	64,519	65,094	66,619
12.1 Personnel benefits: Civilian.....	8,168	9,794	14,174
13.0 Benefits for former personnel.....	39	.....	.....
21.0 Travel and transportation of persons.....	3,075	3,675	4,010
22.0 Transportation of things.....	134	162	295
23.1 Rental payments to GSA.....	6,169	6,640	8,261
23.2 Rental payments to others.....	22	23	24
23.3 Communications, utilities, and miscellaneous charges.....	1,887	2,330	2,215
24.0 Printing and reproduction.....	291	329	310
25.0 Other services.....	18,747	23,233	17,713
26.0 Supplies and materials.....	396	457	458
31.0 Equipment.....	1,201	1,195	2,941
42.0 Insurance claims and indemnities.....	.....	2	2
99.0 Subtotal, direct obligations.....	104,648	112,934	117,022
99.0 Reimbursable obligations.....	91	96	97
99.9 Total obligations.....	104,739	113,030	117,119

#### Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	1,654	1,708	1,632
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,730	1,729	1,679
Full-time equivalent of overtime and holiday hours.....	6	6	6
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	3	3	3
Total compensable workyears: Full-time equivalent employment.....	3	3	3

#### TRAINING AND EMPLOYMENT SERVICES\*

\*See Part II for additional information.

For expenses necessary to carry into effect the Job Training Partnership Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Job Training Partnership Act, **[\$3,656,013,000]**

I-P1

## General and special funds—Continued

## TRAINING AND EMPLOYMENT SERVICES—Continued

\$3,285,548,000 plus reimbursements, to be available for obligation for the period July 1, [1987] 1988, through June 30, [1988] 1989, including \$2,000,000 for the National Commission for Employment Policy, [including \$4,000,000] and \$3,000,000 for all activities conducted by and through the National Occupational Information Coordinating Committee under the Job Training Partnership Act, and including \$10,000,000 for service delivery areas under section 101(a)(4)(A)(iii) of the Job Training Partnership Act in addition to amounts otherwise provided under sections 202 and 251(b) of the Act: *Provided*, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: *Provided further*, That of the funds made available for obligation for the Summer Youth Employment and Training Program for the program years 1986 and 1987 the Secretary of Labor may reserve an amount, which, when combined with excess unexpended funds, shall not exceed fifteen percent of the total provided for the program, and allot such funds to the States so that each service delivery area receives, as nearly as possible, an amount equal to its prior year allocation for this program. For the purposes of this provision, "excess unexpended funds" shall mean for program year 1986, any amount unexpended as of September 30, 1986, in excess of 10 percent of the prior year State allotment, and for program year 1987, any amount unexpended as of September 30, 1987, in excess of 10 percent of the prior year State allotment. Reallocations of excess unexpended funds pursuant to this provision shall be accomplished by reducing, by an amount equivalent to the amount of excess unexpended funds, allotments made to the States].

[For activities authorized by sections 236, 237, and 238 of the Trade Act of 1974, as amended, including necessary related administrative expenses, \$29,900,000.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

## Program and Financing (in thousands of dollars)

Identification code 16-0174-0-1-504	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
Grants to States:				
00.01	Block grant .....	1,781,562	1,841,523	1,783,000
00.02	Summer youth employment and training program .....	724,549	635,976	750,000
00.03	Dislocated worker assistance .....	126,252	176,148	45,738
Federally administered programs:				
00.10	Native Americans .....	59,651	61,484	58,839
00.11	Migrants and seasonal farmworkers .....	63,308	59,600	57,085
00.12	Job Corps .....	660,334	629,671	654,522
00.13	Veterans' employment .....	13,595	9,826	10,048
00.14	National activities .....	69,447	65,600	73,446
00.15	Trade adjustment assistance .....	24,882	29,900	.....
00.91	Total direct program .....	3,523,580	3,509,728	3,432,678
01.01	Reimbursable program .....	2,459	1,962	449
10.00	Total obligations .....	3,526,039	3,511,690	3,433,127
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-2,459	-1,962	-449
21.40	Unobligated balance available, start of year .....	-1,257,691	-1,070,060	-1,245,416
24.40	Unobligated balance available, end of year .....	1,070,060	1,245,416	1,098,286
25.00	Unobligated balance lapsing .....	1,243	829	.....
40.00	<b>Budget authority (appropriation) .....</b>	<b>3,337,192</b>	<b>3,685,913</b>	<b>3,285,548</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	3,523,580	3,509,728	3,432,678
72.40	Obligated balance, start of year .....	3,612,729	3,290,819	3,227,705
74.40	Obligated balance, end of year .....	-3,290,819	-3,227,705	-3,042,129
77.00	Adjustments in expired accounts .....	-184,248	-13,000	-16,000
90.00	<b>Outlays .....</b>	<b>3,661,242</b>	<b>3,559,842</b>	<b>3,602,254</b>
<b>Distribution of outlays by account:</b>				
	Training and employment services .....	3,660,788	3,559,842	3,602,254
	Manpower training activities .....	6,108	.....	.....
	Temporary employment assistance .....	-5,654	.....	.....

Note.—Excludes \$6,152 thousand in 1988 for activities transferred to Department of Labor, Bureau of Labor Statistics, Salaries and Expenses. Comparable amounts for 1986 (\$4,054 thousand), and 1987 (\$5,784 thousand) are included above.

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	3,337,192	3,685,913	3,285,548
Outlays .....	3,661,242	3,559,842	3,602,254
Proposed for later transmittal under proposed legislation:			
Budget authority .....	.....	.....	1,130,000
Outlays .....	.....	.....	512,840
Rescission proposal:			
Budget authority .....	.....	-332,000	.....
Outlays .....	.....	-3,956	-197,450
<b>Total:</b>			
Budget authority .....	3,337,192	3,353,913	4,415,548
Outlays .....	3,661,242	3,355,886	3,917,644

This account provides for a flexible and decentralized system of Federal and local programs of training and other services for economically disadvantaged persons designed to lead to permanent gains in employment. Such programs are currently authorized by the Job Training Partnership Act (JTPA). The account is forward funded on a July to June cycle.

*Grants to States.*—Includes block grants to provide financial assistance to States and territories to design and operate training programs to meet their training and employment needs and grants to operate a summer youth employment and training program. Seventy percent of the JTPA block grant funding will be used for training, including remedial education and basic skills, institutional training, and on-the-job training. A 1987 rescission is proposed for this activity to return the funding levels for the block grant and summer youth employment programs to approximately the 1986 levels and to reduce the dislocated worker assistance program to \$25 million. Legislation is being proposed which will amend title II of JTPA to provide a grant program of assistance to AFDC youth. In addition, legislation will be proposed to replace the current JTPA and Trade Act dislocated worker programs with a new worker adjustment assistance program to meet the training needs of all dislocated workers.

*Federally administered programs.*—Provides program support for Job Training Partnership Act activities and training assistance through nationally administered programs for special segments of the population that have particular disadvantages in the labor market. Among groups to be served are Indians and other native Americans, migrant and seasonal farmworkers, and veterans. The National Longitudinal Survey formerly financed from this activity will be transferred to the Bureau of Labor Statistics in 1988. Also included is the Job Corps which is a national network of residential centers designed to provide training in literacy, arithmetic, and vocational skills for youth aged 14-21 who have severe educational and economic disadvantages. The current Job Corps slot level of 40,544 will be maintained by the request, which includes savings resulting from the competitive pricing of centers now operated by the Departments of Agriculture and Interior and from the closing of inefficient, costly centers.

Object Classification (in thousands of dollars)			
Identification code 16-0174-0-1-504	1986 actual	1987 est.	1988 est.
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	1,017	1,056	1,080
11.3 Other than full-time permanent .....	91	94	96
11.5 Other personnel compensation .....	4	4	4
11.8 Special personal services payments .....	175	178	180
11.9 Total personnel compensation .....	1,287	1,332	1,360
12.1 Personnel benefits: Civilian .....	117	123	126
21.0 Travel and transportation of persons .....	143	228	248
22.0 Transportation of things .....	2	2	2
23.1 Rental payments to GSA .....	90	156	166
23.2 Rental payments to others .....	5	9	9
23.3 Communications, utilities, and miscellaneous charges .....	15	25	26
24.0 Printing and reproduction .....	40	57	62
25.0 Other services .....	29,380	25,450	30,622
26.0 Supplies and materials .....	22	32	34
31.0 Equipment .....	39	60	67
41.0 Grants, subsidies, and contributions .....	3,400,375	3,387,194	3,319,257
99.0 Subtotal, direct obligations, Employment and Training Administration .....	3,431,515	3,414,668	3,351,979
99.0 Reimbursable obligations, Employment and Training Administration .....	1,973	1,250	
<b>ALLOCATION ACCOUNTS</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	30,081	32,262	20,096
11.3 Other than full-time permanent .....	2,621	2,719	2,781
11.5 Other personnel compensation .....	1,788	1,815	1,842
11.8 Special personal services payments .....	4	4	4
11.9 Total personnel compensation .....	34,494	36,800	24,723
12.1 Personnel benefits: Civilian .....	4,489	4,798	3,223
13.0 Benefits for former personnel .....	105	3,844	12,815
21.0 Travel and transportation of persons .....	1,263	1,183	952
22.0 Transportation of things .....	607	569	458
23.1 Rental payments to GSA .....	208	195	157
23.2 Rental payments to others .....	239	224	180
23.3 Communications, utilities, and miscellaneous charges .....	4,414	4,134	3,328
24.0 Printing and reproduction .....	73	68	55
25.0 Other services .....	22,934	21,482	17,290
26.0 Supplies and materials .....	20,453	19,156	15,419
31.0 Equipment .....	1,927	1,805	1,453
32.0 Lands and structures .....	828	775	624
42.0 Insurance claims and indemnities .....	29	27	22
44.0 Refunds .....	2		
99.0 Subtotal, direct obligations, allocation accounts .....	92,065	95,060	80,699
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	5	5	5
11.3 Other than full-time permanent .....	1	1	1
11.9 Total personnel compensation .....	6	6	6
12.1 Personnel benefits: Civilian .....	1	1	1
23.3 Communications, utilities, and miscellaneous charges .....	11	16	10
25.0 Other services .....	365	538	337
26.0 Supplies and materials .....	94	138	87
31.0 Equipment .....	7	10	6
32.0 Land and structures .....	2	3	2
99.0 Subtotal, reimbursable obligations, allocation accounts .....	486	712	449
99.9 Total obligations .....	3,526,039	3,511,690	3,433,127
Obligations are distributed as follows:			
Department of Labor .....	3,433,488	3,415,918	3,351,979
Department of Agriculture .....	56,447	58,213	49,298
Department of the Interior .....	36,104	37,559	31,850

**Personnel Summary**

DEPARTMENT OF LABOR			
Total number of full-time permanent positions .....	27	27	27

Total compensable workyears: Full-time equivalent employment .... 27 27 27

**ALLOCATION ACCOUNTS**

Total number of full-time permanent positions .....	1,500	1,458	1,458
Total compensable workyears: Full-time equivalent employment .....	1,421	1,458	925

**TRAINING AND EMPLOYMENT SERVICES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 16-0174-2-1-504	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.04 Worker adjustment assistance .....			980,000
00.05 Welfare youth training and employment .....			800,000
10.00 Total obligations (object class 41.0) .....			1,780,000
<b>Financing:</b>			
24.40 Unobligated balance available, end of year .....			-650,000
40.00 Budget authority (appropriation) .....			1,130,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			1,780,000
74.40 Obligated balance, end of year .....			-1,267,160
90.00 Outlays .....			512,840

Legislation is proposed to amend title II of the Job Training Partnership Act (JTPA) replacing the current summer youth employment and training program with a program allowing local areas to provide a variety of services. These services may include year-round training for youth between the ages of 14 and 21 in families receiving AFDC benefits as well as continuation of subsidized summer jobs for economically disadvantaged youth. The mix of services provided under this new authority will be determined by local areas based on their needs and priorities. Legislation is also proposed to create a new worker adjustment assistance program to meet the training and employment needs of all dislocated workers regardless of the reason for unemployment. This new program will provide an increased level of assistance by replacing the current fragmented approach of training, job search and cash benefits with one comprehensive program for helping workers adjust to changes in their jobs and move quickly on to new careers.

**COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS**

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, \$254,280,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, \$71,720,000. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 16-0175-0-1-504	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 National programs .....	243,346	254,280	254,280
00.02 State programs .....	68,656	71,720	71,720
10.00 Total obligations (object class 41.0) .....	312,002	326,000	326,000

General and special funds—Continued

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS—  
Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	16-0175-0-1-504	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
40.00	Budget authority (appropriation)	312,002	326,000	326,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	312,002	326,000	326,000
72.40	Obligated balance, start of year	270,384	258,631	266,056
74.40	Obligated balance, end of year	-258,631	-266,056	-266,211
77.00	Adjustments in expired accounts	-3,213		
90.00	Outlays	320,542	318,575	325,845

This program provides part-time work experience in community service activities to unemployed, low-income persons aged 55 and over and is forward funded on a July to June cycle. Approximately 63,800 job opportunities will be provided through June 30, 1989. Legislation is required to authorize appropriations for this program beyond 1987.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of benefits and payments as authorized by title II of Public Law 95-250, as amended, and of trade adjustment benefit payments and allowances, as provided by law (part I, subchapter B, chapter 2, title II of the Trade Act of 1974, as amended), **[\$118,000,000] \$141,000,000**, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year: *Provided*, That amounts received or recovered pursuant to section 208(e) of Public Law 95-250 shall be available for payments.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5283, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	16-0326-0-1-603	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Trade adjustment assistance	118,871	176,000	138,000
00.02	Unemployment assistance and payments under other Federal unemployment programs	2,480	4,000	3,000
00.91	Total direct program	121,351	180,000	141,000
01.01	Reimbursable program	5,453	15,000	15,000
10.00	Total obligations	126,804	195,000	156,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-117,453	-77,000	-15,000
25.00	Unobligated balance lapsing	649		
40.00	Budget authority (appropriation)	10,000	118,000	141,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net	9,351	118,000	141,000
72.40	Obligated balance, start of year	5,010	4,372	1,372
74.40	Obligated balance, end of year	-4,372	-1,372	-1,372
77.00	Adjustments in expired accounts	4,247		
90.00	Outlays	14,236	121,000	141,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	10,000	118,000	141,000
Outlays	14,236	121,000	141,000

Proposed for later transmittal under proposed legislation:

Budget authority			-101,000
Outlays			-101,000

Total:

Budget authority	10,000	118,000	40,000
Outlays	14,236	121,000	40,000

**Trade adjustment assistance.**—Adjustment assistance allowances are paid to workers as authorized by the Trade Act of 1974, as amended. Advances from the unemployment trust fund and other fund account will be made as necessary to cover the additional cost of this activity in 1987. Legislation is being proposed which will replace the current trade adjustment assistance program with a new worker adjustment assistance program.

**Unemployment assistance and payments under other Federal unemployment programs.**—Benefits are paid to workers under Public Law 95-250, which expanded the Redwood National Park. Reimbursements from the Federal Emergency Management Agency provide Federal disaster unemployment assistance.

Object Classification (in thousands of dollars)

Identification code	16-0326-0-1-603	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
41.0	Grants subsidies and contributions	121,351	180,000	141,000
99.0	Reimbursable obligations	5,453	15,000	15,000
99.9	Total obligations	126,804	195,000	156,000

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	16-0326-2-1-603	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Trade adjustment assistance (object class 41.0)			-101,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)			-101,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net			-101,000
90.00	Outlays			-101,000

This reduction reflects proposed legislation to replace the Trade Adjustment Assistance (TAA) program with a more comprehensive worker adjustment assistance program. Funds appropriated for this account are used to pay benefits to eligible workers under the Trade Act. Upon passage of the proposed legislation the only workers who will be eligible to receive benefits during 1988 will be those who were collecting benefits during the last week of 1987.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For activities authorized by the Act of June 6, 1933, as amended (29 U.S.C. 49-491-1; 39 U.S.C. 3202(a)(1)(E)); title III of the Social Security Act, as amended (42 U.S.C. 502-504); necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, and sections 231-235 and 243-244, title II of the Trade Act of 1974, as amended; and as authorized by section 7c of the Act of June 6, 1933, as amended, necessary administrative expenses under sections 101(a)(15)(H)(ii) and 212(a)(14) of the Immigration and Nationality Act, as amended (8 U.S.C. 1101 et seq.), \$23,400,000, together with not to exceed **[\$2,341,901,000]**

\$2,352,961,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund, and of which the sums available in the basic allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the basic allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, [1987] 1988, and of which \$22,700,000 together with not to exceed [1987] \$732,500,000 [1988] \$642,500,000 of the amount which may be expended from said trust fund shall be available for obligation for the period July 1, [1987] 1988, through June 30, [1988] 1989, to fund activities under section 6 of the Act of June 6, 1933, as amended, including activities under the targeted jobs tax credit program under section 51 of the Internal Revenue Code of 1986 and the cost of penalty mail made available to States in lieu of allotments for such purpose [and of which \$150,910,000]: Provided, That the amount made available for activities under such section 6 shall be combined with the total of all balances unexpended in each State as of June 30, 1988, in excess of 10 percent of the State's prior year section 6 allotment and the combined amounts shall be allotted as provided in such section 6: Provided further, That the reallocation of the unexpended balances shall be accomplished by reducing the total allotment made to a State by the amount of that State's unexpended balance which has been combined into the total available for allotment: Provided further, That of the amount which may be expended from such Trust Fund, \$136,042,000 (including not to exceed [1987] \$4,800,000) [1988] \$4,600,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980) shall be available only to the extent necessary to administer unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustments based on State obligations as of December 31, [1987] 1988.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

[Provided, That funds made available under such Act, and the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1986 (Public Law 99-178; 99 Stat. 1103), under the paragraph of each Act entitled "STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS" that are authorized under section 6 of the Wagner-Peyser Act (29 U.S.C. 49e) may be used to carry out the targeted jobs tax credit program under section 51 of the Internal Revenue Code of 1986.] (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(i).)

Program and Financing (in thousands of dollars)

Identification code 16-0179-0-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
Unemployment compensation:			
00.01 State operations	1,545,469	1,221,399	1,285,738
00.02 State integrity activities		212,987	255,829
00.03 National activities	808	2,272	10,185
00.04 Contingency		150,910	136,042
Employment service:			
00.10 Allotments to States	807,574	755,200	737,200
00.11 National activities	35,829	22,533	23,367
00.91 Total direct program	2,389,680	2,365,301	2,448,361
01.01 Reimbursable program	2,568	4,000	4,000
10.00 Total obligations	2,392,248	2,369,301	2,452,361
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-2,568	-4,000	-4,000
13.00 Trust funds	-2,443,443	-2,343,768	-2,424,961
21.40 Unobligated balance available, start of year		-16,293	-18,160
24.40 Unobligated balance available, end of year	16,293	18,160	18,160
25.00 Unobligated balance lapsing	60,055		
40.00 Budget authority (appropriation)	22,585	23,400	23,400

Relation of obligations to outlays:				
71.00	Obligations incurred, net	-53,763	21,533	23,400
72.40	Obligated balance, start of year	111,160	19,230	18,160
74.40	Obligated balance, end of year	-19,230	-18,160	-18,160
77.00	Adjustments in expired accounts	-13,640		
90.00	Outlays	24,527	22,603	23,400

Note.—State integrity and contingency obligations for 1986 are included in State operations.

**Unemployment compensation.**—State operations amounts provide administrative grants to State agencies which pay unemployment compensation to eligible workers and collect State unemployment taxes from employers. These agencies also pay unemployment benefits to former Federal personnel as well as trade adjustment assistance to eligible individuals. Grants are also provided to upgrade State automated systems for benefit payments and collection of taxes. State integrity activities provide administrative grants to State agencies to improve the integrity and financial stability of the unemployment compensation program through a quality control program and related activities designed to assess and reduce errors and prevent fraud, waste, and abuse in the payment of unemployment compensation benefits and the collection of unemployment taxes. National activities relating to the Federal-State unemployment insurance programs are conducted through contracts or agreements with the State agencies. Contingency funds are available only to meet increases in the costs of administration resulting from changes in State law, increases in the number of claims filed and claims paid, or increased salary costs caused by changes in State compensation plans and to provide for amortization payments for States which had independent retirement plans prior to 1980 in their State employment service agencies.

A proposal to decentralize much of the authority, financing, and responsibility for administering State unemployment insurance will be put forward shortly. This proposal will not affect the 1988 budget estimates.

PROGRAM STATISTICS

	1985 actual	1986 estimate	1987 estimate <sup>1</sup>	1988 estimate <sup>1</sup>
Staff years	44,123	41,371	40,034	39,764
Basic workload (in thousands):				
Employer tax accounts	5,093	5,156	5,319	5,482
Employee wage items recorded	334,572	327,380	349,770	361,970
Initial claims taken	22,312	20,447	19,914	19,244
Eligibility interviews	6,868	6,230	8,676	8,137
Weeks claimed	147,002	140,740	135,788	127,357
Nonmonetary determinations	7,106	7,027	6,953	6,722
Appeals	944	974	959	929
Covered employment	93,467	95,570	97,871	100,323

<sup>1</sup> 1987 and 1988 estimates include workload that can be financed from contingency funds.

**Employment service.**—The public employment service is a nationwide system providing no-fee employment services to individuals who are seeking employment and employers who are seeking workers. State employment service activities are financed by allotment to States distributed under a demographically based funding formula established under the Wagner-Peyser Act, as amended. Employment service allotments are funded on a program year basis running from July 1 through June 30 of the following year.

Employment service activities serving national needs including interstate job listings, and labor certification of aliens are conducted through specific reimbursable

General and special funds—Continued

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE  
OPERATIONS—Continued

agreements between the States and the Federal Government under the Wagner-Peyser Act, as amended.

A proposal to decentralize much of the authority, financing, and responsibility for administering the State employment service will be put forward shortly. This proposal will not affect the 1988 budget estimates.

PROGRAM STATISTICS

	(In thousands)			
	1985 actual <sup>1</sup>	1986 estimate <sup>2</sup>	1987 estimate <sup>3</sup>	1988 estimate <sup>4</sup>
New applications and renewals .....	19,912	20,000	19,800	
Total placements:				
Transactions .....	4,856	5,200	5,300	5,300
Individuals .....	3,430	3,500	3,500	3,500

<sup>1</sup> For the program year, July 1, 1985–June 30, 1986.

<sup>2</sup> For the program year, July 1, 1986–June 30, 1987.

<sup>3</sup> For the program year, July 1, 1987–June 30, 1988.

<sup>4</sup> For the program year, July 1, 1988–June 30, 1989.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
16-0179-0-1-999			
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges...	73,314	73,312	76,150
31.0 Equipment .....	508		
41.0 Grants, subsidies, and contributions .....	2,315,858	2,291,989	2,372,211
99.0 Subtotal, direct obligations .....	2,389,680	2,365,301	2,448,361
99.0 Reimbursable obligations .....	2,568	4,000	4,000
99.9 Total obligations .....	2,392,248	2,369,301	2,452,361

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 1989; \$30,000,000.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
16-0327-0-1-600			
Program by activities:			
10.00 Total obligations (object class 92.0) .....	163,271	95,916	30,000
Financing:			
21.40 Unobligated balance available, start of year .....		—301,514	
24.40 Unobligated balance available, end of year .....	301,514		
25.00 Unobligated balance lapsing .....		205,598	
40.00 Budget authority (appropriation) .....	464,785		30,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	163,271	95,916	30,000
90.00 Outlays .....	163,271	95,916	30,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	(In thousands of dollars)		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	464,785		30,000
Outlays .....	163,271	95,916	30,000
Proposed for later transmittal under proposed legislation:			
Budget authority .....			653,000
Outlays .....			653,000
Total:			
Budget authority .....	464,785		683,000
Outlays .....	163,271	95,916	683,000

This account provides advances to several other accounts for the purpose of paying unemployment compensation to eligible individuals under various Federal and State unemployment compensation laws whenever the balances in the funds prove insufficient. Advances made to the Federal employees compensation account in the Unemployment trust fund, and advances made to the Federal unemployment benefits and allowances appropriation account are nonrepayable. All other advances made to the Federal unemployment account and to the Extended unemployment compensation account (both in the Unemployment trust fund) are repaid, without interest, to the general fund of the Treasury.

This account also provides advances, which are repayable with interest, to the Black Lung Disability Trust Fund for making payments from that fund whenever its balances prove insufficient.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
16-0327-2-1-600			
Program by activities:			
10.00 Total obligations (object class 92.0) .....			653,000
Financing:			
40.00 Budget authority (appropriation) .....			653,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			653,000
90.00 Outlays .....			653,000

This schedule reflects the Administration's proposed legislation to assure that, by the year 2007, the coal industry pays the full cost of benefits paid on its behalf to disabled coal miners, including all interest on borrowings.

Intragovernmental funds:

ADVANCES TO THE EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT OF THE UNEMPLOYMENT TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
16-4510-0-4-603			
Program by activities:			
10.00 Total obligations .....			
Financing:			
21.40 Unobligated balance available, start of year .....	—120,925	—120,925	—120,925
24.40 Unobligated balance available, end of year .....	120,925	120,925	120,925
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

This fund is available for advances to the Employment Security Administration account in the Unemployment Trust Fund under the provisions of section 901(e) of the Social Security Act. These repayable, interest-bearing advances permit financing the Federal and State administrative costs of employment security programs when the balance in the Employment Security Administration Account is insufficient.

**Trust Funds**  
**GIFTS AND BEQUESTS**

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
16-8131-0-7-504			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	2	10	10
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-4	-2	-2
24.40 Unobligated balance available, end of year	2	2	2
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite)		10	10
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	2	10	10
90.00 Outlays	2	10	10

This schedule covers miscellaneous contributed funds received by gift or bequest and used in carrying out the responsibilities of the Secretary of Labor and the National Commission for Employment Policy.

**UNEMPLOYMENT TRUST FUND\***

\* See Part II for additional information.

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-8042-0-7-999			
<b>Program by activities:</b>			
Federal-State unemployment insurance:			
00.01 Withdrawals: Benefit payments by States	14,908,096	15,924,547	15,633,319
00.02 Withdrawals: Federal employees' unemployment compensation	338,401	345,000	344,000
00.03 State administrative expenses	2,394,272	2,383,684	2,468,380
Federal administrative expenses:			
00.10 Direct expenses	44,165	51,066	50,190
00.11 Reimbursements to the Department of Treasury	52,192	44,930	46,836
00.20 Veterans employment and training	126,762	139,510	138,565
00.21 Interest on refunds	9,374	11,500	10,700
00.22 Repayment of advances from general fund	2,963,000	1,203,000	3,300,000
Railroad unemployment insurance:			
00.30 Withdrawals by Railroad Retirement Board for benefit payments	185,634	202,100	181,000
00.31 Administrative expenses	14,714	14,663	9,010
10.00 Total obligations	21,036,610	20,320,000	22,182,000
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance	-935,288	-1,739,823	-1,959,595
21.40 U.S. securities (par)	-17,008,666	-21,240,106	-26,300,334
Unobligated balance available, end of year:			
24.40 Treasury balance	1,739,823	1,959,595	2,210,595
24.40 U.S. securities (par)	21,240,106	26,300,334	28,067,334
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite)	26,072,585	25,600,000	24,200,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	21,036,610	20,320,000	22,182,000
72.10 Receivables in excess of obligations, start of year		-38,185	
72.40 Obligated balance, start of year	743,837		1,815
74.10 Receivables in excess of obligations, end of year	38,185		
74.40 Obligated balance, end of year		-1,815	-1,815
90.00 Outlays	21,818,632	20,280,000	22,182,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 estimate	1988 estimate
Budget authority	26,072,585	25,600,000	24,200,000
Outlays	21,818,632	20,280,000	22,182,000

Proposed for later transmittal under proposed legislation:			
Budget authority			129,000
Outlays			9,000
Supplemental under existing legislation:			
Budget authority			
Outlays		-18,000	-72,000
<b>Total:</b>			
Budget authority	26,072,585	25,600,000	24,329,000
Outlays	21,818,632	20,262,000	22,119,000

The financial transactions of the Federal-State and railroad unemployment insurance systems are made through the Unemployment Trust Fund. All State and Federal unemployment tax receipts are deposited in the trust fund and invested in Government securities until needed for benefit payments or administrative costs. States may receive repayable advances from the fund when their balances in the fund are insufficient to pay benefits. The fund may receive repayable advances from the general fund when it has insufficient balances to make advances to States or to pay the Federal share of extended benefits.

**REPAYABLE ADVANCES FROM THE GENERAL FUND TO THE UNEMPLOYMENT TRUST FUND**

	1986 actual	1987 estimate	1988 estimate
Outstanding advances, beginning of year	9,599,000	6,636,000	5,433,000
Advances repaid	-2,963,000	-1,203,000	-3,300,000
Outstanding advances, end of year	6,636,000	5,433,000	2,133,000

**LOANS FROM THE UNEMPLOYMENT TRUST FUND TO THE STATES**

	1986 actual	1987 estimate	1988 estimate
Outstanding loans, beginning of year	6,322,087	4,777,225	4,213,225
Loans made	2,229,560	2,014,000	1,352,000
Loans repaid	-3,774,422	-2,578,000	-3,633,000
Outstanding loan advances, end of year	4,777,225	4,213,225	1,932,225

State payroll taxes pay for all regular State benefits. During periods of high State unemployment, extended benefits, financed one-half by State payroll taxes and one-half by the Federal unemployment payroll tax, are also paid. The Federal tax pays the costs of Federal and State administration of unemployment insurance and veterans employment services and 97% of the costs of the employment service.

The Federal employees compensation account provides funds to States for unemployment compensation benefits paid to eligible former Federal civilian personnel, Postal Service employees, and ex-servicemembers. Benefits paid are reimbursed to the Federal Employees Compensation account by the various Federal agencies. Any additional resources necessary to assure that the account can make the required payments to States will be provided from the Advances to the Unemployment Trust Fund and Other funds account.

Both the benefit payments and administrative expenses of the separate unemployment insurance program for railroad employees are paid from the unemployment trust fund and receipts from the tax on railroad payrolls are deposited in the fund to meet expenses.

**STATUS OF FUNDS <sup>1</sup>**

(In thousands of dollars)

Unexpended balance, start of year:	1986 actual	1987 est	1988 est.
Cash	1,679,125	1,701,638	1,979,410
U.S. securities (par)	17,008,666	21,240,106	26,300,334

UNEMPLOYMENT TRUST FUND—Continued

STATUS OF FUNDS—Continued

(In thousands of dollars)

Balance of fund, start of year.....	18,687,791	22,941,744	28,279,744
Transfers to railroad retirement account.....			- 231,000
Cash income during the year:			
Government receipts:			
State unemployment taxes.....	18,832,483	17,375,000	16,177,000
Proposed legislation.....			78,000
Federal unemployment tax collections.....	5,043,601	6,016,000	5,580,000
Proposed legislation.....			9,000
Deposits by Railroad Retirement Board.....	221,421	216,000	207,000
Proposed legislation.....			42,000
Intrabudgetary transactions:			
Interest and profits on investments.....	1,683,035	1,655,000	1,903,000
Collections from Federal agencies.....	292,044	338,000	333,000
Total annual income.....	26,072,585	25,600,000	24,329,000
Cash outgo during the year:			
Federal-State unemployment insurance:			
State unemployment benefits.....	15,697,141	15,884,600	15,633,700
Proposed legislation.....			115,000
Federal unemployment benefits.....	338,401	345,000	344,000
State administrative expenses.....	2,501,978	2,509,676	2,591,555
Supplemental existing legislation.....		- 18,000	- 72,000
Federal administrative expenses:			
Direct expenses.....	56,264	64,194	65,209
Reimbursements to the Department of Treasury.....	52,192	44,930	46,836
Interest on refunds of taxes.....	9,374	11,500	10,700
Repayment of advances from general fund.....	2,963,000	1,203,000	3,300,000
Railroad unemployment insurance:			
Railroad unemployment benefits.....	181,466	202,100	181,000
Proposed legislation.....			- 106,000
Administrative expenses.....	18,816	15,000	9,000
Total annual outgo.....	21,818,632	20,262,000	22,119,000
Unexpended balance, end of year:			
Cash.....	1,701,638	1,979,410	2,302,410
U.S. securities (par).....	21,240,106	26,300,334	27,956,334
Balance of fund, end of year.....	22,941,744	28,279,744	30,258,744

<sup>1</sup> Includes effect of proposed legislation.

Object Classification (in thousands of dollars)

Identification code 20-8042-0-7-999	1986 actual	1987 est.	1988 est.
Other services:			
25.0 Employment and Training Administration.....	40,832	44,763	43,331
25.0 Departmental management.....	3,333	6,303	6,859
25.0 Payments to States for administrative expenses.....	2,394,272	2,383,684	2,468,380
25.0 Reimbursements to the Department of Treasury.....	52,192	44,930	46,836
41.0 Grants, subsidies, and contributions: Railroad unemployment benefits.....	185,634	202,100	181,100
Insurance claims and indemnities:			
42.0 Federal unemployment benefits.....	338,401	345,000	344,000
42.0 State unemployment benefits.....	14,908,096	15,924,547	15,633,219
43.0 Interest and dividends.....	9,374	11,500	10,700
92.0 Undistributed: Repayment of advances from the general fund.....	2,963,000	1,203,000	3,300,000
Administrative expenses:			
93.0 Railroad unemployment insurance administrative fund..	14,714	14,663	9,010
93.0 Veterans employment and training.....	126,762	139,510	138,565
99.9 Total obligations.....	21,036,610	20,320,000	22,182,000

UNEMPLOYMENT TRUST FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 20-8042-2-7-999	1986 actual	1987 est.	1988 est.
Program by activities:			
00.10 Benefit payments by States.....			115,000
00.30 Withdrawals by Railroad Retirement Board for benefit payments.....			- 106,000
10.00 Total obligations.....			9,000

Financing:			
22.40 Unobligated balance transferred, net.....			231,000
24.40 Unobligated balance, available, end of year: U.S. securities (par).....			- 111,000
40.00 Budget authority (appropriation).....			129,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			9,000
90.00 Outlays.....			9,000

This proposal would extend coverage under the Federal-State unemployment insurance program to railroad employees. Under a special Federal transitional program, railroad workers who become unemployed after September 30, 1987, would have their claims processed by State unemployment insurance agencies and receive the same benefits as comparable nonrailroad employees in their State. Benefit amounts would be reimbursed to the State agency by the employing railroad. Following enactment of necessary State legislation, the transition program would conclude, and rail employees and employers would be treated like all other private sector employees and employers.

Object Classification (in thousands of dollars)

Identification code 20-8042-2-7-999	1986 actual	1987 est.	1988 est.
41.0 Grants, subsidies and contributions: Railroad unemployment benefits.....			- 106,000
42.0 State unemployment benefits.....			115,000
99.9 Total obligations.....			9,000

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Department of Health and Human Services: Family Support Administration: "Work Incentives".  
Department of Education: Office of Vocational and Adult Education: "Vocational and Adult Education".

LABOR-MANAGEMENT SERVICES

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for Labor-Management Services, **[\$62,275,000] \$79,806,000**, of which **[\$1,100,000] \$13,600,000** for a pension plan data base shall remain available until September 30, 1989 [expended for a pension plan data base]. (18 U.S.C. 664, 1027, 1954; 29 U.S.C. 301-401, 1001-1144; 50 U.S.C. App. 459.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 16-0104-0-1-505	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Labor-management relations and cooperative programs....	4,193	4,904	5,951
00.02 Labor-management standards.....	22,263	23,735	26,020
00.03 Pension and welfare benefit program.....	27,400	33,636	47,835
10.00 Total obligations.....	53,856	62,275	79,806
Financing:			
25.00 Unobligated balance lapsing.....	1,186		
40.00 Budget authority (appropriation).....	55,042	62,275	79,806

Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	53,856	62,275	79,806
72.40	Obligated balance, start of year .....	12,449	15,193	15,783
74.40	Obligated balance, end of year .....	-15,193	-15,783	-17,816
77.00	Adjustments in expired accounts .....	2,816		
90.00	Outlays .....	53,928	61,685	77,773

**Labor-management relations and cooperative programs.**—Promotes labor-management cooperation. Certifies labor protection provisions in applications for Department of Transportation grants. Decides worker claims of violations of these provisions. Reviews determinations of eligibility for worker benefits under the Redwood National Park Act of 1978. The decrease in the Redwood workload results from the expiration on September 30, 1984, of the period of protection under the Act for all but older workers.

	1986 actual	1987 est.	1988 est.
Transportation grant certifications .....	1,350	1,350	1,325
Redwood health and welfare pension claims .....	330	50	50

**Labor-management standards.**—Collects and discloses union constitutions and financial records. Audits union financial records and investigates instances of possible abuse of funds. Conducts reruns of union elections after court determinations that elections were not conducted according to union constitutions.

	1986 actual	1987 est.	1988 est.
Reports received .....	68,876	65,780	65,800
Investigations, field audits, and elections .....	7,220	9,932	9,309

**Pension and welfare benefit program.**—Investigates activities of pension and welfare plans to assure compliance with statutory fiduciary standards. Issues interpretive rules, regulations and exemptions under the statutory fiduciary standards and issues advisory opinions to assist compliance. Conducts research to assist in developing national economic and retirement income policy. Collects and discloses private pension plan descriptions and financial reports. In 1988, work will continue on a new ERISA data base.

	1986 actual	1987 est.	1988 est.
Reports processed .....	940,889	1,051,000	1,051,000
Exemptions, variances, determinations, interpretations, and regulations issued .....	1,044	1,136	1,217
Plan reviews and investigations conducted .....	1,693	2,168	2,210

**Object Classification (in thousands of dollars)**

Identification code 16-0104-0-1-505	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	30,777	34,166	35,499
11.3 Other than full-time permanent .....	536	320	320
11.5 Other personnel compensation .....	437	456	456
11.9 Total personnel compensation .....	31,750	34,942	36,275
12.1 Personnel benefits: Civilian .....	4,044	4,907	4,665
13.0 Benefits for former personnel .....	168		2,566
21.0 Travel and transportation of persons .....	2,071	1,989	2,483
22.0 Transportation of things .....	95	85	88
23.1 Rental payments to GSA .....	3,340	4,354	4,673
23.3 Communications, utilities, and miscellaneous charges .....	738	2,058	2,130
24.0 Printing and reproduction .....	309	334	381
25.0 Other services .....	10,199	13,082	26,003
26.0 Supplies and materials .....	374	259	268
31.0 Equipment .....	764	265	274
42.0 Insurance claims and indemnities .....	4		
99.9 Total obligations .....	53,856	62,275	79,806

**Personnel Summary**

Total number of full-time permanent positions .....	929	991	994
Total compensable workyears:			
Full-time equivalent employment .....	934	1,000	1,003
Full-time equivalent of overtime and holiday hours .....	6	10	10

**PENSION BENEFIT GUARANTY CORPORATION**

*Federal Funds*

**Public enterprise funds:**

**PENSION BENEFIT GUARANTY CORPORATION FUND**

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96-364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, [1987] 1988, for such Corporation: *Provided*, That not to exceed [\$36,874,000] \$40,446,000 shall be available for administrative expenses of the Corporation. (29 U.S.C. 1304.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 16-4204-0-3-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Administration .....	30,808	36,691	40,263
00.02 Benefit payments .....	238,794	516,662	741,873
00.91 Total operating expenses .....	269,602	553,353	782,136
<b>Capital investment:</b>			
01.01 Purchase of equipment .....	401	183	183
01.02 Financial assistance .....	2,064	3,100	3,100
01.91 Total capital investment .....	2,465	3,283	3,283
10.00 Total obligations .....	272,067	556,636	785,419
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Interest on Government securities .....	-47,769	-36,436	-22,626
<b>Non-Federal sources:</b>			
14.00 Premium income .....	-216,122	-290,128	-301,550
14.00 Other income .....	-231	-262	-302
14.00 Benefit payment reimbursement .....	-79,107	-198,776	-287,830
14.00 Administrative reimbursement .....	-693	-1,100	-1,100
<b>Unobligated balance available, start of year:</b>			
21.47 Authority to borrow .....	-100,000	-100,000	-100,000
21.98 Fund balance .....	-294,700	-366,555	-336,621
<b>Unobligated balance available, end of year:</b>			
24.47 Authority to borrow .....	100,000	100,000	100,000
24.98 Fund balance .....	366,555	336,621	164,610
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-71,855	29,934	172,011
72.98 Obligated balance, start of year: Fund balance .....	9,007	43,042	77,447
74.98 Obligated balance, end of year: Fund balance .....	-43,042	-77,447	-77,611
90.00 Outlays .....	-105,890	-4,471	171,847

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....			
Outlays .....	-105,890	-4,471	171,847
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority .....			

## Public enterprise funds—Continued

## PENSION BENEFIT GUARANTY CORPORATION FUND—Continued

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

(In thousands of dollars)

Outlays .....				-347,268
Total:				
Budget authority .....				
Outlays .....	-105,890	-4,471		-175,421

## Status of Direct Loans (in thousands of dollars)

Identification code	16-4204-0-3-601	1986 actual	1987 est.	1988 est.
<b>Position with respect to limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....			
1131	Obligations exempt from limitation: Direct loans to the public.....	2,064	3,100	3,100
1150	Total direct loan obligations.....	2,064	3,100	3,100
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	2,045	2,342	2,566
1231	Disbursements: Direct loan disbursements.....	2,064	3,100	3,100
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-1,767	-2,876	-2,953
1290	Outstanding, end of year.....	2,342	2,566	2,713

<sup>1</sup> Amortization of reserve for losses.

This wholly owned government corporation administers programs of mandatory insurance to prevent loss of pension benefits under covered private, defined-benefit pension plans if single-employer plans terminate or if multiemployer plans are unable to pay benefits. Terminated plans are taken over by the Corporation. The Corporation assumes control of their assets, administers them in a trust fund held in a private bank, and takes responsibility for paying benefits. The Corporation also provides repayable assistance to insolvent multiemployer plans when necessary to pay benefits and to forestall termination and subsequent Corporation responsibility to pay benefits.

Plans terminated during year:	1986 actual	1987 est.	1988 est.
With sufficient assets.....	2	0	0
With insufficient assets (distress terminations).....	100	100	100
Government trusteeships at end of year.....	1,241	1,341	1,441
Regulations issued.....	6	17	13

**Administration.**—Provides case processing, benefits administration, resource management, legal support, executive direction and other support functions.

**Benefit payments.**—Checks are issued when due to pay status participants and other beneficiaries in plans which have terminated.

	1986 actual	1987 est.	1988 est.
Payees in Government trusteeships receiving monthly benefits from the Corporation.....	94,000	153,000	176,600
Checks issued.....	620,063	1,063,900	1,555,900

**Financial assistance.**—If multiemployer-sponsored plans become insolvent the Corporation gives repayable loans to enable the plans to continue paying benefits. Financial assistance to an insolvent plan is made only after the plan takes a series of prescribed steps to place the plan on a sound financial basis.

**Financing.**—Sources of financing are per capita annual premiums from ongoing covered plans, assets from terminated plans, investment income, and amounts due the Corporation from the sponsors of terminating plans. Also, the Corporation is authorized to borrow up to \$100 million from the U.S. Treasury. Terminations of single employer plans have exceeded expectations. The budget proposes enactment of legisla-

tion that will permit the Corporation to charge higher premiums to those employers who do not adequately fund their pension promises.

**Operating results.**—The following tables show the status of the Corporation's trust funds and the Corporation's operating results.

STATUS OF TRUST FUNDS <sup>1</sup>

(In thousands of dollars)

Assets:	1985 actual	1986 actual	1987 est.	1988 est.
Cash.....	145	145	145	145
Investments.....	691,365	1,083,902	2,261,638	2,762,548
Receivables:				
Due from Pension Benefit Guaranty Corporation.....	1,594,855	2,722,930	4,582,043	4,676,052
Due from employers—terminated plans.....	128,538	168,810	130,704	64,179
Due from employers—pending terminations.....		41,647		
Assets of pretrustered plans.....	53,445	19,117	511,518	176,426
Assets of plans pending termination.....	207,200	456,281		
Other assets.....	13,146	13,146	13,146	13,146
Total assets.....	2,688,694	4,505,978	7,499,194	7,692,496
Liabilities:				
Estimate of future benefits—terminated plans.....	2,004,700	3,480,437	7,486,393	7,679,696
Estimate of future benefits—pending terminations (net).....	671,200	1,012,739		
Other liabilities.....	12,794	12,802	12,801	12,800
Total liabilities.....	2,688,694	4,505,978	7,499,194	7,692,496

<sup>1</sup> Includes effects of proposed legislation.

## CHANGE IN CORPORATION'S LIABILITY UNDER TERMINATED PLANS

(In thousands of dollars)

	1986 actual	1987 estimate	1988 estimate
Liability, beginning of year.....	1,132,597	2,196,873	4,582,043
Net liability incurred due to plan terminations.....	777,189	2,511,231	217,838
(New liabilities assumed).....	1,149,924	4,200,000	402,360
(Plan assets acquired).....	-308,017	-1,630,440	-166,859
(Recoveries from employers, net).....	-64,718	-58,329	-17,663
Operating loss of trust fund.....	446,533	180,579	330,214
Benefit payments.....	-157,704	-306,640	-454,043
Adjustment to prior year.....	-1,742		
Liability, end of year.....	2,196,873	4,582,043	4,676,052

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Revenue:</b>			
Premium income.....	216,122	290,128	536,965
Investment income.....	73,077	36,436	45,265
Other income.....	231	262	302
Total estimated income.....	289,430	326,826	582,532
<b>Expenses:</b>			
Net operating loss or gain (-), trust fund.....	446,533	180,579	330,214
Net liability incurred due to plan terminations.....	777,197	2,511,231	217,838
Provision for pending terminations (net).....	50,811	-514,811	
Change in allowance for uncollectable financial assistance.....	5,677	2,083	2,004
Administrative expenses.....	29,605	36,940	41,300
Accrued annual leave.....	1		
Total estimated expenses.....	1,309,824	2,216,022	591,356
Net operating income or loss, total.....	-1,020,394	-1,889,196	-8,824

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with U.S. Treasury.....	728	523	741	741
U.S. securities (par).....	302,980	409,075	413,328	588,749
Adjustment to market value.....	19,786	46,085	57,844	56,744
Accounts receivable.....	17,489	41,111	3,766	9,039
Equipment (net).....	3,327	2,623	1,800	946

Loans to plans (net).....	2,045	2,342	2,566	2,713
Total assets.....	346,355	501,759	480,045	658,932
<b>Liabilities:</b>				
Selected liabilities:				
Unearned premiums.....	20,876	65,908	74,557	170,062
Accounts payable.....	1,164	12,933	2,200	1,346
Net liability incurred—terminated plans.....	1,132,597	2,196,873	4,582,043	4,676,052
Estimated liability for pending terminations.....	464,000	514,811		
Reserve for financial assistance.....	25,100	29,009	28,216	27,267
Accrued annual leave.....	1,150	1,151	1,151	1,151
Total liabilities.....	1,644,887	2,820,685	4,688,167	4,875,878
<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Undelivered orders.....	4,456	5,312	4,456	4,456
Unobligated balance:				
Fund balance.....	294,700	366,555	336,621	422,664
Authority to borrow.....	100,000	100,000	100,000	100,000
Unused borrowing authority.....	-100,000	-100,000	-100,000	-100,000
Invested capital.....	-1,597,688	-2,690,793	-4,549,199	-4,644,066
Total Government equity.....	-1,298,532	-2,318,926	-4,208,122	-4,216,946

<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....	-1,298,532	-2,318,926	-4,208,122	
Net operating income or loss.....	-1,020,394	-1,889,196	-8,824	
Closing balance.....	-2,318,926	-4,208,122	-4,216,946	
Total Government equity (end of year).....	-2,318,926	-4,208,122	-4,216,946	

**Object Classification (in thousands of dollars)**

Identification code 16-4204-0-3-601	1986 actual	1987 est.	1988 est.
33.0 Investments and loans.....	2,064	3,100	3,100
42.0 Insurance claims and indemnities.....	238,794	516,662	741,873
93.0 Administrative expenses (see separate schedule).....	31,209	36,874	40,446
99.9 Total obligations.....	272,067	556,636	785,419

**Personnel Summary**

Total number of full-time permanent positions.....	474	474	478
Total compensable workyears:			
Full-time equivalent employment.....	459	490	494
Full-time equivalent of overtime and holiday hours.....	5	5	5

**PENSION BENEFIT GUARANTY CORPORATION FUND  
(Proposed legislation)**

**Program and Financing (In thousands of dollars)**

Identification code 16-4204-2-3-601	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on government securities.....			-22,639
14.00 Non-Federal sources: Premium income.....			-235,415
24.98 Unobligated balance available, end of year: Fund balance.....			258,054
39.00 Budget authority.....			
Relations of obligations to outlays:			
71.00 Obligations incurred, net.....			-258,054
74.98 Obligated balance available, end of year: Fund balance.....			-89,214
90.00 Outlays.....			-347,268

Legislation will be requested to charge higher premiums to employers who inadequately fund single-employer pension plans and to make additional reforms to title IV of the Employee Retirement Income Security Act of 1974 to protect against future losses.

**LIMITATION ON ADMINISTRATIVE EXPENSES**

**Program and Finance (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Administration, total obligations.....	31,209	36,874	40,446
<b>Financing:</b>			
Unobligated balance lapsing.....	423		
<b>Limitation.....</b>	<b>31,632</b>	<b>36,874</b>	<b>40,446</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	31,209	36,874	40,446
Obligated balance, start of year.....	7,362	7,362	7,362
Obligated balance, end of year.....	-7,362	-7,362	-7,362
Outlays from limitation.....	31,209	36,874	40,446

**Object Classification (in thousands of dollars)**

Identification code 16-4204-0-3-601	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	15,406	16,162	17,509
11.3 Other than full-time permanent.....	465	712	696
11.5 Other personnel compensation.....	502	612	579
11.9 Total personnel compensation.....	16,373	17,486	18,784
12.1 Personnel benefits: Civilian.....	1,722	1,921	3,205
13.0 Benefits for former personnel.....	6		
21.0 Travel and transportation of persons.....	247	446	464
22.0 Transportation of things.....	1	24	26
23.2 Rental payments to others.....	3,877	4,106	4,505
24.0 Printing and reproduction.....	118	231	261
25.0 Other services.....	7,540	11,713	12,372
26.0 Supplies and materials.....	342	406	415
31.0 Equipment.....	983	541	414
93.0 Administration expenses included in schedule for fund as a whole.....	-31,209	-36,874	-40,446
99.0 Total administrative expenses.....			

**EMPLOYMENT STANDARDS ADMINISTRATION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, [and including \$1,500,000 which shall be available for transfer to Departmental Management, Salaries and Expenses, \$194,209,000] \$215,835,000, of which not to exceed \$8,000,000 shall be available for obligation through September 30, 1989, for acquisition of computer equipment and software for the Federal Employees' Compensation Program's ADP system, together with [\$441,000] \$488,000 which may be expended from the Special Fund in accordance with sections 39(c) and 44(j) of the Longshore and Harbor Workers' Compensation Act. (5 U.S.C. 8101-50, 8171(a)(2); 15 U.S.C. 1671-77; 20 U.S.C. 951-63; 29 U.S.C. 31-42, 201-19, 251-62, 553, 793; 30 U.S.C. 934, 934a; 33 U.S.C. 901-50; 38 U.S.C. 2012; 40 U.S.C. 267a, 267c; 41 U.S.C. 35-45, 328-33, 351-57; 42 U.S.C. 1651-54, 1701-17, 2000e nt; 43 U.S.C. 1333(c); title 36 of the District of Columbia Code; 59 Stat. 1263, 64 Stat. 1268; Executive Order 11136 of January 3, 1964.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 16-0105-0-1-505	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Enforcement of wage and hour standards.....	71,850	78,018	84,605
00.02 Federal contractor EEO standards enforcement.....	43,926	47,191	51,186
00.03 Federal programs for workers' compensation.....	69,593	78,617	93,346

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	16-0105-0-1-505	1986 actual	1987 est.	1988 est.
00.04	Executive direction and support services .....	12,041	14,011	15,742
00.91	Total direct program .....	197,410	217,837	244,879
01.01	Reimbursable program .....	947	1,353	1,353
10.00	Total obligations .....	198,357	219,190	246,232
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-389	-353	-353
13.00	Trust funds .....	-24,774	-26,787	-29,044
14.00	Non-Federal sources .....	-1,182	-1,000	-1,000
21.40	Unobligated balance available, start of year .....		-8,000	
22.40	Unobligated balance transferred, net .....		8,000	
24.40	Unobligated balance available, end of year .....	8,000		
25.00	Unobligated balance lapsing .....	2,128		
39.00	<b>Budget authority</b> .....	<b>182,140</b>	<b>191,050</b>	<b>215,835</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	182,140	194,209	215,835
41.00	Departmental Management, salaries and expenses .....		-1,500	
43.00	<b>Appropriation (adjusted)</b> .....	<b>182,140</b>	<b>192,709</b>	<b>215,835</b>
45.00	Transfer out for retirement contributions .....		-1,659	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	172,012	191,050	215,835
72.40	Obligated balance, start of year .....	35,481	20,365	25,141
74.40	Obligated balance, end of year .....	-20,365	-25,141	-30,536
77.00	Adjustments in expired accounts .....	-9,017		
90.00	Outlays .....	178,111	186,274	210,440

**Enforcement of wage and hour standards.**—The Wage and Hour Division works to obtain compliance with the minimum wage, overtime, child labor, and other employment standards under the Fair Labor Standards Act, Migrant and Seasonal Agricultural Worker Protection Act, and the wage garnishment provisions in title III of the Consumer Credit Protection Act. Prevailing wages are determined and employment standards enforced under various Government contract wage standards. In 1988, approximately 409,500 persons are expected to be aided under the Fair Labor Standards Act, through assessing employers for underpayments and securing agreements to pay the workers. Through the special minimum wage program, 455,000 persons will be aided by certificates issued and employment authorized. In Government contract compliance actions, over 48,300 persons will be aided through assessing employers for underpayments and securing agreements to pay the workers. Under the Migrant and Seasonal Agricultural Worker Protection Act program, approximately 146,000 persons will be aided through enforcement of employment standards for migrant and seasonal agricultural workers.

**Federal contractor EEO standards enforcement.**—The Office of Federal Contract Compliance Programs (OFCCP) works to ensure nondiscrimination in employment on Federal contracts. It is responsible for conducting compliance activities to assure that Federal contractors take affirmative action in the hiring and promotion of minorities and women under the authority of Executive Orders 11246 and 11375. Administration of affirmative action provisions of the Rehabilitation Act of 1973,

relating to the hiring and promotion of physically and mentally handicapped individuals, is included in this activity. Also included is the administration of the Vietnam Era Veterans Readjustment Assistance Act providing for affirmative action by Federal contractors to employ and advance in employment disabled veterans and veterans of the Vietnam era. In 1988, about 5,475 compliance reviews, 1,015 complaint investigations, and 5,640 other compliance actions will be conducted with respect to contractor employment practices.

**Federal programs for workers' compensation.**—Under this income maintenance activity the Employment Standards Administration administers the Federal Employees' Compensation Act, the Longshore and Harbor Workers' Compensation Act, and the benefit provisions of the Federal Mine Safety and Health Act of 1977. These programs insure that eligible disabled and injured workers or their survivors receive compensation and medical benefits and a range of services including rehabilitation, supervision of medical care, and technical and advisory counseling to which they are entitled. Technical assistance is provided to the States to upgrade their workers' compensation laws.

**Executive direction and support services.**—This activity includes planning, personnel management, financial management, research and Federal/State liaison programs, management systems implementation, and data processing operations. Major goals in 1988 will include implementing financial management initiatives; continued efforts to eliminate internal fraud, waste, and mismanagement; the improvement of management information, automated data processing, and program and fiscal accountability; and legislative and regulatory improvements.

Object Classification (in thousands of dollars)

Identification code	16-0105-0-1-505	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	123,080	129,371	132,233
11.5	Other personnel compensation .....	2,381	553	25
11.9	Total personnel compensation .....	125,461	129,924	132,258
12.1	Personnel benefits: Civilian .....	16,600	20,488	30,028
13.0	Benefits for former personnel .....	178	234	1,393
21.0	Travel and transportation of persons .....	3,744	5,184	5,708
22.0	Transportation of things .....	154	406	805
23.1	Rental payments to GSA .....	10,336	13,933	16,549
23.3	Communications, utilities, and miscellaneous charges .....	2,938	3,474	3,629
24.0	Printing and reproduction .....	639	891	922
25.0	Other services .....	35,303	41,181	50,817
26.0	Supplies and materials .....	877	1,190	1,380
31.0	Equipment .....	1,096	932	1,390
42.0	Insurance claims and indemnities .....	84		
99.0	Subtotal, direct obligations .....	197,410	217,837	244,879
99.0	Reimbursable obligations .....	947	1,353	1,353
99.9	Total obligations .....	198,357	219,190	246,232

Personnel Summary

Total number of full-time permanent positions .....	4,067	4,100	4,012
Total compensable workyears:			
Full-time equivalent employment .....	4,029	3,980	3,892
Full-time equivalent of overtime and holiday hours .....	6		

**SPECIAL BENEFITS\***

\*See Part II for additional information.

**[(INCLUDING TRANSFER OF FUNDS)]**

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title V, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, **[\$263,600,000]** **\$174,000,000**, together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to September 15 of the current year: *Provided*, That in addition there shall be transferred from the Postal Service fund to this appropriation such sums as the Secretary of Labor determines to be the cost of administration for Postal Service employees through September 30, **[1987]** **1988. (5 U.S.C. 8147, 8191-93; 33 U.S.C. 901, 944a; 42 U.S.C. 1701; 50 U.S.C. 2001-3013.)**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	16-1521-0-1-600	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Federal Employees' Compensation Act benefits....	1,125,379	1,192,577	1,212,000
00.02	Longshore and harbor workers' compensation benefits.....	4,284	4,200	4,000
10.00	Total obligations (object class 42.0) .....	1,129,663	1,196,777	1,216,000
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	- 859,200	- 887,806	- 1,042,000
39.00	<b>Budget authority.....</b>	<b>270,463</b>	<b>308,971</b>	<b>174,000</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	236,657	263,600	253,177
40.20	Appropriation available from subsequent year.....	33,806	79,177	.....
40.30	Appropriation available in prior year.....	.....	- 33,806	- 79,177
43.00	<b>Appropriation (adjusted).....</b>	<b>270,463</b>	<b>308,971</b>	<b>174,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	270,463	308,971	174,000
72.40	Obligated balance, start of year.....	350	329	329
74.40	Obligated balance, end of year.....	- 329	- 329	- 329
77.00	Adjustments in expired accounts.....	- 46	.....	.....
90.00	<b>Outlays.....</b>	<b>270,438</b>	<b>308,971</b>	<b>174,000</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

		(In thousands of dollars)		
Enacted/requested:		1986 actual	1987 est.	1988 est.
Budget authority .....		270,463	308,971	174,000
Outlays .....		270,438	308,971	174,000
<b>Supplemental under existing legislation:</b>				
Budget authority .....		.....	- 79,177	.....
Outlays .....		.....	- 79,177	.....
<b>Total:</b>				
Budget authority .....		270,463	229,794	174,000
Outlays .....		270,438	229,794	174,000

**Federal Employees' Compensation Act benefits.**—Currently, approximately 49,500 claimants are receiving long-term compensation benefits for job-related injuries, diseases, or deaths, as specified in the Federal Employees' Compensation Act (FECA) and its extensions. Pertinent medical bills are paid for compensable injuries. Compensation benefits are paid when the injury causes loss of job time. Workers suffering noncontroverted, traumatic injuries continue in full pay status for a period not to exceed 45 days, paid by the employing agency rather than through this account. All medical

costs associated with these continuation-of-pay claims are examined and paid by the FECA program. In addition, the FECA program is responsible for claims extending beyond 45 days, all nontraumatic injuries and controverted claims, medical costs associated with the above, and the review of the agency-paid continuation-of-pay claims. Costs to this account are subsequently charged back to the employing agency.

**FEDERAL EMPLOYEES' COMPENSATION WORKLOAD**

	1986 actual	1987 est.	1988 est.
Wage-loss claims received .....	22,704	23,400	23,400
Compensation and medical payments.....	1,535,576	1,500,000	1,500,000
Cases received.....	163,886	166,000	166,000
Periodic roll cases.....	49,485	48,800	48,800

**Longshore and harbor workers' compensation benefits.**—Under the Longshore and Harbor Workers' Compensation Act, as amended, the Federal Government pays from direct appropriations one-half of the increased benefits provided by the amendments for persons on the rolls prior to 1972. The remainder is provided from the special fund which is financed by private employers assessed at the beginning of each calendar year for their proportionate share of these payments.

**Trust Funds**

**BLACK LUNG DISABILITY TRUST FUND**

**[(INCLUDING TRANSFER OF FUNDS)]**

For payments from the Black Lung Disability Trust Fund **[\$234,538,000]** **\$647,444,000** of which **[\$186,687,000]** **\$594,522,000** shall be available until September 30, **[1988]** **1989**, for payment of all benefits as authorized by section 9501(d) (1), (2), and (7) of the Internal Revenue Code of 1954, as amended, and of which **[\$25,826,000]** **\$28,556,000** shall be available for transfer to Employment Standards Administration, Salaries and Expenses, and **[\$21,413,000]** **\$23,851,000** for transfer to Departmental Management, Salaries and Expenses, and **[\$612,000]** **\$515,000** for transfer to Departmental Management, Office of Inspector General, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5)(A) of that Act: *Provided*, That in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation or other benefits for any period subsequent to June 15 of the current year: *Provided further*, That in addition, there are hereby appropriated such amounts as may be necessary to repay advances from the Treasury that are not needed to make disbursements during the current fiscal year, as authorized by section 9501(d)(4) of that Act: *Provided further*, That in addition, such amounts shall be paid from this fund into miscellaneous receipts as the Secretary of the Treasury determines to be the administrative expenses of the Department of the Treasury for administering the fund during the current fiscal year, as authorized by section 9501(d)(5)(B) of that Act **[.]**: *Provided further*, That notwithstanding section 412(a)(1) of the Federal Mine Safety and Health Act of 1977, the rate used for determining benefit payments pursuant to section 412 of such Act for any month shall be the monthly pay rate used for determining benefit payments for the prior month: *Provided further*, That monthly benefit payments shall be paid consistent with section 215(g) of the Social Security Act. (30 U.S.C. 901); (Legislative action required.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	1,663	2,996	.....
Total income.....	600,116	642,916	1,697,000
Treasury adjustment.....	19,595	.....	.....
Appropriation.....	982,648	235,294	687,000
Supplemental request.....	.....	1,202	.....

General and special funds—Continued

BLACK LUNG DISABILITY TRUST FUND—Continued

Amounts Available for Appropriation (in thousands of dollars)—Continued

	1986 actual	1987 est.	1988 est.
Unobligated appropriation, start of year.....	45,146	409,416	.....
Unobligated appropriation, end of year.....	-409,416	.....	.....
Proposed for later transmittal.....	.....	.....	1,010,000
Subtotal, appropriation used.....	618,378	645,912	1,697,000
Unappropriated balance, end of year.....	2,996	.....	.....

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Disabled coal miners benefits.....	573,939	596,103	594,522
00.02 Administrative expenses.....	44,439	49,809	53,678
00.04 Repayment of advances.....	.....	.....	38,800
10.00 Total obligations (object class 43.0).....	618,378	645,912	687,000
Financing:			
21.40 Unobligated balance available, start of year.....	-45,146	-409,416	.....
24.40 Unobligated balance available, end of year.....	409,416	.....	.....
39.00 Budget authority.....	982,648	236,496	687,000
Budget authority:			
40.00 Appropriation.....	981,804	234,538	647,444
40.00 Appropriation (indefinite).....	844	756	756
40.00 Appropriation (indefinite).....	.....	.....	38,800
43.00 Appropriation (adjusted).....	982,648	235,294	687,000
44.20 Supplemental for civilian pay raises.....	.....	708	.....
44.40 Supplemental for retirement contributions (P.L. 99-335).....	.....	494	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	618,378	645,912	687,000
89.00 Outlays.....	618,378	645,912	687,000
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals.....	618,378	644,710	687,000
91.20 Outlays from civilian pay raise supplemental.....	.....	708	.....
91.40 Outlays from retirement contribution supplementals.....	.....	494	.....

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	982,648	236,496	687,000
Outlays.....	618,378	645,912	687,000
Proposed for later transmittal under proposed legislation:			
Budget authority.....	.....	.....	1,010,000
Outlays.....	.....	.....	1,010,000
Total:			
Budget authority.....	982,648	236,496	1,697,000
Outlays.....	618,378	645,912	1,697,000

The trust fund consists of all moneys collected from the coal mine industry under the provisions of the Black Lung Benefits Revenue Act of 1981, as amended by the Consolidated Omnibus Budget Reconciliation Act of 1985, in the form of an excise tax on mined coal tonnage. These moneys are expended to pay compensation, medical, and survivor benefits to eligible miners and their survivors, where mine employment terminated prior to 1970 or where no mine operator can be assigned liability. In addition the fund pays all administrative costs incurred in the operation of the black lung program. The fund is administered jointly by the Secretaries of Labor, the Treasury, and Health and Human

Services. The Benefits Revenue Act provides for repayable advances to the fund in the event fund resources will not be adequate to meet program obligations. Such advances are to be repaid with interest. Advances outstanding at the end of the year are: 1981, \$1,510 million; 1982, \$1,793 million; 1983, \$2,151 million; 1984, \$2,497 million; 1985, \$2,833 million; 1986, \$2,884 million and 1987, \$2,918 million; and 1988, \$2,909 million.

BLACK LUNG DISABILITY TRUST FUND WORKLOAD

	1986 actual	1987 est.	1988 est.
Claims received.....	11,670	11,444	11,350
Claims in payment status.....	88,779	86,432	84,380
Medical benefits only recipients.....	67,000	60,000	53,000

STATUS OF FUNDS <sup>1</sup>

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Balance of fund, start of year.....	1,663	2,996	.....
Treasury adjustment.....	19,595	.....	.....
Cash income during the year:			
Government receipts:			
Coal tonnage.....	547,251	607,500	655,500
Proposed for later transmittal; proposed legislation.....	.....	.....	357,000
Proprietary receipts:			
Miscellaneous interest.....	1,594	1,500	1,500
Intrabudgetary transactions:			
Advances from general fund.....	51,271	33,916	30,000
Proposed for later transmittal; proposed legislation.....	.....	.....	653,000
Total annual income.....	600,116	642,916	1,697,000
Cash outgo during the year:			
Disabled coal miners' benefits:			
Benefits paid.....	584,636	608,393	614,322
Refunds.....	-10,697	-12,290	-13,000
Subtotal.....	573,939	596,103	601,322
Appropriation language required.....	.....	.....	-6,800
Subtotal.....	.....	.....	594,522
Proposed for later transmittal; proposed legislation.....	.....	.....	-200
Total benefits.....	573,939	596,103	594,322
Federal administrative expenses:			
Direct expenses.....	24,385	26,346	28,556
Departmental management:			
Salaries and expenses.....	18,850	22,095	23,851
Inspector General.....	360	612	515
Reimbursements to Treasury.....	844	756	756
Subtotal.....	44,439	49,809	53,678
Interest on advances.....	.....	.....	.....
Proposed for later transmittal; proposed legislation.....	.....	.....	1,019,000
Repayment of advances.....	.....	.....	32,000
Proposed for later transmittal; proposed legislation.....	.....	.....	-8,800
Appropriation language required.....	.....	.....	6,800
Total annual outgo.....	618,378	645,912	1,697,000
Balance of fund, end of year.....	2,996	.....	.....

<sup>1</sup> Includes effect of proposed legislation.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25.0 Other services.....	44,439	49,809	53,678
42.0 Insurance claims and indemnities.....	573,939	596,103	594,522
92.0 Repayment of advances.....	.....	.....	38,800
99.9 Total obligations.....	618,378	645,912	687,000

**BLACK LUNG DISABILITY TRUST FUND**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 20-8144-2-7-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Disabled coal miners benefits.....			-200
00.02 Administrative expenses.....			
00.03 Interest on advances.....			1,019,000
00.04 Repayment of advances.....			-8,800
10.00 Total obligations.....			1,010,000
<b>Financing:</b>			
39.00 Budget authority.....			1,010,000
<b>Budget authority:</b>			
40.00 Appropriation.....			1,018,800
40.00 Appropriation (indefinite).....			-8,800
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			1,010,000
90.00 Outlays.....			1,010,000

This schedule reflects the Administration's legislative proposal to make the Black Lung Disability Trust Fund solvent by the year 2007.

**Object Classification** (in thousands of dollars)

Identification code 20-8144-2-7-601	1986 actual	1987 est.	1988 est.
42.0 Insurance claims and indemnities.....			-200
43.0 Interest and dividends.....			1,019,000
92.0 Repayment of advances.....			-8,800
99.9 Total obligations.....			1,010,000

**SPECIAL WORKERS' COMPENSATION EXPENSES**

**Program and Financing** (in thousands of dollars)

Identification code 16-9971-0-7-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Longshore and Harbor Workers' Compensation Act, as amended.....	54,916	69,000	79,000
00.02 District of Columbia Compensation Act.....	11,623	13,000	11,000
10.00 Total obligations.....	66,539	82,000	90,000
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-8,403	1,738	-1,702
21.40 U.S. securities (par).....	-24,125	-34,440	-36,000
Unobligated balance available, end of year:			
24.40 Treasury balance.....	-1,738	1,702	1,702
24.40 U.S. securities (par).....	34,440	36,000	40,000
60.00 Budget authority (appropriation) (permanent, indefinite).....	66,713	87,000	94,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	66,539	82,000	90,000
72.40 Obligated balance, start of year.....		2,094	2,094
74.40 Obligated balance, end of year.....	-2,094	-2,094	-2,094
90.00 Outlays.....	64,445	82,000	90,000
<b>Distribution of budget authority by account:</b>			
Longshore and Harbor Workers' Compensation Act.....	55,427	72,210	80,900
District of Columbia Compensation Act.....	11,287	14,790	13,100
<b>Distribution of outlays by account:</b>			
Longshore and Harbor Workers' Compensation Act.....	53,236	69,000	79,000
District of Columbia Compensation Act.....	11,209	13,000	11,000

The trust funds consist of amounts received from employers for the death of an employee where no person is

entitled to compensation for such death, for fines and penalty payments, and pursuant to an annual assessment of the industry, for the general expenses of the fund under the Longshore and Harbor Workers' Compensation Act, as amended.

These trust funds are available for payments of additional compensation for second injuries. When a second injury, when combined with a previous disability, results in increased permanent partial disability, permanent total disability, or death, the employer provides compensation only for the disability caused by the subsequent injury; compensation to supplement the employer's payment is provided from this fund. In addition, the fund pays one-half of the increased benefits provided under the Longshore and Harbor Workers' Compensation Act, as amended, for persons on the rolls prior to 1972. Maintenance payments are made to disabled employees undergoing vocational rehabilitation to enable them to return to remunerative occupations, and the costs of necessary rehabilitation services not otherwise available to disabled workers are defrayed. Payments are made in cases where other circumstances preclude payment by an employer and to provide medical, surgical, and other treatment in disability cases where there has been a default by the insolvency of an uninsured employer.

**Object Classification** (in thousands of dollars)

Identification code 16-9971-0-7-601	1986 actual	1987 est.	1988 est.
25.0 Other services.....	389	441	488
42.0 Insurance claims and indemnities.....	66,150	81,559	89,512
99.9 Total obligation.....	66,539	82,000	90,000

**OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for the Occupational Safety and Health Administration, **[\$225,811,000] \$244,360,000**, including not to exceed **[\$54,921,000] \$56,857,000**, which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970: *Provided*, That none of the funds appropriated under this paragraph shall be obligated or expended for the assessment of civil penalties issued for first instance violations of any standard, rule, or regulation promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful, or repeated violations under section 17 of the Act) resulting from the inspection of any establishment or workplace subject to the Act, unless such establishment or workplace is cited, on the basis of such inspection, for ten or more violations: **[Provided further**, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: *Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, order or administrative action under the Occupational Safety and Health Act of 1970 affecting any work activity by reason of recreational hunting, shooting, or

General and special funds—Continued

SALARIES AND EXPENSES—Continued

fishery: *Provided further*, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost work day case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of five or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

*Provided further*, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: ]

*Provided further*, That none of the funds appropriated under this paragraph shall be obligated or expended for the proposal or assessment of any civil penalties for the violation or alleged violation by an employer of ten or fewer employees of any standard, rule, regulation, or order promulgated under the Occupational Safety and Health Act of 1970 (other than serious, willful or repeated violations and violations which pose imminent danger under section 13 of the Act) if, prior to the inspection which gives rise to the alleged violation, the employer cited has (1) voluntarily requested consultation under a program operated pursuant to section 7(c)(1) or section 18 of the Occupational Safety and Health Act of 1970 or from a private consultative source approved by the Administration and (2) had the consultant examine the condition cited and (3) made or is in the process of making a reasonable good faith effort to eliminate the hazard created by the condition cited as such, which was identified by the aforementioned consultant, unless changing circumstances or workplace conditions render inapplicable the advice obtained from such consultants

[ : *Provided further*, That none of the funds appropriated under this paragraph may be obligated or expended for any State plan monitoring visit by the Secretary of Labor under section 18 of the Occupational Safety and Health Act of 1970, of any factory, plant, establishment, construction site, or other area, workplace or environment where such a workplace or environment has been inspected by an employee of a State acting pursuant to section 18 of such Act within the six months preceding such inspection: *Provided further*, That this limitation does not prohibit the Secretary of Labor from conducting such monitoring visit at the time and place of an inspection by an employee of a State acting pursuant to section 18 of such Act, or in order to investigate a complaint about State program administration including a failure to respond to a worker complaint regarding a violation of such Act, or in order to investigate a discrimination complaint under section 11(c) of such Act, or as part of a special study monitoring program, or to investigate a fatality or catastrophe: *Provided further*, That none of the funds appropriated under this paragraph may be obligated or expended for the inspection, investigation, or enforcement of any activity occurring on the Outer Continental Shelf which exceeds the authority granted to the Occupational Safety and Health Administration by any provision of the Outer Continental Shelf Lands Act, or the Outer Continental Shelf Lands Act Amendments of 1978]. (29 U.S.C. 651 et seq.; 33 U.S.C. 941 et seq.; 40 U.S.C. 333 et seq.; 41 U.S.C. 35 et seq.; 351 et seq.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 16-0400-0-1-554	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Safety and health standards.....	5,893	6,345	6,828
Enforcement:				
00.02	Federal enforcement.....	86,963	91,915	100,140
00.03	State programs.....	50,741	54,921	56,857
00.04	Technical support.....	12,965	14,965	16,841
00.05	Compliance assistance.....	30,485	36,289	37,720
00.06	Safety and health statistics.....	15,706	18,862	19,936
00.07	Executive direction and administration.....	5,365	5,630	6,038
00.91	Total direct program.....	208,118	228,927	244,360
01.01	Reimbursable program.....	720	280	280
10.00	Total obligations.....	208,838	229,207	244,640
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-300	-150	-150
14.00	Non-Federal sources.....	-420	-130	-130
22.40	Unobligated balance transferred.....		-3,116	
25.00	Unobligated balance lapsing.....	574		
40.00	Budget authority (appropriation).....	208,692	225,811	244,360
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	208,118	228,927	244,360
72.40	Obligated balance, start of year.....	42,221	32,761	35,357
74.40	Obligated balance, end of year.....	-32,761	-35,357	-37,695
77.00	Adjustments in expired accounts.....	-6,741		
90.00	Outlays.....	210,837	226,331	242,022

**Safety and health standards.**—New and revised standards are proposed and promulgated to protect the safety and health of workers. All new standards, except emergency temporary standards, are promulgated under procedures providing opportunity for public comment. Before any standard is proposed or promulgated, a determination is made that: (1) a significant risk of serious employee injury or health impairment exists; (2) the standard will reduce this risk; (3) the standard is economically and technologically sound; and (4) the standard is cost-effective when compared with alternative regulatory proposals providing equal levels of protection.

**Enforcement.**—The Occupational Safety and Health Act of 1970 provides for enforcement of Federal standards in States declining to assert jurisdiction and for grants to assist States in administering and enforcing State standards. Compliance with occupational safety and health standards is gained in part by the physical inspection of plants and facilities and by encouraging the voluntary protection efforts of employers and employees. Programs are targeted to the investigation of claims of imminent danger and employee complaints, the investigation of fatal and catastrophic accidents, programmed inspections of firms with injury-illness rates that are above the national average, and special emphasis inspections for serious health and safety hazards.

**Technical support.**—Technical assistance is provided on all aspects of standards setting, variances, compliance assistance, and enforcement programs. Laboratory support is provided to compliance officers. Comprehensive scientific and technical information services are

made available. The economic and environmental impacts of proposed standards are analyzed.

**Compliance assistance.**—This activity contributes to the balanced use of the authority provided by the Act through a variety of employer and employee assistance activities. Under cooperative agreements, State agencies are reimbursed for 90 percent of the costs of providing free onsite consultation to employers upon request. Grants are awarded to assist organizations to develop their capacity to provide occupational safety and health training for workers and employers. Employers are encouraged to establish voluntary labor-management and self-inspection protection programs. This activity also provides leadership and assists agencies in implementing job safety and health programs to protect Federal workers. Professional training for compliance personnel and others with related workplace safety and health responsibilities is conducted at the OSHA Training Institute.

**Safety and health statistics.**—Statistics on occupational fatalities, injuries, and illnesses are collected directly or through grants to States and published annually to aid in the identification of occupational safety and health problems and to facilitate administration.

**Executive direction and administration.**—These activities include executive direction, planning and evaluation, management support, legislative liaison, inter-agency affairs, and administrative services.

**PROGRAM STATISTICS**

	1986 actual	1987 est.	1988 est.
Standards promulgated:			
Health .....	4	5	6
Safety .....	3	8	10
Inspections:			
Federal inspections .....	64,071	63,000	59,000
State program inspections .....	115,317	108,600	110,400
Training and consultations:			
Training grants supported .....	25	46	45
Consultation visits .....	30,512	30,600	30,600

**Object Classification (in thousands of dollars)**

Identification code 16-0400-0-1-554	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	71,948	75,652	77,983
11.3 Other than full-time permanent .....	1,030	439	444
11.5 Other personnel compensation .....	1,195	876	876
11.9 Total personnel compensation .....	74,173	76,967	79,303
12.1 Personnel benefits: Civilian .....	10,218	13,165	18,042
13.0 Benefits for former personnel .....	61		
21.0 Travel and transportation of persons .....	5,888	6,724	6,364
22.0 Transportation of things .....	318	458	484
23.1 Rental payments to GSA .....	7,062	7,963	9,934
23.3 Communications, utilities, and miscellaneous charges .....	2,816	2,982	3,086
24.0 Printing and reproduction .....	799	983	1,017
25.0 Other services .....	46,856	51,204	52,763
26.0 Supplies and materials .....	1,589	1,929	1,997
31.0 Equipment .....	2,553	3,910	6,047
41.0 Grants, subsidies, and contributions .....	55,730	62,642	64,723
42.0 Insurance claims and indemnities .....	56		
99.0 Subtotal, direct obligations .....	208,118	228,927	244,360
99.0 Reimbursable obligations .....	720	280	280
99.9 Total obligations .....	208,838	229,207	244,640

**Personnel Summary**

Total number of full-time permanent positions .....	2,092	2,185	2,185
Total compensable workyears:			
Full-time equivalent employment .....	2,199	2,211	2,211
Full-time equivalent of overtime and holiday hours .....	7	15	15

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Environmental Protection Agency: Hazardous Substance Response Trust Fund.

**MINE SAFETY AND HEALTH ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for the Mine Safety and Health Administration, **[\$156,480,000] \$167,288,000**, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the purchase of not to exceed **[eight] sixty** passenger motor vehicles for replacement only; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of major disaster **[: Provided, That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shell dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine]. (30 U.S.C. 1-11, 801, 951 et seq., 960; 91 Stat. 1290-1322; 93 Stat. 111, 137.)**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 16-1200-0-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Enforcement:</b>			
00.01 Coal .....	73,126	79,650	85,343
00.02 Metal/non-metal .....	29,257	31,094	33,521
00.03 Standards development .....	850	1,117	1,208
00.04 Assessments .....	1,675	1,861	2,161
00.05 Educational policy and development .....	11,122	11,746	12,199
00.06 Technical support .....	17,560	20,389	21,300
00.07 Program administration .....	11,466	12,564	11,556
00.91 Total direct program .....	145,056	158,421	167,288
01.01 Reimbursable program .....	133		
10.00 Total obligations .....	145,189	158,421	167,288
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-133		
22.40 Unobligated balance transferred .....		-1,941	
25.00 Unobligated balance lapsing .....	101		
40.00 Budget authority (appropriation) .....	145,157	156,480	167,288
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	145,056	158,421	167,288
72.40 Obligated balance, start of year .....	16,276	14,168	17,791
74.40 Obligated balance, end of year .....	-14,168	-17,791	-18,895
77.00 Adjustments in expired accounts .....	-641		
90.00 Outlays .....	146,523	154,798	166,184

**Enforcement.**—Enforcement of the Federal Mine Safety and Health Act of 1977 includes inspection of mines, the development and promulgation of health and safety standards, assistance in mine rescue operations, investigations of serious accidents in mines, recommendations to reduce working hazards, and on-site education and training assistance. The estimates will support

General and special funds—Continued

SALARIES AND EXPENSES—Continued

all inspections specified in the Act of mines expected to be operating throughout 1987 and 1988. In addition to these regular health and safety inspections the program statistics below include additional inspections and investigations that are conducted as needed to ensure the safety and health of miners.

**Assessments.**—This activity assesses civil monetary penalties for violations of safety and health standards.

**Educational policy and development.**—This activity develops and coordinates MSHA's mine safety and health education and training policies and provides classroom instruction at the National Academy for MSHA personnel, other Government personnel, and the mining industry. States are encouraged to develop training programs through grants and technical assistance.

**Technical support.**—This activity provides technical services and advice to field managers, mine inspectors, State program employees, and industry management to assist enforcement or improve mining practices. It also collects and analyzes data relative to the cause, frequency, and circumstances of accidents.

**Program administration.**—This activity provides for general administrative functions and collection of civil monetary penalties.

PROGRAM STATISTICS

	1986 actual	1987 est.	1988 est.
Operating mines:			
Coal underground .....	2,328	2,328	2,328
Coal surface .....	3,257	3,257	3,257
Metal/non-metal underground .....	415	430	430
Metal/non-metal surface .....	10,704	11,170	11,170
Enforcement:			
Coal mine inspections .....	64,843	73,396	75,250
Metal/non-metal mine inspections .....	32,932	34,744	35,744
Regulations promulgated .....	4	19	15
Assessments:			
Violations assessed .....	129,924	130,000	130,000
Educational policy and development:			
Student days .....	40,175	40,000	40,000
Technical support:			
Equipment approvals .....	4,157	4,900	4,900
Field investigations .....	552	600	600
Laboratory samples analyzed .....	21,896	26,000	26,000

Object Classification (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Identification code: 16-1200-0-1-554			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	93,228	98,019	99,261
11.3 Other than full-time permanent .....	1,306	1,411	1,429
11.5 Other personnel compensation .....	871	1,042	1,042
11.9 Total personnel compensation .....	95,405	100,472	101,732
12.1 Personnel benefits: Civilian .....	13,888	16,474	23,990
13.0 Benefits for former personnel .....	19		
21.0 Travel and transportation of persons .....	4,851	6,320	6,541
22.0 Transportation of things .....	2,123	2,236	2,314
23.1 Rental payment to GSA .....	6,632	6,510	6,650
23.2 Rental payments to others .....	794	842	847
23.3 Communications, utilities, and miscellaneous charges .....	2,952	3,194	3,509
24.0 Printing and reproduction .....	476	731	757
25.0 Other services .....	10,069	11,649	10,808
26.0 Supplies and materials .....	1,612	2,003	2,062
31.0 Equipment .....	1,273	2,820	2,908
41.0 Grants, subsidies, and contributions .....	4,948	5,170	5,170
42.0 Insurance claims and indemnities .....	14		
99.0 Subtotal, direct obligations .....	145,056	158,421	167,288
99.0 Reimbursable obligations .....	133		
99.9 Total obligations .....	145,189	158,421	167,288

Personnel Summary

Total number of full-time permanent positions .....	2,667	2,835	2,735
Total compensable workyears:			
Full-time equivalent employment .....	2,807	2,909	2,809
Full-time equivalent of overtime and holiday hours .....	4	10	10

BUREAU OF LABOR STATISTICS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, **[\$167,925,000]** \$185,286,000, of which **[\$11,435,000]** \$9,184,000 shall be for expenses of revising the Consumer Price Index, together with not to exceed **[\$37,872,000]** \$43,419,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: *Provided*, That **[\$8,286,000]** \$7,694,000 shall remain available until September 30, **[1988]** 1989. (29 U.S.C. 1-96,181.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 16-0200-0-1-505	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
00.01 Labor force statistics .....	87,412	97,641	106,405
00.02 Prices and cost of living .....	48,756	53,341	60,225
00.03 Wages and industrial relations .....	16,869	20,676	22,188
00.04 Productivity and technology .....	4,409	5,065	5,487
00.05 Economic growth and employment projections .....	3,062	3,104	3,386
00.06 Executive direction and staff services .....	13,187	14,577	21,830
00.07 Consumer Price Index revision .....	12,856	11,561	9,184
00.91 Total direct program .....	186,551	205,965	228,705
01.01 Reimbursable program .....	10,400	17,129	10,432
10.00 Total obligations .....	196,951	223,094	239,137
Financing:			
Offsetting collections from:			
11.00 Federal funds .....	-9,995	-16,502	-9,806
13.00 Trust funds .....	-34,748	-37,872	-43,419
14.00 Non-Federal sources .....	-627	-627	-626
21.40 Unobligated balance available, start of year .....	-642	-168	
24.40 Unobligated balance available, end of year .....	168		
25.00 Unobligated balance lapsing .....	712		
40.00 Budget authority (appropriation) .....	151,819	167,925	185,286
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	151,581	168,094	185,286
72.40 Obligated balance, start of year .....	26,137	28,492	25,146
74.40 Obligated balance, end of year .....	-28,492	-25,146	-26,555
77.00 Adjustments in expired accounts .....	-1,483		
90.00 Outlays .....	147,743	171,440	183,877

Note.—Includes \$6,250 thousand in 1988 for activities previously financed from:

	1986	1987
Employment and Training Administration, Program administration .....	93	95
Employment and Training Administration, Training and employment services .....	4,054	5,784

**Labor force statistics.**—Publishes monthly estimates of the labor force, employment, unemployment, and earnings for the Nation, States, and local areas. Makes studies of the labor force. Publishes data on insured employment and wages, by industry.

WORKLOAD STATISTICS (MAJOR ITEMS)

Labor force statistics:	1986 actual	1987 est.	1988 est.
National labor force estimates (monthly, quarterly, annual, or irregularly published series) .....	54,933	55,707	39,378
Insured employment and wages (quarterly series) .....	952,572	952,572	1,200,000

Employment, hours, and earnings (monthly and annual series)	25,300	25,300	25,300
Employment and unemployment estimates for States and local areas (monthly and annual series)	5,325	5,355	5,385
Occupational employment statistics (annual series on 3-year cycle)	3,300	19,700	13,400
Data development and evaluation projects	104	105	105

**Prices and cost of living.**—Publishes the Consumer Price Index, the Producer Price Index, Export and Import Price Indexes, Estimates of Consumers' Expenditures, and studies of price change.

	1986 actual	1987 est.	1988 est.
Consumer price indexes published (monthly)	7,806	8,647	8,270
Producer prices:			
(a) Commodity indexes published (monthly)	12,780	12,710	12,800
(b) Mining and manufacturing indexes published (monthly)	703	699	704
International prices (percent of value covered):			
(a) Export price index	100	100	100
(b) Import price index	100	100	100

<sup>1</sup> Reflects CPI revision activities.

**Wages and industrial relations.**—Data on wages and benefits are collected and analyzed by occupation for major labor markets and industries. Monthly information is compiled on major work stoppages and wage developments.

**WORKLOAD STATISTICS (MAJOR ITEMS)**

	1986 actual	1987 est.	1988 est.
Wages and industrial relations:			
Occupational pay and benefit surveys—number of schedules and/or plans analyzed	26,600	23,470	25,600
Employment cost index—number of schedules	4,300	4,700	5,000
Collective bargaining, bargaining units reviewed	2,500	2,500	2,500
Number of contracts maintained	4,900	4,900	4,900

**Productivity and technology.**—Provides studies of productivity changes for industries, major economic sectors in the private economy, and the Federal Government. Develop international comparisons of productivity and cost. Studies the effects of technology change on employment and productivity.

	1986 actual	1987 est.	1988 est.
Studies	57	55	49
Series	164,760	165,390	165,720

**Economic growth and employment projections.**—Provides economic projections, including changes in the level and structure of economic growth, and industry employment and occupational projections. Publishes the *Occupational Outlook Handbook and Quarterly*.

	1986 actual	1987 est.	1988 est.
Employment projections for 160 industries	80	80	80
Occupational Outlook Hand Book statements (2 year cycle)	100	90	90
Studies	5	4	4

**Executive direction and staff services.**—Provides planning and policy for the Bureau, operates the management information system, coordinates research, and publishes data and reports for government and public use. Administration of the National Longitudinal Survey will be transferred from the Employment and Training Administration to this activity.

**Consumer Price Index revision.**—The revision which commenced in 1984, will be completed by 1988. The revision includes a new market basket of goods and services to be priced, measures of variance, and improved measures of housing costs.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
16-0200-0-1-505			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1			
11.3			
11.5			
11.9			
12.1			
13.0			
21.0			
22.0			
23.1			
23.3			
24.0			
25.0			
26.0			
31.0			
41.0			
42.0			
99.0			
99.0			
99.9			
	56,122	62,101	63,521
	4,928	4,438	4,568
	757	552	612
	61,807	67,091	68,701
	7,349	9,615	13,708
	57	211	205
	3,726	3,996	4,452
	102	233	210
	6,675	8,964	10,600
	1,868	2,421	2,464
	817	1,063	974
	66,927	71,505	80,547
	830	966	1,023
	2,343	2,977	3,386
	34,042	36,923	42,435
	8		
	186,551	205,965	228,705
	10,400	17,129	10,432
	196,951	223,094	239,137

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions	1,894	1,944	1,911
Total compensable workyears:			
Full-time equivalent employment	2,108	2,188	2,161
Full-time equivalent of overtime and holiday hours	18	33	10
<b>Reimbursable:</b>			
Total number of full-time permanent positions	251	212	212
Total compensable workyears: Full-time equivalent employment	195	213	213

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Department of Labor, Employment and Training Administration, State unemployment insurance and employment services operations.

**DEPARTMENTAL MANAGEMENT**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses for Departmental Management, including the hire of 5 sedans, and including [ \$2,408,000 ] \$2,542,000 for the President's Committee on Employment of the Handicapped, [ \$103,852,000 ] \$120,292,000, together with not to exceed [ \$263,000 ] \$291,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. (37 Stat. 736, 738; 63 Stat. 409.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

[For an additional amount for the development of information on drug abuse in the workplace, \$3,000,000 to remain available until September 30, 1988.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
16-0165-0-1-505			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01			
00.02			
00.03			
00.04			
00.05			
	10,781	16,446	15,575
	42,031	46,623	52,976
	3,971	4,523	6,131
	21,064	24,686	26,486
	24,816	29,689	30,495

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	16-0165-0-1-505	1986 actual	1987 est.	1988 est.
00.06	Promoting employment of the handicapped .....	2,013	2,435	2,542
00.07	Women's bureau .....	5,140	5,848	6,330
00.09	Civil rights .....	3,190	3,238	3,899
00.91	Total direct program .....	113,006	133,488	144,434
01.01	Reimbursable program .....	9,329	13,584	13,797
10.00	Total obligations .....	122,335	147,072	158,231
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-9,441	-13,584	-13,797
13.00	Trust funds .....	-19,091	-22,358	-24,142
22.40	Unobligated balance transferred, net .....		-1,675	
25.00	Unobligated balance lapsing .....	1,231		
39.00	<b>Budget authority</b> .....	<b>95,034</b>	<b>109,455</b>	<b>120,292</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	95,034	106,852	120,292
42.00	Transferred from other accounts .....		1,500	
43.00	<b>Appropriation (adjusted)</b> .....	<b>95,034</b>	<b>108,352</b>	<b>120,292</b>
46.40	Transfer in for retirement contributions (P.L. 99-335) .....		1,103	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	93,803	111,130	120,292
72.40	Obligated balance, start of year .....	27,086	23,883	23,825
74.40	Obligated balance, end of year .....	-23,883	-23,825	-24,308
77.00	Adjustments in expired accounts .....	-3,897		
89.00	<b>Outlays</b> .....	<b>93,109</b>	<b>111,188</b>	<b>119,809</b>
<b>Outlays:</b>				
90.00	Outlays, excluding retirement supplemental .....	93,109	110,127	119,767
91.40	Outlays from retirement contribution supplemental .....		1,061	42

**Executive direction.**—Provides policy direction for all programs and functions assigned to the Department. Provides guidance for the development and implementation of governmental policy to protect and promote the interests of the American worker—toward achieving better employment and earnings, promotion of labor standards, safeguarding of pension rights, promotion of affirmative action in employment, and collection and analysis of statistics on the labor force.

**Legal services.**—Includes enforcement of Federal labor statutes and legal advisory, legislative, and litigation services related to the statutes administered by the Department.

**International labor affairs.**—Integrates all international labor programs and foreign economic policy within the Department; gives Departmental guidance to the U.S. participation in international organizations concerned with labor and employment and training problems; and provides for labor and employment and training technical services to other Government and international agencies.

**Administration and management.**—Exercises leadership in all DOL administration and management programs and services. Provides policy guidance on matters of budget and resource and personnel management. Provides for consistent and constructive internal labor-management relations throughout the Department.

**Adjudication.**—Conducts formal hearings and renders timely decisions on claims filed under (a) the Longshore and Harbor Workers' Compensation Act and its extensions, (b) the Black Lung Benefits Reform Act of 1977,

(c) the Federal Employees' Compensation Act, and (d) other acts involving health and safety regulations, unfair labor practices, and other labor-related areas.

**Promoting employment of the handicapped.**—The President's Committee on Employment of the Handicapped seeks to identify and eliminate barriers standing in the way of full social and vocational opportunities for physically and mentally handicapped persons.

**Women's bureau.**—Promotes the welfare and seeks to improve the economic status of working women; seeks to increase the utilization of women in the Nation's economy; and encourages the advancement of women workers.

**Civil rights.**—Ensures full compliance with title VI of the Civil Rights Act of 1964 and other regulatory non-discrimination provisions in programs receiving financial assistance from the Department of Labor and promotes equal opportunity in these programs and activities. Ensures equal employment opportunity to all DOL employees and applicants for employment.

Object Classification (in thousands of dollars)

Identification code	16-0165-0-1-505	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	63,513	72,025	77,164
11.3	Other than full-time permanent .....	2,692	1,515	1,621
11.5	Other personnel compensation .....	875	718	804
11.8	Special personal services payments .....	105	125	125
11.9	Total personnel compensation .....	67,185	74,383	79,714
12.1	Personnel benefits: Civilian .....	8,127	10,390	15,710
13.0	Benefits for former personnel .....	160		
21.0	Travel and transportation of persons .....	2,587	3,378	3,535
22.0	Transportation of things .....	99	116	120
23.1	Rental payments to GSA .....	7,042	10,503	13,921
23.3	Communications, utilities, and miscellaneous charges .....	3,668	4,401	4,579
24.0	Printing and reproduction .....	367	423	514
25.0	Other services .....	20,976	28,457	24,817
26.0	Supplies and materials .....	1,063	992	1,031
31.0	Equipment .....	1,693	445	493
42.0	Insurance claims .....	39		
99.0	Subtotal, direct obligations .....	113,006	133,488	144,434
99.0	Reimbursable obligations .....	9,329	13,584	13,797
99.9	Total obligations .....	122,335	147,072	158,231

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	1,745	1,917	1,928
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	1,811	1,989	2,000
Full-time equivalent of overtime and holiday hours .....	24	30	30
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	68	56	56
Total compensable workyears: Full-time equivalent employment .....	73	60	60

OFFICE OF THE INSPECTOR GENERAL

For salaries and expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, **[\$34,833,000]** \$38,600,000, together with not to exceed **[\$6,040,000]** \$6,568,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. (Public Law 95-452, as amended.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 16-0106-0-1-505	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Office of Audit.....	22,281	24,892	26,171
00.02 Office of Investigations.....	6,572	7,243	7,974
00.03 Office of Labor Racketeering.....	6,323	6,564	7,461
00.04 Executive Direction and Management.....	4,826	3,802	4,077
10.00 Total obligations.....	40,002	42,501	45,683
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	-3,452	-6,652	-7,083
22.40 Unobligated balance transferred, net.....		-460	
25.00 Unobligated balance lapsing.....	526		
39.00 Budget authority.....	37,076	35,389	38,600
<b>Budget authority:</b>			
40.00 Appropriation.....	37,076	34,833	38,600
46.40 Transfer in for retirement contributions (P.L. 99-335).....		556	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	36,550	35,849	38,600
72.40 Obligated balance, start of year.....	14,482	9,768	10,129
74.40 Obligated balance, end of year.....	-9,768	-10,129	-11,821
77.00 Adjustments in expired accounts.....	-2,568		
89.00 Outlays.....	38,696	35,488	36,908
<b>Outlays:</b>			
90.00 Outlays, excluding retirement supplemental.....	38,696	34,954	36,886
91.40 Outlays from retirement contribution supplemental.....		534	22

**Audit.**—Provides audits of programs, activities, and systems of the Department to determine whether information is reliable, resources are safeguarded, funds are expended in a manner consistent with law and managed economically and efficiently, and desired program results are achieved. Promotes economy, efficiency, and effectiveness in the administration of Departmental programs and prevents and detects fraud and abuse. Keeps the Secretary of Labor and the Congress informed of the need for corrections.

	1986 actual	1987 est.	1988 est.
Audits Studies and Reviews.....	251	264	349

**Investigations.**—Administers an investigative program to detect and deter fraud, waste, and abuse in Departmental programs. Promotes economy and efficiency of program operations by providing findings to program managers.

	1986 actual	1987 est.	1988 est.
Investigations.....	1,107	1,099	985

**Labor Racketeering.**—This office is responsible for identifying racketeering in employee benefit plans, labor-management relations, and internal union affairs.

	1986 actual	1987 est.	1988 est.
Investigations.....	64	64	73

**Executive Direction and Management.**—This activity includes the management, administrative support, planning, evaluation, legislative liaison, personnel and financial functions for the OIG.

Object Classification (in thousands of dollars)

Identification code 16-0106-0-1-505	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	19,314	19,836	20,782
11.3 Other than full-time permanent.....	277	85	88
11.5 Other personnel compensation.....	803	1,135	1,135
11.9 Total personnel compensation.....	20,394	21,056	22,005
12.1 Personnel benefits: Civilian.....	2,670	3,307	4,808

21.0 Travel and transportation of persons.....	3,578	4,189	4,065
22.0 Transportation of things.....	77	158	160
23.1 Rental payments to GSA.....	1,462	1,751	2,316
23.3 Communications, utilities, and miscellaneous charges.....	683	788	604
24.0 Printing and reproduction.....	21	127	127
25.0 Other services.....	10,274	10,698	11,164
26.0 Supplies and materials.....	154	232	232
31.0 Equipment.....	689	195	202
99.9 Total obligations.....	40,002	42,501	45,683

Personnel Summary

Total number of full time permanent positions.....	535	526	536
Total compensable workyears:			
Full-time equivalent employment.....	562	530	540
Full-time equivalent of overtime and holiday hours.....	17	20	20

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed **[\$139,510,000]** \$138,565,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 2001-08 and 2021-26.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
State administration:			
Disabled veterans outreach program.....	62,706	69,450	72,019
Local veterans employment representatives.....	51,957	56,932	51,527
Administration.....	12,099	13,128	15,019
Total obligations.....	126,762	139,510	138,565
<b>Financing:</b>			
Available from the trust fund.....	127,257	139,510	138,565
Unobligated balance lapsing.....	-495		
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	126,762	139,510	138,565
Obligated balance, start of year.....	10,526	17,838	18,228
Obligated balance, end of year.....	-17,838	-18,228	-18,599
Adjustments in expired accounts.....	355		
Outlays.....	119,805	139,120	138,194

**State administration.**—The Disabled Veterans Outreach Program (DVOP) provides intensive employability development services to secure permanent employment for veterans with service-connected disabilities and the most disadvantaged Vietnam-era veterans. Local Veterans Employment Representatives (LVER's) provide job development, placement, and supportive services directly to veterans and act as functional supervisors of the services provided veterans by other local office staff to ensure compliance with the performance standards for services to veterans.

**Administration.**—Identifies policies and programs to serve and meet employment and training needs of veterans. Assures the adequacy of counseling, testing, job training, and job placement services for veterans through monitoring, evaluating, and providing technical assistance and training to the delivery systems providing these services. Provides information and processes complaints to help veterans, reservists, and members of the National Guard obtain employment rights provided by law.

**General and special funds—Continued**  
**ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING—**  
**Continued**

**Object Classification (in thousands of dollars)**

Identification code 20-8042-0-7-999	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	9,299	9,804	10,172
11.5 Other personnel compensation.....	112	112	130
11.9 Total personnel compensation.....	9,411	9,916	10,302
12.1 Personnel benefits.....	1,091	1,331	1,894
21.0 Travel and transportation of persons.....	509	599	620
22.0 Transportation of things.....	7	6	6
23.1 Rental payments to GSA.....	255	255	281
23.3 Communications, utilities, and miscellaneous charges.....	80	181	187
24.0 Printing and reproduction.....	33	44	46
25.0 Other services.....	623	738	1,623
26.0 Supplies and materials.....	39	36	37
31.0 Equipment.....	51	22	23
41.0 Grants, subsidies and contributions.....	114,663	126,382	123,546
93.0 Administrative expenses included in schedule of funds as a whole.....	-126,762	-139,510	-138,565
99.0 Total, obligations.....			

**Personnel Summary**

Total number of full-time permanent positions.....	275	279	279
Total compensable workyears: Full-time equivalent employment.....	274	279	279

**[SPECIAL FOREIGN CURRENCY PROGRAM]**

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses of the Department of Labor, as authorized by law, \$47,000, to remain available until expended. This appropriation shall be available in addition to other appropriations to such agency for payments in foreign currencies.] (7 U.S.C. 1704.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 16-0151-0-1-505	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 21.0).....	43	49	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-2	
24.40 Unobligated balance available, end of year.....	2		
40.00 <b>Budget authority (appropriation).....</b>	<b>45</b>	<b>47</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	43	47	
72.40 Obligated balance, start of year.....	63	55	
74.40 Obligated balance, end of year.....	-55		
90.00 Outlays.....	51	102	

This activity utilized currencies available under Title I of the Agricultural Trade Development and Assistance Act of 1954, declared by the Treasury Department to be excess to the normal requirements of the United States. No appropriation is requested in 1988 because of the decline in available excess foreign currencies.

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 16-4601-0-4-505	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administrative management services.....	10,569	12,771	13,888
00.02 Field services.....	17,203	17,899	19,520
00.03 Facilities management.....	5,527	5,964	6,620
00.04 National Capital Service Center.....	5,073	5,232	5,647
00.05 Penalty mail and telecommunications.....	17,207	18,591	18,335
10.00 Total obligations.....	55,579	60,457	64,010
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-55,720	-59,202	-62,421
21.98 Unobligated balance available, start of year: Fund balance.....	-6,387	-6,528	-5,273
24.98 Unobligated balance available, end of year: Fund balance.....	6,528	5,273	3,684
39.00 <b>Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-141	1,255	1,589
72.98 Obligated balance, start of year: Fund balance.....	10,164	9,547	10,002
74.98 Obligated balance, end of year: Fund balance.....	-9,547	-10,002	-10,091
90.00 Outlays.....	476	800	1,500

**Administrative management services.**—Provides a broad range of administrative services, including printing, mailing, messengers, motor pool, accounting and payroll oversight, supply and property management, and safety and health services.

**Field services.**—Provides centralized services from the Department's regional offices to all agencies of the Department located in the regions. The services include personnel management, voucher audit, and administrative services.

**Facilities management.**—Manages the Frances Perkins Building, which is the Department's headquarters, under the terms of an agreement with the General Services Administration.

**National Capital Service Center.**—Provides a range of centralized services to agencies of the Department located in the national capital area. These services include personnel, accounting, payroll and voucher payments, procurements, and contracting.

**Penalty mail and telecommunications.**—Provides for departmental mail payments to the U.S. Postal Service and telecommunications payments to the General Services Administration.

**Financing.**—The fund is reimbursed by the agencies for which centralized services are performed at rates which return in full all expenses of operation, including reserves for accrued annual leave and depreciation of equipment.

**Operating results.**—The fund ended 1986 with a net operating income of \$423 thousand.

**Object Classification (in thousands of dollars)**

Identification code 16-4601-0-4-505	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	17,989	19,016	19,275
11.3 Other than full-time permanent.....	1,043	802	802
11.5 Other personnel compensation.....	407	421	421
11.9 Total personnel compensation.....	19,439	20,239	20,498
12.1 Personnel benefits: Civilian.....	2,303	2,767	3,947
21.0 Travel and transportation of persons.....	355	390	405
22.0 Transportation of things.....	44	59	61

23.1	Rental payments to GSA .....	4,473	4,886	5,735
23.2	Rental payments to others .....	20,305	22,212	22,302
24.0	Printing and reproduction .....	568	387	403
25.0	Other services .....	6,457	8,297	8,611
26.0	Supplies and materials .....	1,360	857	911
31.0	Equipment .....	275	363	1,137
99.9	Total obligations .....	55,579	60,457	64,010

**Personnel Summary**

Total number of full-time permanent positions.....	648	678	668
Total compensable workyears:			
Full-time equivalent employment .....	696	709	699
Full-time equivalent of overtime and holiday hours .....	12	12	12

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
U.S. Information Agency, "Salaries and expenses."

**GENERAL PROVISIONS**

SEC. 101. Appropriations in this Act available for salaries and expenses shall be available for supplies, services, and rental of conference space within the District of Columbia, as the Secretary of Labor shall deem necessary for settlement of labor-management disputes.

SEC. 102. None of the funds appropriated under this Act shall be used to grant variances, interim orders or letters of clarification to employers which will allow exposure of workers to chemicals or other workplace hazards in excess of existing Occupational Safety and Health Administration standards for the purpose of conducting experiments on workers health or safety.

[SEC. 103. None of the funds appropriated in this Act shall be obligated or expended for the purpose of closing any Job Corps Center operating under part B of title IV of the Job Training Partnership Act prior to January 1, 1988.]

[SEC. 104. Notwithstanding any other provision of this Act, no funds appropriated by this Act may be used to execute or carry out any contract with a non-governmental entity to administer or manage a Civilian Conservation Center of the Job Corps which was not under such a contract as of September 1, 1984.]

**TITLE V—GENERAL PROVISIONS**

SEC. 501. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 502. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract in full compliance with such Act and regulations promulgated thereunder.

SEC. 503. Appropriations contained in this Act, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18.

SEC. 504. Appropriations contained in this Act, available for salaries and expenses, shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 505. Appropriations contained in this Act, available for salaries and expenses, shall be available for expenses of attendance at meetings which are concerned with the functions or activities for which

the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

SEC. 506. No part of the funds appropriated under this Act shall be used to provide a loan, guarantee of a loan, a grant, the salary of or any remuneration whatever to any individual applying for admission, attending, employed by, teaching at, or doing research at an institution of higher education who has engaged in conduct on or after August 1, 1969, which involves the use of (or the assistance to others in the use of) force or the threat of force or the seizure of property under the control of an institution of higher education, to require or prevent the availability of certain curricula, or to prevent the faculty, administrative officials, or students in such institution from engaging in their duties or pursuing their studies at such institution.

SEC. 507. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: *Provided*, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 508. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 509. No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress.

SEC. 510. The Secretaries of Labor, Health and Human Services, and Education are each authorized to make available not to exceed \$7,500 from funds available for salaries and expenses under titles I, II, and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed \$2,500 from the funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed \$2,500 from funds available for "Salaries and expenses, National Mediation Board".

SEC. 511. None of the funds appropriated by this Act shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or a participant's parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.

[SEC. 512. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of the Secretaries of Labor, Health and Human Services, and Education, and medical officers and other health personnel on out-patient medical service who are exempted from such limitations under 31 U.S.C. 1344.]

[SEC. 513. Amounts available under this Act for carrying out the provisions of title II of the Education for Economic Security Act are hereby increased by \$36,934,000.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.



## DEPARTMENT OF STATE

### ADMINISTRATION OF FOREIGN AFFAIRS

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945), expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); telecommunications; [not to exceed \$4,000,000 for expenses necessary for the Inspector General of the Department of State, pursuant to the Inspector General Act of 1978;] expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad; permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress; acquisition by exchange or purchase of vehicles as authorized by law, except that special requirement vehicles may be purchased without regard to any price limitations otherwise established by law; [ \$1,527,000,000 ] \$1,860,459,000. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

#### Program and Financing (in thousands of dollars)

Identification code 19-0113-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Executive direction and policy formulation.....	121,974	125,738	131,736
00.02 Inspections and audits.....	6,470	11,309	16,496
00.03 Conduct of diplomatic relations.....	238,194	257,439	276,029
00.04 Conduct of consular relations.....	159,670	172,517	182,730
00.05 Professional training and development.....	23,871	24,406	28,150
00.06 Communications systems.....	226,421	231,278	250,256
00.07 Security.....	430,594	551,871	524,875
00.08 Information systems.....	116,288	125,000	150,086
00.09 Medical.....	11,939	11,946	16,450
00.10 Administration and staff activities.....	236,819	280,464	283,651
00.91 Total direct program.....	1,572,240	1,791,968	1,860,459
01.01 Reimbursable program.....	319,753	100,000	370,000
10.00 Total obligations.....	1,891,993	1,891,968	2,230,459
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-319,753	-100,000	-370,000
21.40 Unobligated balance available, start of year.....	-118,713	-238,819	.....
22.40 Unobligated balance transferred, net.....	-18,821	-2,515	.....
24.40 Unobligated balance available, end of year.....	238,819	.....	.....
25.00 Unobligated balance lapsing.....	3,641	.....	.....
39.00 Budget authority.....	1,677,166	1,550,634	1,860,459
Budget authority:			
40.00 Appropriation.....	1,677,166	1,527,000	1,860,459
44.20 Supplemental for civilian pay raises.....	.....	6,900	.....
44.40 Supplemental for retirement contributions (P.L. 99-335).....	.....	16,734	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,572,240	1,791,968	1,860,459
72.40 Obligated balance, start of year.....	273,391	376,697	467,730
74.40 Obligated balance, end of year.....	-376,697	-467,730	-547,866
77.00 Adjustments in expired accounts.....	-25,734	.....	.....
89.00 Outlays.....	1,443,200	1,700,935	1,780,323
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals.....	1,443,200	1,677,301	1,780,323

91.20 Outlays from civilian pay raise supplemental.....	6,900	.....	.....
91.40 Outlays from retirement contribution supplemental.....	16,734	.....	.....

#### Distribution of budget authority by account:

Salaries and expenses.....	1,675,539	1,550,634	1,860,459
Reopening consulates.....	1,627	.....	.....
Distribution of outlays by account:			
Salaries and expenses.....	1,441,426	1,700,935	1,780,323
Reopening consulates.....	1,774	.....	.....

Note.—The activities financed in "Reopening consulates" in 1986 are presented in these schedules and are to be financed in this account in 1987. Budget authority and outlays are distributed by account above.

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	1,677,166	1,550,634	1,860,459
Outlays.....	1,443,200	1,700,935	1,780,323
Supplemental under existing legislation:			
Budget authority.....	.....	59,750	.....
Outlays.....	.....	10,058	49,692
Total:			
Budget authority.....	1,677,166	1,610,384	1,860,459
Outlays.....	1,443,200	1,710,993	1,830,015

The program described below is financed by this appropriation and by reimbursements from other agencies. Those agencies are provided with most of their administrative services overseas by the Department of State.

**Executive direction and policy formulation.**—This activity identifies resources which provide sound management through the direction of the Secretary and with the assistance of staff officers, specialized offices and the functional and regional bureaus, for policy formulation and in pursuit of regional and global foreign policy objectives.

**Inspection and audits.**—This function encompasses domestic and overseas inspections, audits and investigations. The 1986-87 Foreign Relations Authorization Act and the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986 require the Department to establish an Inspector General (IG) under the Inspector General Act of 1978. The new IG is responsible for audits and investigations, and may perform inspections. The Office of Policy and Program Review will direct the Foreign Service Inspection Corps.

**Conduct of diplomatic relations.**—Resources for this activity include: the political and economic reporting and analysis of interests to the United States; the representation of U.S. diplomatic and national interests to countries abroad; and the bilateral and multilateral negotiation of our foreign policy objectives. These resources also fund the conduct of U.S. diplomatic policy through political and multilateral affairs, economic and social affairs, international budgetary and management affairs, and participation in various international organizations.

**Conduct of consular relations.**—Activities included are overseas and domestic visa and American citizen services. Visa services involve the issuance, denial, and adjudication of immigrant and non-immigrant visas;

General and special funds—Continued

SALARIES AND EXPENSES—Continued

refugee processing; and visa fraud detection and investigation. American citizen services include the issuance of passports, emergency assistance to American citizens abroad, and passport fraud detection and investigation.

**Professional development and training.**—The professional development and training activity is a continuous process by which the Department ensures that its professionals have the skills, experience and judgment to fulfill its functions at all levels. Training programs are designed to provide employees with the specific functional, area and language skills needed for the conduct of foreign relations both in the Department and abroad.

**Communications systems.**—Through this activity, worldwide telecommunications, pouch, mail, and classified information handling support is provided as required by the President, the Secretary of State, the Department and its 262 missions, and approximately 50 USG agencies within the Foreign Affairs community. In addition, resources provide primary and alternative communications centers, specialized communications services in support of the travel of the Secretary or other VIP's, major conferences and crisis situations; as well as providing for the plan, design, management operation and maintenance of all Department communications programs, facilities and systems as identified in Presidential, Congressional, National Security and Departmental mandates.

**Security.**—This activity identifies resources necessary in meeting security and counter-terrorism responsibilities, both foreign and domestic. Covered in this activity are: security operations; engineering services, which relate to the technical defense of Foreign Service personnel and establishments against electronics and physical attack; investigations, such as malfeasance and passport fraud; protection of dignitaries; and, physical security operations, including construction and renovation projects to combat attacks, assaults and technical penetrations made against U.S. facilities and personnel for all the foreign affairs agencies.

**Information systems.**—Included in this activity are general unclassified data and word processing support to the Department's Foreign Service posts through distributed minicomputer, microcomputer and office word processing systems. The activity supports the mission of the overseas posts in the areas of personnel, budget and fiscal management, non-immigrant and immigrant visa issuance, assistance to American citizens, representation fund accounting, visitor records, economic reporting activities, general services, and residential property management. In addition, other agencies, are supported by specific systems. The information systems activity includes funding for development, acquisition and expansion of major information systems for strategic planning and information processing, information handling systems, consular activities, personnel, financial systems and property management.

**Medical.**—This activity encompasses medical programs for the Department of State, the Foreign Service, and 35 other U.S. Government departments and agencies overseas. Services are provided in Washington as

well as at 262 missions worldwide and cover some 60,000 employees and dependents.

**Administration and staff activities.**—These activities include normal domestic and administrative services such as:

- The direction and control of all administration and management operations, representing and negotiating U.S. government administrative matters with foreign officials and reviewing and setting resource levels and priorities for the various programs and bureaus in the Department.
- The budgeting, financial planning and fiscal operations for the Department of State and most federal agencies resident abroad.
- The management, recruitment and performance evaluation of the Department's Foreign and Civil Service employees and Foreign Service National staff.
- The contracting and procurement of services and supplies, maintenance and repair of equipment and physical property, vehicle operation and shipping and customs services.
- Centralized funding for the payment of salaries and worldwide related benefits to full-time permanent employees.

Post Assignment Travel funds that provide for travel, transportation and related items in connection with assignment, transfer, and separation for the Department's American full-time permanent staff and their dependents are also included in this activity.

Object Classification (in thousands of dollars)

Identification code 19-0113-0-1-153	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	545,039	535,900	558,249
11.3 Other than full-time permanent .....	25,700	13,820	31,057
11.5 Other personnel compensation .....	16,500	6,500	17,200
11.8 Special personal services payments .....	400	200	300
11.9 Total personnel compensation .....	587,639	556,420	606,806
12.1 Personnel benefits: Civilian .....	78,000	92,979	90,900
13.0 Benefits for former personnel .....	4,381	8,381	5,362
21.0 Travel and transportation of persons .....	86,000	103,000	95,843
22.0 Transportation of things .....	65,500	73,500	72,238
23.1 Rental payments to GSA .....	30,000	36,283	36,323
23.2 Rental payments to others .....	40	53	56
23.3 Communications, utilities, and miscellaneous charges .....	109,427	166,363	142,847
24.0 Printing and reproduction .....	14,248	15,707	14,621
25.0 Other services .....	346,581	474,978	450,786
26.0 Supplies and materials .....	72,000	74,976	96,001
31.0 Equipment .....	158,525	161,569	226,639
32.0 Lands and structures .....	13,525	15,233	15,233
33.0 Investments and loans .....	132	132	130
41.0 Grants, subsidies, and contributions .....	5,042	11,099	5,699
42.0 Insurance claims and indemnities .....	1,200	1,295	975
99.0 Subtotal, direct obligations .....	1,572,240	1,791,968	1,860,459
99.0 Reimbursable obligations .....	319,753	100,000	370,000
99.9 Total obligations .....	1,891,993	1,891,968	2,230,459

Personnel Summary

Total number of full-time permanent positions .....	25,156	25,237	25,590
Total compensable workyears: Full-time equivalent employment .....	26,088	26,658	26,803

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD\*

\*See Part II for additional information.

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), **[\$440,000,000, of which \$15,000,000 shall become available for expenditure on October 1, 1987] \$762,279,000 to remain available until expended**: *Provided*, That the funds appropriated in this paragraph shall be available subject to the approval of the House and Senate Committees on Appropriations under said Committees' policies concerning the reprogramming of funds contained in House Report 99-669: *Provided further*, That balances of previous appropriations for "Acquisition, operation, and maintenance of buildings abroad" shall be transferred to and merged with this appropriation: *Provided further*, That up to \$1,000,000 shall be available for transfer under the Economy Act to the Director of the National Bureau of Standards for the purpose of conducting an independent analysis of the new United States embassy office building being constructed in Moscow: *Provided further*, That a report including this analysis, an assessment of the current structure and recommendations and cost estimates for correcting any structural flaws or construction defects shall be transmitted by the Director of the National Bureau of Standards to the Speaker of the House of Representatives and the President of the Senate no later than April 15, 1987: *Provided further*, That beginning on February 1, 1987, the Secretary of State shall report every six months to the Speaker of the House of Representatives and the President of the Senate on any failures during the past six months by Soviet agencies to perform obligations to United States diplomats or United States missions to the Soviet Union and the actions undertaken by the Department of State to redress these failures. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
Acquisition, development, construction, and project supervision:				
00.01	Africa	7,432	33,298	25,512
00.02	American republics	5,185	106,439	149,556
00.03	East Asia and Pacific	3,737	12,949	
00.04	Europe	24,023	25,882	213,709
00.05	Near East and South Asia	71,754	46,100	92,127
00.06	Other agencies		4,725	47,892
00.07	Leasehold payments	97,508	93,000	106,621
00.08	Functional programs	27,675	22,000	22,886
00.09	Related activities	60,623	70,329	88,793
00.10	Administration	8,769	14,278	34,183
00.91	Total direct program	306,706	429,000	781,279
01.01	Reimbursable program	32,395	30,000	30,000
10.00	Total obligations	339,101	459,000	811,279
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-26,000	-26,000	-26,000
14.00	Non-Federal sources	-6,395	-4,000	-4,000
21.40	Unobligated balance available, start of year	-315,633	-745,681	-756,681
24.40	Unobligated balance available, end of year	745,681	756,681	737,681
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	323		
39.00	Budget authority	737,077	440,000	762,279
<b>Budget authority:</b>				
40.00	Appropriation	731,509	440,000	762,279
50.00	Reappropriation	5,568		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	306,706	429,000	781,279
72.40	Obligated balance, start of year	159,525	225,495	230,428
74.40	Obligated balance, end of year	-225,495	-230,428	-495,637
77.00	Adjustments in expired accounts	-52		
90.00	Outlays	240,684	424,067	516,070

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	731,509	440,000	762,279
Outlays	240,684	424,067	516,070

Supplemental under existing legislation:			
Budget authority		12,000	
Outlays		1,200	10,800
<b>Total:</b>			
Budget authority	731,509	452,000	762,279
Outlays	240,684	425,267	526,870

The Foreign Service buildings program provides consolidated office space for the Foreign Service and other Government agencies abroad and living quarters for American employees. Funds for minor improvements and building maintenance expenses formerly funded from FBO Special Foreign Currency program are included in the FBO regular appropriation beginning in 1988.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	
19-0535-0-1-153				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	8,743	12,418	12,515
11.3	Other than full-time permanent	1,627	1,676	1,811
11.5	Other personnel compensation	883	910	937
11.9	Total personnel compensation	11,253	15,004	15,263
12.1	Personnel benefits: Civilian	1,031	1,435	1,446
21.0	Travel and transportation of persons	1,796	1,886	1,976
22.0	Transportation of things	25,267	21,778	22,470
23.2	Rental payments to others	106,913	119,000	136,621
24.0	Printing and reproduction	116	125	134
25.0	Other services	61,229	89,540	103,404
26.0	Supplies and materials	423	431	439
31.0	Equipment	11,979	23,880	69,410
32.0	Lands and structures	119,094	185,921	460,116
99.9	Total obligations	339,101	459,000	811,279

**Personnel Summary**

Total number of full-time permanent positions	298	298	298
<b>Total compensable workyears:</b>			
Full-time equivalent employment	150	246	249
Full-time equivalent overtime and holiday hours	3	3	3

**ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	
19-0538-0-1-153				
<b>Program by activities:</b>				
00.01	Acquisition, development, and construction: Near East and South Asia	3,071	7,495	
Related activities:				
00.10	Minor improvements	59	250	
00.11	Leasehold payments	787	905	
00.12	Maintenance of buildings	2,144	2,358	
00.13	Furnishings and equipment	25	28	
00.14	Project supervision	-1,499	885	
10.00	Total obligations	4,587	11,921	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-16,508	-11,921	
24.40	Unobligated balance available, end of year	11,921		
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	4,587	11,921	
72.40	Obligated balance, start of year	16,361	13,748	22,169
74.40	Obligated balance, end of year	-13,748	-22,169	-16,669
90.00	Outlays	7,200	3,500	5,500

General and special funds—Continued

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)—Continued

Since 1961, a separate appropriation for payments in excess foreign currencies has been enacted annually to supplement the regular appropriation. These currencies are used to acquire or construct real property and to finance maintenance costs to the greatest extent possible. This program will be terminated in 1988.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0538-0-1-153			
22.0 Transportation of things.....	1,499	885	
23.2 Rental payments to others.....	1,648	1,895	
25.0 Other services.....	1,073	1,180	
26.0 Supplies and materials.....	294	323	
31.0 Equipment.....	101	2,112	
32.0 Lands and structures.....	2,970	5,526	
99.9 Total obligations.....	4,587	11,921	

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), and for representation by United States missions to the United Nations and the Organization of American States, **[\$4,460,000] \$4,500,000.** (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0545-0-1-153			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	4,529	4,500	4,547
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	32	40	47
25.00 Unobligated balance lapsing.....	1		
40.00 <b>Budget authority (appropriation).....</b>	<b>4,498</b>	<b>4,460</b>	<b>4,500</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,497	4,460	4,500
72.40 Obligated balance, start of year.....	677	660	623
74.40 Obligated balance, end of year.....	660	623	629
77.00 Adjustments in expired accounts.....	43		
90.00 Outlays.....	4,471	4,497	4,494

Officers of the Foreign Service are reimbursed in part for expenses incurred in the pursuance of official activities abroad and at missions to international organizations in the United States.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314), and to provide for the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, **[\$9,100,000] \$9,445,000.** (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0520-0-1-153			
<b>Program by activities:</b>			
00.01 Missions and officials to United Nations.....	6,699	6,700	6,954

00.02 Missions and officials in United States.....	1,874	5,452	2,491
10.00 Total obligations (object class 25.0).....	8,573	12,152	9,445
<b>Financing:</b>			
22.40 Unobligated balance transferred, net.....		3,052	
25.00 Unobligated balance lapsing.....	518		
40.00 <b>Budget authority (appropriation).....</b>	<b>9,091</b>	<b>9,100</b>	<b>9,445</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	8,573	12,152	9,445
72.40 Obligated balance, start of year.....	6,474	9,829	4,208
74.40 Obligated balance, end of year.....	9,829	4,208	3,664
77.00 Adjustments in expired accounts.....	122		
90.00 Outlays.....	5,340	17,773	9,989

This appropriation will provide for (1) reimbursement to the New York City police department for protection extended to foreign missions and officials accredited to the United Nations, and (2) protection of foreign missions and officials elsewhere in the United States through reimbursement of State and local governments for police assistance and by contracting for protective services with private security firms. Protective services will be authorized by the Secretary of State and will be provided only in cases of extraordinary need.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service [to be expended] pursuant to the requirement of 31 U.S.C. 3526(e), **[\$4,000,000] \$4,500,000, to remain available until expended.** (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0522-0-1-153			
<b>Program by activities:</b>			
00.01 Repatriation loans.....	600	600	600
00.02 Rewards.....	1,000	1,000	
00.03 Other activities.....	3,611	3,400	3,900
10.00 Total obligations.....	5,211	5,000	4,500
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	2,000	1,000	
24.40 Unobligated balance available, end of year.....	1,000		
40.00 <b>Budget authority (appropriation).....</b>	<b>4,211</b>	<b>4,000</b>	<b>4,500</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,211	5,000	4,500
72.40 Obligated balance, start of year.....	2,100	2,712	3,660
74.40 Obligated balance, end of year.....	2,712	3,660	3,870
77.00 Adjustments in expired accounts.....	1,139		
90.00 Outlays.....	3,460	4,052	4,290

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0522-0-1-153			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	700	700	700
1150 Total direct loan obligations.....	700	700	700
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,573	1,890	2,240
1231 Disbursements: Direct loan disbursements.....	700	700	700

1251	Repayments: Repayments and prepayments .....	-383	-350	-350
1290	Outstanding, end of year .....	1,890	2,240	2,590

These funds are used for relief and repatriation loans to U.S. citizens abroad and for other emergencies of the Department. Repayments are deposited to miscellaneous receipts of the Treasury.

**Object Classification** (in thousands of dollars)

Identification code 19-0522-0-1-153	1986 actual	1987 est.	1988 est.
41.0 Grants, subsidies, and contributions .....	1,000	1,000	.....
91.0 Unvouchered .....	4,211	4,000	4,500
99.9 Total obligations .....	5,211	5,000	4,500

**BUYING POWER MAINTENANCE**

**Program and Financing** (in thousands of dollars)

Identification code 19-0524-0-1-153	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-21,336	-2,515	.....
22.40 Unobligated balance transferred, net .....	18,821	2,515	.....
24.40 Unobligated balance available, end of year .....	2,515	.....	.....
39.00 <b>Budget authority</b> .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	.....	.....	.....
90.00 Outlays .....	.....	.....	.....

This account will offset losses due to exchange rate and overseas wage and price fluctuations unanticipated in the budget. Any gains due to fluctuations will be merged with this account to be available to offset future losses.

**PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN**

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), **[\$9,379,000] \$10,000,000.** (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 19-0523-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	9,379	9,379	10,000
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	<b>9,379</b>	<b>9,379</b>	<b>10,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	9,379	9,379	10,000
72.40 Obligated balance, start of year .....	943	1,520	1,520
74.40 Obligated balance, end of year .....	-1,520	-1,520	-1,681
77.00 Adjustments in expired accounts .....	-34	.....	.....
90.00 Outlays .....	8,768	9,379	9,839

The Taiwan Relations Act (Public Law 96-8) requires programs with respect to Taiwan to be carried out by or through the American Institute in Taiwan.

The Department will continue to contract with the Institute to conduct commercial, cultural, and other relations with the people of Taiwan.

**PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND**

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, **[\$127,398,000] \$85,958,000.** (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 19-0540-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 13.0) .....	306,374	296,498	235,358
<b>Financing:</b>			
39.00 <b>Budget authority</b> .....	<b>306,374</b>	<b>296,498</b>	<b>235,358</b>
Budget authority:			
40.00 <b>Appropriation (current)</b> .....	<b>118,174</b>	<b>127,398</b>	<b>85,958</b>
60.00 <b>Appropriation (permanent, indefinite)</b> .....	<b>188,200</b>	<b>169,100</b>	<b>149,400</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	306,374	296,498	235,358
90.00 Outlays .....	306,374	296,498	235,358

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	306,374	296,498	235,358
Outlays .....	306,374	296,498	235,358
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority .....	.....	.....	-3,280
Outlays .....	.....	.....	-3,280
<b>Total:</b>			
Budget authority .....	306,374	296,498	232,078
Outlays .....	306,374	296,498	232,078

The current appropriation finances, by 30 equal annual installments, any unfunded liability created by new or liberalized benefits, new groups of beneficiaries, and salary increases. In addition, the current appropriation finances the annual balance of the Foreign Service normal cost not met by employee and employer contributions.

The permanent appropriation provides payments to the fund for the interest on the unfunded liability and disbursements attributable to military and naval services—a full 100 percent in each year.

**PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 19-0540-2-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 13.0) .....	.....	.....	-3,280
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	.....	.....	<b>-3,280</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	.....	.....	-3,280
90.00 Outlays .....	.....	.....	-3,280

This schedule reflects changes in the payment to the Foreign Service Retirement and Disability Fund consistent with legislative proposals pertaining to the Civil Service Retirement and Disability Fund.

General and special funds—Continued

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

- Funds appropriated to the President:
  - “Peacekeeping operations.”
  - “International organizations and programs.”
  - “Operating expenses of the Agency for International Development.”
  - “Economic support fund.”

U.S. Arms Control and Disarmament Agency: “Arms control and disarmament activities.”

United States Information Agency: “Salaries and expenses, special foreign currency program”; “Salaries and expenses.”

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code 19-4519-0-4-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Publishing services .....	4,501	4,619	4,762
00.02 Supply services .....	2,902	2,987	3,080
00.03 Central support services .....	25,427	29,568	30,551
00.91 Total operating expenses .....	32,830	37,174	38,393
Capital investment:			
01.01 Publishing services .....	1,176	776	626
01.02 Supply services .....			25
01.03 Central support services .....	303	203	308
01.91 Total capital investment .....	1,479	979	959
10.00 Total obligations .....	34,309	38,153	39,352
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-34,267	-38,153	-39,352
21.98 Unobligated balance available, start of year: Fund balance .....	-143	-101	-101
24.98 Unobligated balance available, end of year: Fund balance .....	101	101	101
39.00 Budget authority .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	42		
72.98 Obligated balance, start of year: Fund balance .....	3,681	3,210	3,210
74.98 Obligated balance, end of year: Fund balance .....	-3,210	-3,210	-3,210
90.00 Outlays .....	513		

This fund finances on a reimbursable basis certain administrative services, such as printing and reproduction, editorial material, motor pool operations and despatch agencies operations.

Object Classification (in thousands of dollars)

Identification code 19-4519-0-4-153	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	5,514	5,920	6,143
11.3 Other than full-time permanent .....	103	106	110
11.5 Other personnel compensation .....	408	423	442
11.9 Total personnel compensation .....	6,025	6,449	6,695
12.1 Personnel benefits: Civilian .....	785	840	872
21.0 Travel and transportation of persons .....	141	160	169
22.0 Transportation of things .....	8,415	8,585	8,844
23.2 Rental payments to others .....	1,217	4,604	4,778
24.0 Printing and reproduction .....	35	39	43
25.0 Other services .....	9,098	9,158	9,434
26.0 Supplies and materials .....	7,084	7,303	7,525
31.0 Equipment .....	1,509	1,015	992
99.9 Total obligations .....	34,309	38,153	39,352

Personnel Summary

Total number of full-time permanent positions .....	250	257	257
Total compensable workyears:			
Full-time equivalent employment .....	230	234	238
Full-time equivalent of overtime and holiday hours .....	8	9	9

Trust Funds

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

Program and Financing (in thousands of dollars)

Identification code 19-8186-0-7-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Payments to beneficiaries .....	232,086	251,222	272,838
00.02 Refunds and gratuities .....	12,511	8,000	7,500
10.00 Total obligations .....	244,597	259,222	280,338
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance .....	-15,328	-8,772	-10,288
21.40 U.S. securities (par) .....	-2,461,955	-2,939,529	-3,431,125
Unobligated balance available, end of year:			
24.40 Treasury balance .....	8,772	10,288	10,359
24.40 U.S. securities (par) .....	2,939,529	3,431,125	3,890,449
60.00 Budget authority (appropriation) (permanent, indefinite) .....	715,616	752,334	739,733
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	244,597	259,222	280,338
72.40 Obligated balance, start of year .....	21	47	
74.40 Obligated balance, end of year .....	-47		
90.00 Outlays .....	244,571	259,270	280,338

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	715,616	752,334	739,733
Outlays .....	244,571	259,270	280,338
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-4,100
Outlays .....			-4,100
Total:			
Budget authority .....	715,616	752,334	735,633
Outlays .....	244,571	259,270	276,238

The fund is maintained through: (a) contributions by participants, consisting of all Foreign Service officers, Foreign Service information officers, Foreign Service reserve officers with unlimited tenure, and all Foreign Service staff officers and employees with unlimited appointments, amounting to 7 percent of their basic salaries; (b) matching Government contributions; (c) special Government contributions from Payment to the Foreign Service Retirement and Disability Fund; and (d) interest on investments (22 U.S.C. 4042).

It is estimated that approximately 9,989 annuitants will be paid retirement benefits from this fund September 30, 1988, compared with 9,539 paid September 30, 1987, and 8,989 paid September 30, 1986. Gratuities and refunds represent payments to eligible former participants leaving the retirement system.

The status of the fund is as follows (in thousands of dollars):

STATUS OF FUND

Unexpended balance, start of year:	1986 actual	1987 est.	1988 est.
U.S. securities (par) .....	2,461,955	2,939,529	3,431,125
Cash .....	15,349	8,819	10,288

Balance of fund, start of year.....	2,477,304	2,948,348	3,441,413
Cash income for the year:			
Government receipts:			
Deductions from employees' salaries.....	40,500	29,217	18,654
Voluntary contributions.....	528	400	400
Intrabudgetary transactions:			
Employer's contribution.....	41,791	49,701	96,509
Receipts from the Civil Service retirement fund.....	1,104	1,100	1,100
Federal contribution.....	349,496	341,990	270,490
Proposed legislation.....			-4,100
Interest on investments.....	282,196	329,926	352,580
Total net income.....	715,616	752,334	735,633
Cash outgo during the year:			
Payments to beneficiaries.....	232,060	251,270	272,838
Proposed legislation.....			-4,100
Refunds and gratuities.....	12,511	8,000	7,500
Total outgo.....	244,571	259,270	276,238
Unexpended balance, end of year:			
U.S. securities (par).....	2,939,529	3,431,125	3,890,449
Cash.....	8,819	10,288	10,359
Balance of fund, end of year.....	2,948,348	3,441,413	3,900,808

Object Classification (in thousands of dollars)

Identification code 19-8186-0-7-602	1986 actual	1987 est.	1988 est.
42.0 Insurance claims and indemnities.....	232,086	251,222	272,838
44.0 Refunds.....	12,511	8,000	7,500
99.9 Total obligations.....	244,597	259,222	280,338

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 19-8186-2-7-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			-4,100
<b>Financing:</b>			
40.00 Budget authority (appropriation) (indefinite).....			-4,100
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-4,100
90.00 Outlays.....			-4,100

This schedule reflects changes to the Foreign Service Retirement and Disability Fund consistent with legislative proposals pertaining to the Civil Service Retirement and Disability Fund.

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 19-9971-0-7-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Unconditional gift fund.....	575	560	560
00.02 Conditional gift fund.....	3,331	3,440	3,440
10.00 Total obligations.....	3,906	4,000	4,000
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-673	-879	-879
21.40 U.S. securities (par).....	-292		
24.40 Unobligated balance available, end of year: Treasury balance.....	879	879	879
60.00 Budget authority (appropriation) (permanent, indefinite).....	3,820	4,000	4,000

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,906	4,000	4,000
72.40 Obligated balance, start of year.....	607	1,396	1,396
74.40 Obligated balance, end of year.....	-1,396	-1,396	-1,396
90.00 Outlays.....	3,117	4,000	4,000
Distribution of budget authority by account:			
Unconditional gift fund.....	691	402	402
Conditional gift fund.....	3,129	3,598	3,598
Distribution of outlays by account:			
Unconditional gift fund.....	419	520	520
Conditional gift fund.....	2,698	3,480	3,480

**Unconditional gift fund.**—Unconditional gifts may be used for carrying out the Department's functions (22 U.S.C. 809).

**Conditional gift fund.**—Use of these funds consists of procurement of furnishings, paintings, and decorative objects for the Department's diplomatic reception rooms, and funds donated by overseas commissary and mess service to assist such services at other posts (22 U.S.C. 809).

Object Classification (in thousands of dollars)

Identification code 19-9971-0-7-153	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	128	128	128
25.0 Other services.....	2,126	2,220	2,220
26.0 Supplies and materials.....	38	38	38
31.0 Equipment.....	1,346	1,346	1,346
33.0 Investments and loans.....	268	268	268
99.9 Total obligations.....	3,906	4,000	4,000

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Federal Funds

General and special funds:

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, **[\$385,000,000, of which \$130,000,000, to remain available until expended, shall become available for expenditure on October 1, 1987] \$470,000,000: Provided,** That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on after October 1, 1984, through external borrowings. (*Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 19-1126-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
United Nations and affiliated agencies:			
00.01 Food and Agriculture Organization.....	36,760	36,838	50,069
00.02 International Atomic Energy Agency.....	19,084	20,702	31,443
00.03 International Civil Aviation Organization.....	7,442	7,734	7,849
00.04 International Labor Organization.....	30,512	30,084	33,195
00.05 International Maritime Organization.....	496	550	645
00.06 International Telecommunications Union.....	3,301	4,224	4,471
00.07 United Nations.....	168,935	145,944	175,398
00.08 United Nations Industrial Development Organization.....		12,345	14,839
00.09 Universal Postal Union.....	556	747	760
00.10 World Health Organization.....	58,517	58,557	63,857
00.11 World Intellectual Property Organization.....	478	431	662
00.12 World Meteorological Organization.....	4,611	3,493	5,759

General and special funds—Continued

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	19-1126-0-1-153	1986 actual	1987 est.	1988 est.
00.13	Adjustment <sup>1</sup>		-79,028	-79,187
00.91	Subtotal	330,692	242,721	309,760
<b>Inter-American organizations:</b>				
01.01	Inter-American Indian Institute	100	104	104
01.02	Inter-American Institute for Cooperation on Agriculture	9,224	12,409	12,626
01.03	Organization of American States	30,404	41,638	44,915
01.04	Pan American Health Organization	25,576	32,691	38,659
01.05	Pan American Institute of Geography and History	308	331	331
01.06	Pan American Railway Congress Association	24	25	25
01.91	Subtotal	65,636	87,198	96,660
<b>Regional organizations:</b>				
02.01	Colombo Plan Council for Technical Cooperation	9	9	9
02.02	North Atlantic Assembly	415	500	525
02.03	North Atlantic Treaty Organization	20,871	22,102	25,110
02.04	Organization for Economic Cooperation and Development	20,451	27,744	29,385
02.05	South Pacific Commission	484	513	751
02.91	Subtotal	42,230	50,868	55,780
<b>Other international organizations:</b>				
03.01	Bureau of International Expositions	15	13	19
03.02	Customs Cooperation Council	1,412	1,428	2,023
03.03	General Agreement on Tariffs and Trade	3,871	3,659	5,737
03.04	Hague Conference on Private International Law	40	35	55
03.05	International Agency for Research on Cancer	604	618	874
03.06	International Bureau of the Permanent Court of Arbitration	7	6	10
03.07	International Bureau for the Publication of Customs Tariffs	40	37	55
03.08	International Bureau of Weights and Measures	353	327	518
03.09	International Center for the Study of the Preservation and Restoration of Cultural Property	327	334	340
03.10	International Coffee Organization	511	514	540
03.11	International Cotton Advisory Committee	118	133	134
03.12	International Hydrographic Organization	35	55	68
03.13	International Institute for the Unification of Private Law	54	48	75
03.14	International Jute Organization		43	47
03.15	International Lead and Zinc Study Group	22	22	27
03.16	International Natural Rubber Organization	160	170	194
03.17	International Office of Epizootics	43	39	55
03.18	International Organization for Legal Metrology	52	48	74
03.19	International Rubber Study Group	39	36	42
03.20	International Seed Testing Association	4	3	5
03.21	Interparliamentary Union	350	309	573
03.22	Maintenance of Certain Lights in the Red Sea	21	18	61
03.23	World Tourism Organization	174	207	224
03.91	Subtotal	8,252	8,102	11,750
10.00	Total obligations	446,810	388,889	473,950
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-3,886	-3,889	-3,950
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	167		
40.00	Budget authority (appropriation)	443,091	385,000	470,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	442,924	385,000	470,000
72.40	Obligated balance, start of year	34,083	13,852	130,000
74.40	Obligated balance, end of year	-13,852	-130,000	-6,828
77.00	Adjustments in expired accounts	-2,871		
90.00	Outlays	460,284	268,852	593,172

<sup>1</sup> This amount reflects withholding pursuant to Public Law 99-93, section 143.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	443,091	385,000	470,000
Outlays	460,284	268,852	593,172

Supplemental under existing legislation:

Budget authority			
Outlays		130,000	-130,000
<b>Total:</b>			
Budget authority	443,091	385,000	470,000
Outlays	460,284	398,852	463,172

Status of Direct Loans (in thousands of dollars)

Identification code	19-1126-0-1-153	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	12,103	8,217	4,328
1251	Repayments: Repayments and prepayments	-3,886	-3,889	-3,950
1290	Outstanding, end of year	8,217	4,328	378

As a member of the above listed organizations, the United States contributes its assessed share of the budgets of those organizations net of certain withholdings. A substantial amount of 1988 estimates reflect approved budgets of those organizations.

Object Classification (in thousands of dollars)

Identification code	19-1126-0-1-153	1986 actual	1987 est.	1988 est.
25.0	Other services	3,550	3,900	3,900
41.0	Grants, subsidies, and contributions	443,260	384,989	470,050
99.9	Total obligations	446,810	388,889	473,950

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES\*

\*See Part II for additional information.

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces, [\$29,400,000] \$30,000,000. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorization legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	19-1124-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)	28,136	29,400	30,000
<b>Financing:</b>				
40.00	Budget authority (appropriation)	28,136	29,400	30,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	28,136	29,400	30,000
72.40	Obligated balance, start of year	3,113		126
74.40	Obligated balance, end of year		-126	-126
90.00	Outlays	31,249	29,274	30,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	28,136	29,400	30,000
Outlays	31,249	29,274	30,000
<b>Supplemental under existing legislation:</b>			
Budget authority		21,600	
Outlays		19,440	2,160
<b>Total:</b>			
Budget authority	28,136	51,000	30,000
Outlays	31,249	48,714	32,160

This appropriation provides the United States' share of the expenses of the United Nations Disengagement Observer Force in the Golan Heights (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL).

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, contributions for the United States share of general expenses of international organizations and representation to such organizations, and personal services without regard to civil service and classification laws, **[\$5,460,000]** \$6,000,000, to remain available until expended, of which not to exceed \$200,000 may be expended for representation as authorized by law. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 19-1125-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Participation in international conferences:			
00.01 Meetings of international organizations.....	5,880	3,998	3,032
00.02 Meetings of interparliamentary unions.....	230	134	106
00.03 Other international conferences.....	2,450	1,523	2,343
00.91 Subtotal.....	8,560	5,655	5,481
Contributions to new or provisional organizations:			
01.01 U.N. Memorial Cemetery Commission.....	42	24	26
01.02 Union for the Protection of New Varieties of Plants.....	110	61	71
01.03 International Wheat Council.....	182	102	141
01.04 International Sugar Organization.....	160	109	111
01.05 International Office of the Vine and Wine.....	17	10	13
01.06 International Tropical Timber Organization.....	12	7	53
01.07 International Jute Organization.....	42		
01.08 Berne Convention.....			104
01.91 Subtotal.....	565	313	519
10.00 Total obligations.....	9,125	5,968	6,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-3,891	-508	
24.40 Unobligated balance available, end of year.....	508		
40.00 Budget authority (appropriation).....	5,742	5,460	6,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	9,125	5,968	6,000
72.40 Obligated balance, start of year.....	3,441	5,027	3,170
74.40 Obligated balance, end of year.....	-5,027	-3,170	-3,343
90.00 Outlays.....	7,539	7,825	5,827

This appropriation funds official U.S. Government participation in multilateral intergovernmental conferences and bilateral and multilateral interparliamentary entities; certain expenses of international secretariats to meetings, conferences, and related activities held under U.S. auspices; and contributions to organizations with which U.S. relations are new or provisional.

Object Classification (in thousands of dollars)

Identification code 19-1125-0-1-153	1986 actual	1987 est.	1988 est.
11.5 Personnel compensation: Other personnel compensation....	130	115	119
12.1 Personnel benefits: Civilian.....	5		
21.0 Travel and transportation of persons.....	4,360	2,841	2,233
22.0 Transportation of things.....	24	24	25
23.2 Rental payments to others.....	131	131	136
24.0 Printing and reproduction.....	45	45	47
25.0 Other services.....	3,550	2,279	2,186
26.0 Supplies and materials.....	50	50	52
31.0 Equipment.....	36	36	37
41.0 Grants, subsidies, and contributions.....	564	313	925

91.0 Unvouchered.....	230	134	240
99.9 Total obligations.....	9,125	5,968	6,000

GIFTS AND BEQUESTS, NATIONAL COMMISSION ON EDUCATIONAL, SCIENTIFIC, AND CULTURAL COOPERATION

Program and Financing (in thousands of dollars)

Identification code 19-8812-0-7-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-6		
25.00 Unobligated balance lapsing.....	6		
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	1		
77.00 Adjustments in expired accounts.....	-1		
90.00 Outlays.....			

Gifts or bequests may be used to carry out any of the authorized educational, scientific, or cultural purposes of the U.S. National Commission for UNESCO (22 U.S.C. 287(q)).

INTERNATIONAL COMMISSIONS

Federal Funds

General and special funds:

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, conventions, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the United States and Mexico International Boundary and Water Commission, and to comply with laws applicable to the United States Section; and leasing of private property to remove therefrom sand, gravel, stone, and other materials, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, including preliminary surveys, operation and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, **[\$10,800,000]** \$10,970,000. Provided, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89): *Provided further*, That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the cost of said dam as shall have been allocated to such purposes by the Secretary of State: *Provided further*, That not to exceed \$500,000 of the amount appropriated in this paragraph shall be available to reimburse the city of San Diego, in the State of California, for expenses incurred in treating domestic sewage received from the city of Tijuana, in the State of Baja California, Mexico. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

General and special funds—Continued

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)

Identification code	19-1069-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Administration.....	1,594	1,626	2,059
00.02	Engineering.....	1,532	1,675	1,716
00.03	Operation and maintenance.....	7,340	7,499	7,195
00.91	Total direct program.....	10,466	10,800	10,970
01.01	Reimbursable program.....	180	328	209
10.00	Total obligations.....	10,646	11,128	11,179
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-118	-129	-137
14.00	Non-Federal sources.....	-62	-199	-72
25.00	Unobligated balance lapsing.....	347		
40.00	Budget authority (appropriation).....	10,814	10,800	10,970
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	10,466	10,800	10,970
72.40	Obligated balance, start of year.....	1,919	1,689	1,621
74.40	Obligated balance, end of year.....	-1,689	-1,621	-1,640
77.00	Adjustments in expired accounts.....	-129		
90.00	Outlays.....	10,567	10,868	10,951

**Administration.**—Activities under this appropriation comprise negotiations and supervision of joint projects with Mexico to solve international problems, overall control of the operation of the U.S. section of the Commission, formulation of operating policies and procedures, and financial management to carry out international obligations of the United States, pursuant to treaty and congressional authorization.

**Engineering.**—This appropriation provides for: (a) supervision of measurement and determination of the national ownership of boundary waters; (b) technical engineering guidance and supervision of the planning, construction, and operation and maintenance of international projects; (c) studies relating to international problems of a continuing nature; and (d) preliminary surveys and investigations to determine the need for and feasibility of projects for the solution of international problems arising along the boundary.

**Operation and maintenance.**—This appropriation finances the U.S. part of the operation and maintenance of river channel and levee projects, dams, gaging stations, water quality control projects, and boundary monuments and markers.

Object Classification (in thousands of dollars)

Identification code	19-1069-0-1-301	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent.....	5,959	6,320	6,104
11.3	Other than full-time permanent.....	4	20	21
11.5	Other personnel compensation.....	93	115	120
11.9	Total personnel compensation.....	6,056	6,455	6,245
12.1	Personnel benefits: Civilian.....	912	953	1,422
21.0	Travel and transportation of persons.....	95	120	125
22.0	Transportation of things.....	401	402	418
23.2	Rental payments to others.....	115	137	142
24.0	Printing and reproduction.....	27	23	24
25.0	Other services.....	364	293	304
26.0	Supplies and materials.....	668	757	787

31.0	Equipment.....	696	1,103	1,146
32.0	Lands and structures.....	2	21	21
41.0	Grants, subsidies, and contributions.....	1,130	536	336
99.0	Subtotal, direct obligations.....	10,466	10,800	10,970
99.0	Reimbursable obligations.....	180	328	209
99.9	Total obligations.....	10,646	11,128	11,179

Personnel Summary

Total number of full-time permanent positions.....	275	275	275
Total compensable workyears:			
Full-time equivalent employment.....	256	253	253
Full-time equivalent of overtime and holiday hours.....	1	2	2

CONSTRUCTION

[(INCLUDING TRANSFER OF FUNDS)]

For detailed plan preparation and construction of authorized projects, including the Rio Grande Rectification Improvement project, to remain available until expended, [\$3,900,000] \$5,800,000: Provided, That activities for the New River project may be financed from these funds or from carryover balances under the heading, "International Boundary and Water Commission, United States and Mexico, Construction". (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	19-1078-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	1,185	7,649	5,800
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-2,774	-3,749	
24.40	Unobligated balance available, end of year.....	3,749		
40.00	Budget authority (appropriation).....	2,160	3,900	5,800
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,185	7,649	5,800
72.40	Obligated balance, start of year.....	625	584	5,286
74.40	Obligated balance, end of year.....	-584	-5,286	-8,154
90.00	Outlays.....	1,226	2,947	2,932

This account provides for construction of projects to solve international problems of water supply, water quality, and flood damage reduction. Projects are normally constructed jointly with Mexico.

Object Classification (in thousands of dollars)

Identification code	19-1078-0-1-301	1986 actual	1987 est.	1988 est.
INTERNATIONAL COMMISSIONS				
Personnel compensation:				
11.1	Full-time permanent.....	156	410	180
11.3	Other than full-time permanent.....	4	20	5
11.5	Other personnel compensation.....	57	150	65
11.9	Total personnel compensation.....	217	580	250
12.1	Personnel benefits: Civilian.....	23	65	26
21.0	Travel and transportation of persons.....	26	85	35
22.0	Transportation of things.....	21	74	32
23.2	Rental payments to others.....	6	18	7
24.0	Printing and reproduction.....	1	10	13
25.0	Other services.....	465	1,009	190
26.0	Supplies and materials.....	103	251	93
31.0	Equipment.....	361	50	60
32.0	Lands and structures.....	-22	5,491	5,094
99.0	Subtotal obligations, International Commissions.....	1,201	7,633	5,800
ALLOCATION TO DEFENSE—CIVIL, ARMY				
11.1	Personnel compensation: Full-time permanent.....	-15	15	

12.1	Personnel benefits: Civilian.....	-1	1	.....
99.0	Subtotal obligations, Defense—Civil, Army.....	-16	16	.....
99.9	Total obligations.....	1,185	7,649	5,800

**Personnel Summary**

INTERNATIONAL COMMISSIONS			
Total number of full-time permanent positions.....	9	9	14
Total compensable workyears:			
Full-time equivalent employment.....	7	7	10
Full-time equivalent overtime and holiday hours.....	2	3	3

**AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS\***

\*See Part II for additional information.

For necessary expenses, not otherwise provided for, including not to exceed \$6,000 for representation, **[\$3,700,000] \$4,788,000**; for the International Joint Commission, including salaries and expenses of the Commissioners on the part of the United States who shall serve at the pleasure of the President; salaries of employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses; and the International Boundary Commission, for necessary expenses, not otherwise provided for, including expenses required by awards to the Alaskan Boundary Tribunal and existing treaties between the United States and Canada or Great Britain. (*Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

**Program and Financing (in thousands of dollars)**

Identification code 19-1082-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 International Boundary Commission.....	665	720	820
International Joint Commission:			
00.02 U.S. section.....	2,164	2,370	3,252
00.03 Special and technical investigations by U.S. Geological Survey.....	518	460	466
00.04 New referral start up fund.....	150	150	250
10.00 Total obligations.....	3,497	3,700	4,788
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	97		
40.00 Budget authority (appropriation).....	3,594	3,700	4,788
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	3,497	3,700	4,788
72.40 Obligated balance, start of year.....	1,074	1,304	1,076
74.40 Obligated balance, end of year.....	-1,304	-1,076	-987
77.00 Adjustments in expired accounts.....	-71		
90.00 Outlays.....	3,196	3,928	4,877

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	3,594	3,700	4,788
Outlays.....	3,196	3,928	4,877
Supplemental under existing legislation:			
Budget authority.....		600	
Outlays.....		600	
Total:			
Budget authority.....	3,594	4,300	4,788
Outlays.....	3,196	4,528	4,877

These funds are used for payment of the U.S. share of the expenses of:

**International Boundary Commission.**—The Commission, in accordance with existing treaties, maintains the physical boundary between the United States and Canada by surveying, inspecting, and clearing the

boundary and repairing or replacing markers as necessary.

**International Joint Commission.**—Pursuant to the Boundary Waters Treaty of 1909, the Commission approves, regulates, and monitors structures in boundary waters and transboundary streams; investigates matters referred to it by the Governments of the United States and Canada that principally include transboundary water quality; and, continues ongoing surveillance at the request of the two Governments.

**Object Classification (in thousands of dollars)**

Identification code 19-1082-0-1-301	1986 actual	1987 est.	1988 est.
<b>AMERICAN SECTIONS</b>			
Personnel compensation:			
11.1 Full-time permanent.....	1,179	1,338	1,413
11.3 Other than full-time permanent.....	120	175	199
11.5 Other personnel compensation.....	209	148	164
11.9 Total personnel compensation.....	1,508	1,661	1,776
12.1 Personnel benefits: Civilian.....	171	267	285
21.0 Travel and transportation of persons.....	289	318	353
22.0 Transportation of things.....	14	15	15
23.2 Rental payments to others.....	2	5	5
23.3 Communications, utilities, and miscellaneous charges.....	223	213	217
24.0 Printing and reproduction.....	124	105	108
25.0 Other services.....	516	378	1,120
26.0 Supplies and materials.....	45	118	162
31.0 Equipment.....	87	10	30
41.0 Grants, subsidies, and contributions.....		150	250
99.0 Subtotal obligations, American Sections.....	2,979	3,240	4,321
<b>ALLOCATION TO DEPARTMENT OF THE INTERIOR: GEOLOGICAL SURVEY</b>			
Personnel compensation:			
11.1 Full-time permanent.....	206	209	213
11.3 Other than full-time permanent.....	47	47	47
11.5 Other personnel compensation.....	6	6	6
11.9 Total personnel compensation.....	259	262	266
12.1 Personnel benefits: Civilian.....	24	24	24
21.0 Travel and transportation of persons.....	28	29	30
22.0 Transportation of things.....	18	18	18
23.3 Communications, utilities, and miscellaneous charges.....	43	43	44
24.0 Printing and reproduction.....	3	3	3
25.0 Other services.....	126	63	63
26.0 Supplies and materials.....	13	14	14
31.0 Equipment.....	4	4	4
99.0 Subtotal obligations, Department of the Interior.....	518	460	466
99.9 Total obligations.....	3,497	3,700	4,788

**Personnel Summary**

AMERICAN SECTIONS			
Total number of full-time permanent positions.....	31	31	31
Total compensable workyears: Full-time equivalent employment.....	26	26	26
<b>ALLOCATION TO DEPARTMENT OF THE INTERIOR: GEOLOGICAL SURVEY</b>			
Total number of full-time permanent positions.....	11	11	11
Total compensable workyears: Full-time equivalent employment.....	12	12	12

**INTERNATIONAL FISHERIES COMMISSIONS**

For necessary expenses for international fisheries commissions, not otherwise provided for, **[\$10,800,000] \$11,148,000**. *Provided*, That the United States share of such expenses may be advanced to the respective commissions. (*Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

General and special funds—Continued

INTERNATIONAL FISHERIES COMMISSIONS—Continued

Program and Financing (in thousands of dollars)

Identification code 19-1087-0-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 International Pacific Halibut Commission.....	752	782	808
00.02 International Pacific Salmon Fisheries Commission.....	120		
00.03 Inter-American Tropical Tuna Commission.....	2,848	2,745	2,867
00.04 International Whaling Commission.....	21	27	27
00.05 International North Pacific Fisheries Commission.....	95	103	103
00.06 Great Lakes Fishery Commission.....	4,730	4,662	4,736
00.07 North Pacific Fur Seal Commission.....	10	10	10
00.08 International Commission for the Conservation of Atlantic Tunas.....	46	68	68
00.09 Northwest Atlantic Fisheries Organization.....		16	16
00.10 Pacific Salmon Commission.....	1,110	2,225	2,337
00.11 Commission for the Conservation of Antarctic Marine Living Resources.....	35	50	50
00.12 North Atlantic Salmon Conservation Organization.....	12	12	15
00.13 International Council for the Exploration of the Sea.....	56	56	67
00.14 Expenses of the U.S. Commissioners.....	32	44	44
10.00 Total obligations.....	9,867	10,800	11,148
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	947		
40.00 Budget authority (appropriation).....	10,814	10,800	11,148
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	9,867	10,800	11,148
72.40 Obligated balance, start of year.....	1,225	837	837
74.40 Obligated balance, end of year.....	-837	-837	-837
77.00 Adjustments in expired accounts.....	-12		
90.00 Outlays.....	10,243	10,800	11,148

These funds are used for payment of the United States' share of the expenses of 11 international fisheries commissions, one international sea council, and the expenses of the respective commissioners. The commissions either conduct or plan and coordinate studies to determine measures necessary for the preservation and expansion of the productivity of fishery stocks. In addition, the Great Lakes Fishery Commission carries on a program of lamprey eradication and control; and all the commissions are authorized to recommend conservation measures to the member governments. The sea council proposes and organizes fishery and oceanographic investigations and disseminates the results to the member governments. The recently established Pacific Salmon Commission has assumed the responsibilities of the terminated International Pacific Salmon Fisheries Commission.

Object Classification (in thousands of dollars)

Identification code 19-1087-0-1-302	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	240	457	539
25.0 Other services.....	132	1,300	1,330
41.0 Grants, subsidies, and contributions.....	9,495	9,043	9,279
99.9 Total obligations.....	9,867	10,800	11,148

OTHER

Federal Funds

General and special funds:

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refu-

gees, including contributions to the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980, allowances as authorized by sections 5921 through 5925 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code; **[\$346,856,000: Provided, That not less than \$25,000,000 shall be available for Soviet, Eastern European and other refugees resettling in Israel] \$314,450,000: Provided [further], That these funds shall be administered in a manner that ensures equity in the treatment of all refugees receiving Federal assistance: [Provided further, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to ensure against Communist infiltration in the Western Hemisphere: Provided further, That not more than \$8,500,000 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State:] Provided further, That amounts appropriated under this heading shall be available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)**

Program and Financing (in thousands of dollars)

Identification code 19-1143-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 U.S. refugee admissions program.....	105,342	194,725	105,685
00.02 Refugee assistance overseas.....	199,717	108,731	176,868
00.03 Other activities.....	21,462	34,900	23,000
00.04 Administrative expenses.....	7,720	8,500	8,897
10.00 Total obligations.....	334,241	346,856	314,450
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-10,000		
25.00 Unobligated balance lapsing.....	115		
40.00 Budget authority (appropriation).....	324,356	346,856	314,450
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	334,241	346,856	314,450
72.40 Obligated balance, start of year.....	122,121	121,119	144,762
74.40 Obligated balance, end of year.....	-121,119	-144,762	-145,212
77.00 Adjustments in expired accounts.....	-5,100		
90.00 Outlays.....	330,143	323,213	314,000

**U.S. refugee admissions program.**—The 1988 estimate assumes processing and transportation costs related to the admission of 55,000 refugees.

**Refugee assistance overseas.**—This program addresses the relief needs of refugees worldwide, including those in Indochina, Africa, Latin America and the Near East. Most funds will be provided to programs of international organizations, including the United Nations High Commissioner for Refugees.

**Other activities.**—This program covers a variety of activities, including contributions to the Intergovernmental Committee for Migration, the International Committee of the Red Cross, and the program assisting refugees immigrating to Israel.

Object Classification (in thousands of dollars)

Identification code 19-1143-0-1-151	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,541	3,995	4,647
11.3 Other than full-time permanent.....	506	522	538
11.5 Other personnel compensation.....	532	502	214
11.9 Total personnel compensation.....	4,579	5,019	5,399
12.1 Personnel benefits: Civilian.....	660	681	867
21.0 Travel and transportation of persons.....	428	642	603
22.0 Transportation of things.....	68	64	56

23.3	Communications, utilities, and miscellaneous charges .....	683	690	696
24.0	Printing and reproduction .....	52	42	44
25.0	Other services .....	918	975	985
26.0	Supplies and materials .....	75	129	106
31.0	Equipment .....	257	258	141
41.0	Grants, subsidies, and contributions .....	326,521	338,356	305,553
99.9	Total obligations .....	334,241	346,856	314,450

**Personnel Summary**

Total number of full-time permanent positions .....	106	107	107
Total compensable workyears: Full-time equivalent employment .....	108	100	102

**UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND**

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), \$14,000,000, to remain available until expended. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)

**Program and Financing (in thousands of dollars)**

Identification code 11-0040-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	11,957		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-18,095	-6,138	-20,138
24.40 Unobligated balance available, end of year .....	6,138	20,138	20,138
40.00 Budget authority (appropriation) .....		14,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	11,957		
72.40 Obligated balance, start of year .....	19,421	13,327	6,327
74.40 Obligated balance, end of year .....	-13,327	-6,327	-2,327
90.00 Outlays .....	18,051	7,000	4,000

The Emergency refugee and migration assistance fund enables the President to provide emergency assistance for unexpected, urgent refugee and migration needs.

**INTERNATIONAL NARCOTICS CONTROL**

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, as amended, [\$65,445,000, notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956] \$98,750,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

For an additional amount to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, \$53,000,000: Provided, That of this amount \$45,000,000 shall be made available only in accordance with the provisions of section 2001(2) of H.R. 5484, as passed in the Senate on September 30, 1986: Provided further, That funds made available by this paragraph shall be available through the regular notification procedures of the Committee on Appropriations. (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

**Program and Financing (in thousands of dollars)**

Identification code 11-1022-0-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Country programs .....	53,458	103,145	87,850
00.02 International organization programs .....	70	4,000	3,100
00.03 Program support and development .....	2,618	4,800	3,000
00.04 Interregional programs .....	3,925	6,500	4,800
10.00 Total obligations .....	60,071	118,445	98,750

<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-100		
21.40 Unobligated balance available, start of year .....		1	1
22.40 Unobligated balance transferred, net .....	-5,000		
24.40 Unobligated balance available, end of year .....	-1	-1	-1
25.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	85		
40.00 Budget authority (appropriation) .....	55,055	118,445	98,750
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	59,971	118,445	98,750
72.40 Obligated balance, start of year .....	41,930	42,038	83,845
74.40 Obligated balance, end of year .....	-42,038	-83,845	-90,707
77.00 Adjustments in expired accounts .....	-1,553		
90.00 Outlays .....	58,310	76,638	91,888

Assistance is provided to foreign countries and international organizations to help them control the production, processing, and illegal trafficking in narcotics and psychotropic drugs.

**Object Classification (in thousands of dollars)**

Identification code 11-1022-0-1-151	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,903	2,000	2,275
11.5 Other personnel compensation .....	1,140	1,430	1,369
11.9 Total personnel compensation .....	3,043	3,430	3,644
12.1 Personnel benefits: Civilian .....	265	350	369
13.0 Benefits for former personnel .....	40	30	25
21.0 Travel and transportation of persons .....	660	700	725
22.0 Transportation of things .....	95	95	95
23.2 Rental payments to others .....	410	425	425
24.0 Printing and reproduction .....	55	55	60
25.0 Other services .....	5,224	9,750	6,675
26.0 Supplies and materials .....	100	100	100
31.0 Equipment .....	250	250	250
41.0 Grants, subsidies, and contributions .....	49,929	103,260	86,382
99.9 Total obligations .....	60,071	118,445	98,750

**Personnel Summary**

Total number of full-time permanent positions .....	64	64	71
Total compensable workyears: Full-time equivalent employment .....	53	53	54

**ANTI-TERRORISM ASSISTANCE**

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, as amended, \$9,840,000. (Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 19-0114-0-1-152	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Program management .....	200	300	300
00.02 Executive seminars .....	567	1,105	1,105
00.03 Training assessment .....	58	162	162
00.04 Training .....	8,091	7,473	7,473
00.05 Equipment grants .....	921	800	800
10.00 Total obligations .....	9,837	9,840	9,840
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	3		
40.00 Budget authority (appropriation) .....	9,840	9,840	9,840
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	9,837	9,840	9,840
72.40 Obligated balance, start of year .....	3,988	8,821	6,869
74.40 Obligated balance, end of year .....	-8,821	-6,869	-6,869

General and special funds—Continued

ANTI-TERRORISM ASSISTANCE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
19-0114-0-1-152			
77.00 Adjustments in expired accounts.....	-17		
90.00 Outlays.....	4,987	11,792	9,840

This appropriation will provide for a program of anti-terrorism assistance and training for foreign law enforcement authorities as a part of the President's overall program to combat international terrorism.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0114-0-1-152			
21.0 Travel and transportation of persons.....	101	190	190
22.0 Transportation of things.....	1	9	9
23.3 Communications, utilities, and miscellaneous charges.....	49	62	62
24.0 Printing and reproduction.....	1	6	6
25.0 Other services.....	7,531	6,734	6,734
26.0 Supplies and materials.....	7	5	5
31.0 Equipment.....		34	34
41.0 Grants, subsidies, and contributions.....	2,147	2,800	2,800
99.9 Total obligations.....	9,837	9,840	9,840

U.S. BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS\*

\*See Part II for additional information.

For expenses, not otherwise provided for, to enable the United States to participate in programs of scientific and technological cooperation with Yugoslavia, **[\$1,900,000]** \$2,000,000, to remain available until expended. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-1151-0-1-153			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	1,914	1,900	2,000
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	<b>1,914</b>	<b>1,900</b>	<b>2,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,914	1,900	2,000
90.00 Outlays.....	1,914	1,900	2,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	1,914	1,900	2,000
Outlays.....	1,914	1,900	2,000
Supplemental under existing legislation:			
Budget authority.....		2,000	
Outlays.....		2,000	
Total:			
Budget authority.....	1,914	3,900	2,000
Outlays.....	1,914	3,900	2,000

These funds will pay the United States share of expenses for a bilateral science and technology (S&T) cooperative agreement between the United States and Yugoslavia.

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

For expenses not otherwise provided to enable the Secretary of State to reimburse private firms and American institutions of higher education for research contracts and graduate training for development and maintenance of knowledge about the Soviet Union and Eastern European countries, **[\$4,600,000]** \$5,000,000. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0118-0-1-153			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	4,588	4,600	5,000
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	6		
40.00 <b>Budget authority (appropriation)</b> .....	<b>4,594</b>	<b>4,600</b>	<b>5,000</b>
<b>Relations of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,588	4,600	5,000
72.40 Obligated balance, start of year.....	3,912	4,663	3,687
74.40 Obligated balance, end of year.....	-4,663	-3,687	-3,687
77.00 Adjustments in expired accounts.....	-1		
90.00 Outlays.....	3,836	5,576	5,000

This appropriation provides for advanced study and research projects of the Soviet Union and Eastern European countries by American institutions of higher education and private research firms.

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, **[\$8,800,000]** \$9,671,000, to remain available until expended. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0525-0-1-153			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	11,570	8,800	9,671
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....	<b>11,570</b>	<b>8,800</b>	<b>9,671</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	11,570	8,800	9,671
72.40 Obligated balance, start of year.....	586	2,436	500
74.40 Obligated balance, end of year.....	-2,436	-500	-500
90.00 Outlays.....	9,720	10,736	9,671

The Asia Foundation promotes friendship and cooperation between Asian nations and the United States by providing grants within Asian countries to fill needs not met by direct Federal programs.

ASSISTANCE FOR IMPLEMENTATION OF A CONTADORA AGREEMENT

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0526-0-1-153			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,000	-2,000	
22.40 Unobligated balance transferred, net.....		2,000	
24.40 Unobligated balance available, end of year.....	2,000		
39.00 <b>Budget authority</b> .....			

Relation of obligations to outlays:

71.00	Obligations incurred, net .....	.....	.....	.....
90.00	Outlays.....	.....	.....	.....

These funds were transferred to a new account entitled "Promotion of Stability and Security in Central America" and are intended to facilitate the participation of Costa Rica, El Salvador, Guatemala, and Honduras in regional meetings and negotiations to promote peace, security, and stability in the region.

COUNTERTERRORISM RESEARCH AND DEVELOPMENT

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-0116-0-1-153			
<b>Program by activities:</b>			
10.00	Total obligations (object class 25.0) .....	10,000	.....
<b>Financing:</b>			
40.00	Budget authority (appropriation) .....	10,000	.....
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	10,000	.....
72.40	Obligated balance, start of year .....	.....	10,000
74.40	Obligated balance, end of year .....	-10,000	-1,500
90.00	Outlays.....	8,500	1,500

These funds provide for special interagency counterterrorism research and development programs.

INTERNATIONAL CENTER, WASHINGTON, D.C.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-5151-0-2-153			
<b>Program by activities:</b>			
10.00	Total obligations .....	6,053	1,221 945
<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	-196	-376 -100
24.40	Unobligated balance available, end of year .....	376	100 100
60.00	Budget authority (appropriation) (permanent, indefinite, special fund) .....	6,233	945 945
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	6,053	1,221 945
72.40	Obligated balance, start of year .....	1,141	5,564 5,840
74.40	Obligated balance, end of year .....	-5,564	-5,840 -5,840
90.00	Outlays.....	1,630	945 945

These funds provide for the development, sale, exchange, or lease to foreign governments or international organizations of property, owned by the United States, in the District of Columbia.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-5151-0-2-153			
21.0	Travel and transportation of persons .....	40	30
23.2	Rental payments to others .....	13	14 14
24.0	Printing and reproduction .....	-3	1 1
25.0	Other services .....	215	766 317
26.0	Supplies and materials .....	.....	2 2
31.0	Equipment .....	2	5 23
32.0	Lands and structures.....	5,826	393 558
99.9	Total obligations.....	6,053	1,221 945

FISHERMEN'S PROTECTIVE FUND

For expenses necessary to carry out the provisions of the Fishermen's Protective Act of 1967, as amended, \$1,000,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-5116-0-2-376			
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0) .....	255	79 1,000
<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	-334	-79 .....
24.40	Unobligated balance available, end of year .....	79	.....
40.00	Budget authority (appropriation) .....	.....	1,000
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	255	79 1,000
74.40	Obligated balance, end of year .....	.....	-736
90.00	Outlays.....	255	79 264

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	15	15 15
1290	Outstanding, end of year .....	15	15 15

The fishermen's protective fund was created to reimburse owners of vessels for amounts of fines, fees and other direct charges which were paid by owners to a foreign country to secure the release of their vessels and crews.

FISHERMEN'S GUARANTY FUND

For expenses necessary to carry out the provisions of section 7 of the Fishermen's Protective Act of 1967, as amended, \$1,800,000 to be derived from the receipts collected pursuant to that Act, to remain available until expended. (22 U.S.C. 1977; Public Law 99-659; Department of Commerce Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
19-5121-0-2-376			
<b>Program by activities:</b>			
10.00	Total obligations .....	2,070	2,070 1,800
<b>Financing:</b>			
21.98	Unobligated balance available, start of year .....	-129	-368 -98
24.98	Unobligated balance available, end of year .....	368	98 98
39.00	Budget authority .....	2,309	1,800 1,800
Budget authority:			
40.00	Appropriation (special fund) .....	1,161	1,800 1,800
40.00	Appropriation (general fund) .....	1,148	.....
43.00	Appropriation (adjusted) .....	2,309	1,800 1,800
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	2,070	2,070 1,800
90.00	Outlays.....	2,070	2,070 1,800

This fund provides for payment to vessel owners and crews to compensate for certain financial losses sustained as a result of foreign seizures of American fishing vessels found within 200 miles of their coasts. This program was transferred from the Department of Commerce to the Department of State in 1987 pursuant to section 408 of Public Law 99-659.

General and special funds—Continued

FISHERMEN'S GUARANTY FUND—Continued

Output/performance measures:	1986 actual	1987 est.	1988 est.
Number of claims received.....	2	4	4
Number of claims processed.....	2	2	3

Object Classification (in thousands of dollars)

Identification code 19-5121-0-2-376	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	29	29	29
12.1 Personnel benefits: Civilian.....	4	4	4
21.0 Travel and transportation of persons.....	2	2	2
42.0 Insurance claims and indemnities.....	2,035	2,035	1,765
99.9 Total obligations.....	2,070	2,070	1,800

Personnel Summary

Total number of full-time permanent positions.....	1	1
Total compensable workyears: Full-time equivalent employment.....	2	2

GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 301. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapters 59 of 5 U.S.C.; for services as authorized by 5 U.S.C. 3109; and hire of passenger or freight transportation.

SEC. 302. [The Secretary of State shall report to the appropriate Committees of the Congress on the obligation of funds provided for diplomatic security and related expenses every thirty days from the date of enactment of this Act.] Funds made available under this Act or any other Act for the employing agency contributions prescribed by the Civil Service Retirement System (5 U.S.C. ch. 83), the Foreign Service Retirement System (22 U.S.C. 4041 et seq.), and the Federal Employees' Retirement System Act of 1986 (Public Law 99-335), as amended, for any Executive agency, as defined in 31 U.S.C. 102, with direct pay costs in fiscal year 1988 of over \$25,000,000 shall be available only for such purpose. If the total amount obligated for fiscal year 1988 for such employing agency contributions is less than the estimate for such contributions reflected in the President's Budget, then the difference between the estimated and actual obligations shall not be available for obligation. (Department of State Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

# DEPARTMENT OF TRANSPORTATION

## FEDERAL HIGHWAY ADMINISTRATION

Title 23 U.S.C. ("Highways") and other supporting legislation provide authority for the various programs of the Federal Highway Administration designed to improve highways throughout the Nation. Proposed legislation will provide authorizations from 1987 through 1990 in general, and make several significant changes to the Federal-aid highways program.

In summary, the 1988 budget contemplates \$13,473.1 million in budget authority and \$12,933.2 million in outlays. The following table compares 1988 program level (obligations) with those of prior years.

[In millions of dollars]			
Account:	1986 actual	1987 est.	1988 est.
Federal-aid highways.....	14,227.0	11,800.0	13,387.0
Interstate construction.....	(3,930.5)		
Interstate 4R.....	(2,230.0)		
Primary.....	(2,290.1)		
Interstate/primary.....		(6,819.5)	(8,228.9)
Interstate substitutions.....	(761.4)	(300.0)	(500.0)
Secondary system.....	(472.0)	(200.0)	
Urbanized system.....	(692.1)	(200.0)	
Bridge construction.....	(1,656.8)	(700.0)	(1,000.0)
Safety construction.....	(360.2)	(275.0)	(300.0)
Federal lands highway program.....	(180.0)	(200.0)	(200.0)
Administration and research.....	(184.6)	(207.7)	(220.0)
Block grant.....		(2,000.0)	(2,000.0)
Other.....	(1,469.4)	(897.8)	(938.0)
Motor carrier safety.....	13.8	20.0	24.7
Railroad-highway crossings demonstration projects.....	5.5	7.8	7.8
Access highways to lakes.....	5.0	12.2	
Waste isolation pilot projects.....	9.5	11.5	
Expressway gap closing.....		14.8	
Miscellaneous appropriations.....	19.4	21.6	
Highway-related safety grants.....	9.6	10.0	10.0
Baltimore-Washington Parkway.....	2.9	8.0	
Trust fund share.....	11.2	16.2	15.5
Highway safety research and development.....	7.6	8.5	
Motor carrier safety grants.....	15.9	53.1	50.0
Miscellaneous trust funds.....	7.7	6.2	1.4
Miscellaneous highway trust funds.....	1.1	39.4	
Right-of-way revolving fund.....	43.5		
<b>Total program level.....</b>	<b>14,379.9</b>	<b>12,029.4</b>	<b>13,496.4</b>

### Federal Funds

#### General and special funds:

#### [MOTOR CARRIER SAFETY]

[For necessary expenses to carry out the motor carrier safety functions of the Secretary as authorized by the Department of Transportation Act (80 Stat. 939-940), \$19,515,000, of which \$1,600,000 shall remain available until expended, and not to exceed \$1,532,000 shall be available for "Limitation on general operating expenses."]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code 69-0552-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operations.....	12,102	18,423	
00.02 Research and development.....	1,045	2,118	
00.03 Demonstration program.....	465	6	
00.04 Administration.....	230	300	
<b>10.00 Total obligations.....</b>	<b>13,842</b>	<b>20,847</b>	

#### Financing:

13.00 Offsetting collections from: Trust funds.....		-808	
21.40 Unobligated balance available, start of year.....	-1,121	-524	
24.40 Unobligated balance available, end of year.....	524		
25.00 Unobligated balance lapsing.....	57		
<b>40.00 Budget authority (appropriation).....</b>	<b>13,302</b>	<b>19,515</b>	

#### Relation of obligations to outlays:

71.00 Obligations incurred, net.....	13,842	20,039	
72.40 Obligated balance, start of year.....	2,436	3,512	3,523
74.40 Obligated balance, end of year.....	-3,512	-3,523	-1,491
77.00 Adjustments in expired accounts.....	-171		
<b>90.00 Outlays.....</b>	<b>12,595</b>	<b>20,028</b>	<b>2,032</b>

Note.—Excludes \$24,744 thousand in 1988 for activities transferred to Motor Carrier Safety (trust fund). Comparable amounts for 1986 (\$13,302 thousand) and 1987 (\$19,515 thousand) are included above.

The motor carrier safety mission is to reduce the risk of accidents in truck and bus highway transportation by regulation of motor carriers engaged in interstate commerce through safety management audits and roadside examinations. The program also seeks to simplify the Federal Motor Carrier Safety Regulations, increase regulatory compliance, and support commercial motor vehicle related safety research. It is proposed that the motor carrier safety program be financed from the Highway Trust Fund starting in 1988.

#### Object Classification (in thousands of dollars)

Identification code 69-0552-0-1-401	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	8,094	11,038	
11.3 Other than full-time permanent.....	186	428	
11.5 Other personnel compensation.....	166	77	
11.9 Total personnel compensation.....	8,446	11,543	
12.1 Personnel benefits: Civilian.....	1,245	2,240	
21.0 Travel and transportation of persons.....	1,028	2,192	
22.0 Transportation of things.....	94	30	
23.3 Communications, utilities, and miscellaneous charges.....	29	164	
24.0 Printing and reproduction.....	1	116	
25.0 Other services.....	2,666	3,718	
26.0 Supplies and materials.....	64	91	
31.0 Equipment.....	269	753	
<b>99.9 Total obligations.....</b>	<b>13,842</b>	<b>20,847</b>	

#### Personnel Summary

Total number of full-time permanent positions.....	373	433
Total compensable workyears: Full-time equivalent employment.....	266	429

#### [RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS]

[For necessary expenses of certain railroad-highway crossings demonstration projects as authorized by section 163 of the Federal-Aid Highway Act of 1973, as amended, to remain available until expended, \$11,750,000, of which \$7,833,333 shall be derived from the Highway Trust Fund.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

General and special funds—Continued

**【RAILROAD-HIGHWAY CROSSINGS DEMONSTRATION PROJECTS】—  
Continued**

**Program and Financing (in thousands of dollars)**

Identification code 69-0557-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	5,610	7,813	7,814
00.02 Reimbursable program.....	11,219	15,515	15,515
10.00 Total obligations (object class 41.0).....	16,829	23,328	23,329
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	-11,219	-15,515	-15,515
21.40 Unobligated balance available, start of year.....	-12,215	-11,710	-7,814
24.40 Unobligated balance available, end of year.....	11,710	7,814	
40.00 Budget authority (appropriation).....	5,104	3,917	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	5,610	7,813	7,814
72.40 Obligated balance, start of year.....	10,135	9,129	11,728
74.40 Obligated balance, end of year.....	-9,129	-11,728	-12,740
90.00 Outlays.....	6,615	5,214	6,802

This program provides for congressionally-mandated projects in 18 cities. The 1987 appropriations act provided a total of \$11.75 million (\$3.9 million general funds and \$7.8 million trust funds) for this program. It is anticipated that these funds and unobligated balances will be obligated during 1987 and 1988. Trust fund amounts for railroad-highway crossings demonstration projects are included in the account, "Trust Fund Share of Other Highway Programs."

No additional appropriation is requested for this program.

**【ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES】**

【Notwithstanding any other provision of law, there is appropriated \$5,000,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended: *Provided*, That \$1,700,000 shall be made available for a project in Morton County, North Dakota and \$469,000 shall be made available for the Rice Lake Project in Ward County, North Dakota, which shall be considered eligible for funding.】

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0503-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	4,984	12,239	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,438	-7,239	
22.40 Unobligated balance transferred, net.....	-5,000		
24.40 Unobligated balance available, end of year.....	7,239		
40.00 Budget authority (appropriation).....	4,785	5,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,984	12,239	
72.40 Obligated balance, start of year.....	19,277	16,049	18,129
74.40 Obligated balance, end of year.....	-16,049	-18,129	-8,429
77.00 Adjustments in expired accounts.....	-5		
90.00 Outlays.....	8,208	10,159	9,700

The Federal-Aid Highway Amendments of 1974 authorized a program to construct or reconstruct access

highways to public recreation areas on lakes. No additional appropriation is requested for this program.

**【WASTE ISOLATION PILOT PROJECT ROADS】**

【For necessary expenses in connection with the upgrading of certain highways for the transportation of nuclear waste generated during defense-related activities, not otherwise provided for, \$10,000,000, to remain available until expended.】

Note.—Public Laws 99-500 and 99-951, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0562-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	9,478	11,498	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-4,277	-1,498	
24.40 Unobligated balance available, end of year.....	1,498		
40.00 Budget authority (appropriation).....	6,699	10,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	9,478	11,498	
72.40 Obligated balance, beginning of year.....	17,655	11,547	13,683
74.40 Obligated balance, end of year.....	-11,547	-13,683	-4,707
90.00 Outlays.....	15,586	9,362	8,976

This appropriation contains \$10.0 million in 1987 for highway activities connected with the Waste Isolation Pilot Project in New Mexico. Certain highways in that State are being upgraded for the transportation of nuclear waste generated during defense-related activities. No additional appropriation is requested for this program.

**【EXPRESSWAY GAP CLOSING DEMONSTRATION PROJECT】**

【For necessary expenses to carry out a highway construction project along State Route 113 in north-central California that demonstrates methods of reducing motor vehicle congestion and increasing employment, \$6,200,000, to remain available until expended: *Provided*, That such funds shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0563-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....		14,813	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-8,613	
24.40 Unobligated balance available, end of year.....	8,613		
40.00 Budget authority (appropriation).....	8,613	6,200	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		14,813	
72.40 Obligated balance, beginning of year.....			11,850
74.40 Obligated balance, end of year.....		-11,850	-7,110
90.00 Outlays.....		2,963	4,740

This appropriation provided \$6.2 million in 1987 for a highway construction project to close an expressway gap on California Route 113 between the cities of Davis

and Woodland. No additional appropriation is requested for this program.

MISCELLANEOUS APPROPRIATIONS  
[AIRPORT-HIGHWAY DEMONSTRATION PROJECT]  
[(TRANSFER OF FUNDS)]

[For necessary expenses to carry out a highway project to depress a highway in Shawnee, Oklahoma, that demonstrates methods of improving air service to a small community by extension of a runway over a depressed road, \$1,887,000, to remain available until expended.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-9911-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Territorial highways.....	392	2,575	
00.02 Rural highway public transportation.....		584	
00.03 Alaska highway.....	2	229	
00.04 Rail crossing demonstration projects.....		403	
00.05 Highway widening demonstration.....	8,620	411	
00.06 Interstate transfer grants.....	4,021	1,849	
00.07 Highway beautification.....	733	1,233	
00.08 Auto-pedestrian separation demonstration.....		1,650	
00.09 Highway safety separation demonstration.....	5,274	6,485	
00.10 Rail line consolidation.....	380	3,620	
00.11 Airport highway demonstration.....		3,237	
10.00 Total obligations (object class 41.0).....	19,422	22,276	
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....		-711	
17.00 Recovery of prior year obligations.....	-4,562		
21.40 Unobligated balance available, start of year.....	-81,737	-69,678	
22.40 Unobligated balance transferred, net.....	-5,350	50,000	
24.40 Unobligated balance available, end of year.....	69,678		
25.00 Unobligated balance lapsing.....	2,549		
40.00 Budget authority (appropriation).....		1,887	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	19,422	21,565	
72.40 Obligated balance, start of year.....	265,259	155,840	111,126
74.40 Obligated balance, end of year.....	-155,840	-111,126	-58,065
77.00 Adjustments in expired accounts.....	-275		
78.00 Adjustments in unexpired accounts.....	-4,562		
90.00 Outlays.....	124,005	66,279	53,061
<b>Distribution of budget authority by account: Airport highway demonstration.....</b>			
		1,887	
<b>Distribution of outlays by account:</b>			
Interstate transfer grants.....	99,109	39,329	29,497
Highway crossing—Federal projects.....	93	20	15
Mianus bridge assistance.....	140	105	
Highway widening demonstration.....	9,512	4,802	3,671
Rural highway public transportation.....	-55	-4	-1
Alaska Highway.....	46	134	139
Territorial highways.....	1,010	2,304	2,166
Bikeway demonstrations.....	13	78	58
Highway beautification.....	3,722	4,300	3,435
Rail crossing demonstration projects.....	95	174	176
Highway related safety grants.....		5	3
Off system rail highway demonstration.....	2,504	4,922	3,692
Safer off system roads.....	6,601	3,457	2,593
Off system roads.....	397	639	479
Bicycle program.....	63	100	75
Public lands.....	14	5	4
Inter-American highway.....		35	26
Darien Gap Highway.....		815	611
Highway safety separation demonstration.....	881	3,131	3,451
Rail line consolidation project.....		876	1,272
Airport-highway demonstration.....		647	1,036
Auto pedestrian demonstration.....		370	558

This consolidated schedule displays programs that no longer require appropriations and shows the obligation and outlay of amounts made available in prior years.

For 1987, a total of \$50,000,000 is proposed to be transferred elsewhere within the Department for program supplementals.

Trust Funds

FEDERAL-AID HIGHWAYS (LIMITATION ON OBLIGATIONS) (HIGHWAY TRUST FUND)

[None of the funds in the Act] No funds shall be available for the implementation or execution of programs the obligations for which are in excess of \$13,000,000,000 \$12,787,000,000 for Federal-aid highways and highway safety construction programs for fiscal year [1987] 1988.

FEDERAL-AID HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION) (HIGHWAY TRUST FUND)

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23 U.S.C. 308, \$13,130,000,000 \$13,400,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-8083-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Interstate construction.....	3,930,474	2,570,000	3,150,000
00.02 Interstate 4R.....	2,229,984		
00.03 Primary system.....	2,290,052		
00.04 Interstate/primary.....		4,249,478	5,078,909
00.05 Interstate substitutions.....	761,363	300,000	500,000
00.06 Secondary system.....	472,000	200,000	
00.07 Urban system.....	692,137	200,000	
00.08 Bridge program.....	1,656,793	700,000	1,000,000
00.09 Safety construction programs.....	360,176	275,000	300,000
00.10 Federal lands highway program.....	180,041	200,000	200,000
00.11 Block grants.....		2,000,000	2,000,000
00.12 Administration and research.....	184,629	207,701	220,040
00.13 Other.....	1,469,405	897,821	938,051
00.91 Total direct program.....	14,227,054	11,800,000	13,387,000
01.01 Reimbursable program.....	20,390	35,000	35,000
10.00 Total obligations.....	14,247,444	11,835,000	13,422,000
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-8,563	-14,700	-14,700
13.00 Trust funds.....	-82	-140	-140
14.00 Non-Federal sources.....	-11,745	-20,160	-20,160
21.49 Unobligated balance available, start of year.....	-7,304,243	-7,682,775	-9,269,775
24.49 Unobligated balance available, end of year.....	7,682,775	9,269,775	9,269,775
25.00 Unobligated balance lapsing.....	4,735		
39.00 Budget authority.....	14,610,321	13,387,000	13,387,000
<b>Budget authority:</b>			
<b>Current authority:</b>			
40.00 Appropriation.....	13,836,000	13,130,000	13,400,000
40.49 Portion applied to liquidate contract authority.....	-13,836,000	-13,130,000	-13,400,000
43.00 Appropriation (adjusted).....			
49.10 Contract authority.....		9,287,000	
<b>Permanent authority:</b>			
69.10 Contract authority (Public Laws 94-280, 97-134, 97-369).....	14,610,321	4,100,000	13,387,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	14,227,054	11,800,000	13,387,000

FEDERAL-AID HIGHWAYS (LIMITATION ON OBLIGATIONS) (HIGHWAY TRUST FUND)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	69-8083-0-7-401	1986 actual	1987 est.	1988 est.
	Obligated balance, start of year:			
72.40	Appropriation.....	1,635,614	1,520,330	2,159,330
72.49	Contract authority.....	19,586,741	19,977,795	18,647,795
	Obligated balance, end of year:			
74.40	Appropriation.....	-1,520,330	-2,159,330	-2,833,330
74.49	Contract authority.....	-19,977,795	-18,647,795	-18,634,795
90.00	Outlays.....	13,951,284	12,491,000	12,726,000

Note.—Reauthorization legislation has been proposed which would consolidate the Interstate Construction, Interstate 4R and Primary programs into a combined Interstate/Primary program authorized at \$8,160 million beginning in 1987.

Status of Direct Loans (in thousands of dollars)

Identification code	69-8083-0-7-401	1986 actual	1987 est.	1988 est.
	Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans to the public.....			
1131	Obligations exempt from limitation: Direct loans to the public.....	26,603		
1150	Total direct loan obligations.....	26,603		
	Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	74,885	76,262	76,582
1231	Disbursements: Direct loan disbursements.....	1,377	320	40
1290	Outstanding, end of year.....	76,262	76,582	76,622

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year.....	26,890,984	27,660,570	27,917,570
Contract authority.....	14,610,321	13,387,000	13,387,000
Unfunded balance lapsing.....	-4,735		
Appropriation from highway trust fund to liquidate contract authority.....	-13,836,000	-13,130,000	-13,400,000
Unfunded balance, end of year.....	27,660,570	27,917,570	27,904,570

Grants are made available to States under the following programs for construction and improvements on the National System of Interstate and Defense Highways and for urban and rural transportation programs. To avoid the proliferation of programs exempt from routine funding controls, a Federal-aid highways obligation limitation of \$12.787 billion, covering all Federal-aid programs except emergency relief and minimum allocation is proposed.

The 1988 budget proposal for Federal-Aid Highways budget authority, obligations, and obligation limitation presumes repeal of existing tax exemptions for gasohol, public and private buses, and State and local government vehicles. Average annual budget authority for all highway programs would be equal to average annual net revenue from highway user fees for the reauthorization period. Without repeal of the tax exemptions, the proposed Federal-Aid Highways 1988 budget authority, obligations, and obligation limitation would be reduced by \$612 million.

**Interstate construction.**—Interstate construction funds are proposed to be incorporated into the Interstate/primary program in 1987. States will decide whether to use the funds for construction or preservation of the existing network. States can be expected to construct high priority Interstate segments, not yet built, especially gaps between major urbanized areas.

**Interstate/Primary.**—Preserves and continues the Nation's investment in the Interstate highway system through a program of construction, resurfacing, restoring, rehabilitation, and reconstruction. Also provides grants to States for highway construction, reconstruction and related planning for the primary highway system.

**Interstate substitutions.**—Provides grants to States and localities which withdraw previously approved Interstate segments and apply authorized funds to substitute highway or transit projects.

**Secondary/Urban.**—Provides grants to States for highway construction, rehabilitation, reconstruction, and related planning and research on the secondary and urban systems in rural and small urban areas. These programs will be replaced by the Block Grant program in 1987. Obligations from the previous secondary and urban authorizations will continue to be incurred in 1987.

**Bridge program.**—Provides grants to States to replace or rehabilitate bridges on the primary system with deficiencies that are hazardous to the safety of motorists. Funds for bridges off the primary system are included in the block grant.

**Safety Construction programs.**—Provides grants to States for safety improvements to the highway systems, including hazard elimination, pavement marking, and rail highway crossings.

**Federal Lands Highways.**—Provides funds for improvements on forest highways, park roads, Indian reservation roads and public lands highways. The Department of Transportation coordinates with the land managing agency in the planning studies and program development of public Federal lands highways.

**Block Grant.**—Beginning in 1987, provides grants to States for highway projects on any main public road not on the Interstate and Primary systems. This program is proposed to be authorized in lieu of the current secondary, urban, and nonprimary bridge programs.

**Administration and research.**—Provides for executive and general administrative and research expenses of Federal-aid highways. These funds are controlled by the limitation on general operating expenses.

**Other.**—Provides for emergency relief, minimum allocation, Federal lands, and other miscellaneous programs.

The improvements in the Federal-aid highway program highlighted above are designed to focus Federal involvement and funding generally on the programs of highest Federal interest (e.g., Interstate and primary), and to increase flexibility to the States to use Federal-aid program funds to address their particular needs and priorities.

Object Classification (in thousands of dollars)

Identification code	69-8083-0-7-401	1986 actual	1987 est.	1988 est.
	FEDERAL HIGHWAY ADMINISTRATION			
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent.....	6,366	6,778	6,908
11.3	Other than full-time permanent.....	1,086	1,184	1,203
11.5	Other personnel compensation.....	612	649	666
11.9	Total personnel compensation.....	8,064	8,611	8,778

12.1	Personnel benefits: Civilian .....	968	1,033	1,062
21.0	Travel and transportation of persons .....	2,799	2,867	2,866
22.0	Transportation of things .....	696	726	733
23.2	Rental payments to others .....	608	618	628
24.0	Printing and reproduction .....	137	149	152
25.0	Other services .....	7,070	9,429	5,988
26.0	Supplies and materials .....	287	318	323
31.0	Equipment .....	64	71	72
32.0	Lands and structures .....	113,210	107,750	132,786
33.0	Investments and loans .....	26,603		
41.0	Grants, subsidies, and contributions .....	13,735,713	11,331,897	12,882,672
93.0	Limitation on general operating expenses (see separate schedule) .....	184,620	207,701	220,040
99.0	Subtotal direct obligations, Federal Highway Administration .....	14,080,839	11,671,170	13,256,100
99.0	Reimbursable obligations, Federal Highway Administration .....	20,390	35,000	35,000
<b>ALLOCATION ACCOUNTS</b>				
Personnel compensation:				
11.1	Full-time permanent .....	11,720	12,079	12,019
11.3	Other than full-time permanent .....	7,733	8,260	8,235
11.5	Other personnel compensation .....	2,003	2,187	2,187
11.8	Special personal services payments .....	23	13	13
11.9	Total personnel compensation .....	21,479	22,539	22,454
12.1	Personnel benefits: Civilian .....	2,120	1,866	1,859
21.0	Travel and transportation of persons .....	2,712	2,430	2,324
22.0	Transportation of things .....	2,109	1,840	1,738
23.1	Rental payments to GSA .....	4		
23.2	Rental payments to others .....	1,986	1,459	1,155
24.0	Printing and reproduction .....	203	145	126
25.0	Other services .....	25,297	17,154	12,729
26.0	Supplies and materials .....	5,606	4,350	3,589
31.0	Equipment .....	1,231	1,260	1,330
32.0	Lands and structures .....	83,419	75,766	83,592
41.0	Grants, subsidies, and contributions .....	49	21	4
99.0	Subtotal obligations, allocation accounts .....	146,215	128,830	130,900
99.9	Total obligations .....	14,247,444	11,835,000	13,422,000
Obligations are distributed as follows:				
	Federal Highway Administration .....	14,101,229	11,706,170	13,291,100
	Urban Mass Transportation Administration .....	4,216	10,000	10,000
	Army: Corps of Engineers .....	- 336		
	Agriculture: Forest Service .....	15,298	4,400	2,000
	Interior:			
	Bureau of Indian Affairs .....	112,279	101,200	105,800
	National Park Service .....	14,731	13,200	13,100
	Bureau of Land Management .....	27	30	

**Personnel Summary**

<b>FEDERAL HIGHWAY ADMINISTRATION</b>				
Direct:				
	Total number of full-time permanent positions .....	248	266	268
	Total compensable workyears:			
	Full-time equivalent employment .....	268	308	311
	Full-time equivalent of overtime and holiday hours .....	24	24	25
Reimbursable:				
	Total number of full-time permanent positions .....	101	97	97
	Total compensable workyears:			
	Full-time equivalent employment .....	136	119	119
	Full-time equivalent of overtime and holiday hours .....	2	5	5
<b>ALLOCATION ACCOUNTS</b>				
	Total number of full-time permanent positions .....	626	576	560
	Total compensable workyears:			
	Full-time equivalent employment .....	807	751	732
	Full-time equivalent of overtime and holiday hours .....	10	6	4

**LIMITATION ON GENERAL OPERATING EXPENSES**

Necessary expenses for administration, operation, and research of the Federal Highway Administration, not to exceed **[\$202,750,000]** **\$220,140,000**, shall be paid, in accordance with law, from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided*, That not to exceed **[\$39,288,000]** **\$38,638,000** of the amount provided herein shall

remain available until expended: *Provided further*, That, notwithstanding any other provision of law, there may be credited to this account funds received from States, counties, municipalities, other public authorities and private sources, for training expenses incurred for non-Federal employees.

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Program direction and coordination:			
Executive direction .....	914	962	1,041
Program review .....	223	234	254
Legal services .....	1,967	2,072	2,241
Public affairs .....	137	145	156
Civil rights .....	835	880	951
General program support:			
Policy .....	4,472	5,833	5,674
Research, development, and technology .....	33,203	33,678	34,179
Administrative support .....	40,902	43,099	46,604
National Highway Institute .....	954	1,416	1,416
Career development programs .....	2,731	2,878	3,112
Highway programs:			
Engineering and program development .....	11,207	13,478	14,065
Right-of-way and environment .....	3,230	3,903	3,681
Safety and traffic operations .....	3,889	4,034	3,810
Motor carriers .....	1,249	943	1,064
Construction skill training and minority business enterprise .....	12,101	14,036	12,500
Demonstration bonding program .....	91	4,909	
Field operations .....	78,455	82,655	89,392
Total obligations .....	196,560	215,155	220,140
<b>Financing:</b>			
Offsetting collections from: Federal funds .....	- 2,991		
Unobligated balance available, start of year .....	- 8,031	- 9,174	
Unobligated balance available, end of year .....	9,174		
Unobligated balance lapsing .....	287		
<b>Limitation .....</b>	<b>194,999</b>	<b>202,750</b>	<b>220,140</b>
Proposed increase due to civilian pay increase .....		1,299	
Proposed increase due to retirement increase .....		1,933	
Relation of obligations to outlays:			
Obligations incurred, net .....	193,569	215,155	220,140
Obligated balance, start of year .....	206,301	221,975	243,468
Obligated balance, end of year .....	- 221,975	- 243,468	- 257,527
Outlays from limitations .....	177,895	193,663	206,080

This limitation provides for the salaries and expenses of the Federal Highway Administration. Resources are allocated from the following programs: Federal-aid highways, and highway-related safety grants.

*Program direction and coordination.*—Provides overall direction and coordination of the highway transportation program, including program review of agency operations; provides legal services for all programs; plans and directs public affairs programs; and develops and recommends policies and standards, and ensures compliance with the civil rights and equal opportunity procedures by the Federal Highway Administration and by recipients of grants-in-aid administered by the Federal Highway Administration.

*General program support.*—Formulates policy, multi-year and long-range plans and goals for highway programs, and data and analyses for current and long-range programming; conducts direct and contract research and development relating to traffic operations, new construction techniques, and the social and environmental aspects of highways; provides administrative support services for all elements of the Federal Highway Administration; and provides on-the-job training for employees of the Federal Highway Administration

FEDERAL-AID HIGHWAYS (LIMITATION ON OBLIGATIONS) (HIGHWAY TRUST FUND)—Continued

LIMITATION ON GENERAL OPERATING EXPENSES—Continued

and training opportunities for other highway-related personnel. As part of an Administration initiative to shift Federal activities to the private sector, it is proposed that operation of the Turner-Fairbank Highway Research Center be carried out by contract with a non-Federal entity. The budget also proposes to consolidate the activities of the Highway Safety Research and Development program within this account.

**Highway programs.**—Provides engineering guidance to Federal and State agencies and to foreign governments, and conducts a program to encourage use of modern traffic engineering procedures to increase the vehicle-carrying capacity of existing highways and urban streets; assists States, other Federal agencies, and certain foreign countries in right-of-way acquisition and develops procedures for highway location selection and consideration of environmental impacts; and finances construction skill training programs for disadvantaged workers hired by contractors on federally aided highway projects.

**Field operations.**—Provides staff advisory and support services in field offices of the Federal Highway Administration; and provides program and engineering supervision of the several highway programs through 9 regional and 52 division offices.

Object Classification (in thousands of dollars)

Identification code 69-8083-0-7-401	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	101,034	100,125	98,270
11.3 Other than full-time permanent .....	1,909	2,879	2,799
11.5 Other personnel compensation .....	1,626	1,705	1,705
11.9 Total personnel compensation.....	104,569	104,709	102,774
12.1 Personnel benefits: Civilian .....	13,733	16,365	21,551
13.0 Benefits for former personnel.....	44	50	50
21.0 Travel and transportation of persons.....	4,533	5,209	5,395
22.0 Transportation of things.....	873	713	738
23.1 Rental payments to GSA.....	9,562	11,403	12,418
23.2 Rental payments to others.....	4,936	5,852	6,053
24.0 Printing and reproduction.....	1,173	1,200	1,244
25.0 Other services.....	55,138	67,349	67,398
26.0 Supplies and materials.....	1,001	1,054	1,223
31.0 Equipment.....	987	1,251	1,296
42.0 Insurance claims and indemnities.....	11		
93.0 Administrative expenses included in schedule for fund as a whole.....	-196,560	-215,155	-220,140
99.0 Total obligations.....			

Personnel Summary

Total number of full-time permanent positions.....	2,629	2,621	2,492
Total compensable workyears:			
Full-time equivalent employment .....	2,717	2,749	2,617
Full-time equivalent of overtime and holiday hours .....	10	14	14

HIGHWAY-RELATED SAFETY GRANTS (LIQUIDATION OF CONTRACT AUTHORIZATION) (HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, administered by the Federal Highway Administration, to remain available until expended, [\$12,000,000] \$10,000,000, to be derived from the Highway Trust Fund: *Provided*, That not to exceed \$100,000 of the amount appropriated herein shall be available for "Limitation on general operating expenses": *Provided further*, That none of the funds in this Act shall

be available for the planning or execution of programs the obligations for which are in excess of \$10,000,000 in fiscal year [1987] 1988 for "Highway-related safety grants". (*Additional authorizing legislation to be proposed.*)

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-8019-0-7-401	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 State and community grants.....	9,474	9,900	9,900
00.02 Administration of grant programs.....	96	100	100
10.00 Total obligations.....	9,570	10,000	10,000
Financing:			
39.00 Budget authority.....	9,570	10,000	10,000
Budget authority:			
Current:			
40.00 Appropriation.....	9,000	12,000	10,000
40.49 Portion applied to liquidate contract authority.....	-9,000	-12,000	-10,000
43.00 Appropriation (adjusted).....			
49.10 Contract authority.....		10,000	
Permanent:			
69.10 Contract authority (90 Stat. 451, 92 Stat. 2727).....	9,570		10,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	9,570	10,000	10,000
Obligated balance, start of year:			
72.40 Appropriation.....	4,677	2,873	5,575
72.49 Contract authority.....	14,802	15,372	13,372
Obligated balance, end of year:			
74.40 Appropriation.....	-2,873	-5,575	-4,902
74.49 Contract authority.....	-15,372	-13,372	-13,372
90.00 Outlays.....	10,804	9,298	10,673

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 69-8019-0-7-401	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....	14,802	15,372	13,372
Contract authority.....	9,570	10,000	10,000
Appropriation to liquidate contract authority.....	-9,000	-12,000	-10,000
Unfunded balance, end of year.....	15,372	13,372	13,372

The Highway Safety Act of 1970 authorized grants to States and communities for implementing and maintaining highway-related safety standards.

The 1982 Surface Transportation Assistance Act provided a \$10 million program level for 1985 and 1986, which the budget proposes to continue in 1987 and 1988.

Object Classification (in thousands of dollars)

Identification code 69-8019-0-7-401	1986 actual	1987 est.	1988 est.
25.0 Other services.....	96	100	100
41.0 Grants, subsidies, and contributions.....	9,474	9,900	9,900
99.9 Total obligations.....	9,570	10,000	10,000

[BALTIMORE-WASHINGTON PARKWAY (HIGHWAY TRUST FUND)]

[For necessary expenses, not otherwise provided, to carry out the provisions of the Federal-Aid Highway Act of 1970, for the Baltimore-Washington Parkway, to remain available until expended, \$8,000,000, to be derived from the Highway Trust Fund and to be withdrawn therefrom at such times and in such amounts as may be necessary.]

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8014-0-7-401			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	2,871	8,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation)	2,871	8,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	2,871	8,000	
72.40 Obligated balance, start of year	545	3,420	9,602
74.40 Obligated balance, end of year	-3,420	-9,602	-6,878
90.00 Outlays	-4	1,818	2,724

This appropriation provided \$8 million for construction activity on the Baltimore-Washington Parkway, as authorized in the Federal-Aid Highway Act of 1970. No additional appropriation is requested for this program.

TRUST FUND SHARE OF OTHER HIGHWAY PROGRAMS

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8009-0-7-401			
<b>Program by activities:</b>			
00.01 Railroad-highway crossings demonstration projects	11,219	15,515	15,515
00.02 Rail crossings demonstration projects		136	
00.03 Rural highway public transportation demonstration study		575	
10.00 Total obligations (object class 25.0)	11,219	16,226	15,515
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-135		
21.40 Unobligated balance available, start of year	-24,784	-23,908	-15,515
24.40 Unobligated balance available, end of year	23,908	15,515	
40.00 Budget authority (appropriation)	10,208	7,833	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	11,219	16,226	15,515
72.40 Obligated balance, start of year	22,888	23,614	27,149
74.40 Obligated balance, end of year	-23,614	-27,149	-27,284
77.00 Adjustments in expired accounts	-75		
78.00 Adjustments in unexpired accounts	-135		
90.00 Outlays	10,283	12,691	15,380
Distribution of budget authority by account: Railroad-highway crossings demonstration projects			
	10,208	7,833	
Distribution of outlays by account:			
Railroad-highway crossings demonstration projects	10,068	12,376	15,023
Rail crossing demonstration projects	41	91	91
Rural highway public transportation demonstration program	69	124	191
Bicycle program	105	100	75

This account provides the trust fund share of certain general fund accounts that are funded with both general funds and trust funds. Those accounts are listed in the distribution tables shown above. The language appropriating the amounts reflected in this account and the narrative statements on program and performance appear with the general fund accounts.

**[HIGHWAY SAFETY RESEARCH AND DEVELOPMENT (HIGHWAY TRUST FUND)]**

[For necessary expenses in carrying out provisions of sections 307(a) and 403 of title 23, United States Code, to be derived from the Highway Trust Fund and to remain available until expended, \$7,000,000.]

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8017-0-7-401			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	7,625	8,542	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-1,033	-1,542	
24.40 Unobligated balance available, end of year	1,542		
40.00 Budget authority (appropriation)	8,134	7,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	7,625	8,542	
72.40 Obligated balance, start of year	15,841	15,344	16,039
74.40 Obligated balance, end of year	-15,344	-16,039	-8,703
90.00 Outlays	8,123	7,846	7,336

This appropriation is proposed for incorporation within the Research and Development, Highways program funded within the Limitation on General Operating Expenses beginning in 1988. The consolidation reflects the fact that both programs are authorized to carry out the basic highway-related research objectives set forth in 23 U.S.C. section 307.

**[MOTOR CARRIER SAFETY GRANTS (HIGHWAY TRUST FUND)]**

[For necessary expenses to carry out provisions of section 402 of Public Law 97-424, \$16,269,000 to be derived from the Highway Trust Fund and to remain available until September 30, 1989.]

*MOTOR CARRIER SAFETY GRANTS\**

*(LIQUIDATION OF CONTRACT AUTHORIZATION) (HIGHWAY TRUST FUND)*

\*See Part II for additional information.

For payment of obligations incurred in carrying out the provisions of section 402 of Public Law 97-424, \$50,000,000, to be derived from the Highway Trust Fund and to remain available until expended.

Note.—Public Laws 99-500 and 99-951, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8027-0-7-401			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	15,905	53,121	50,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-2,757	-3,121	-16,269
24.40 Unobligated balance available, end of year	3,121	16,269	16,269
39.00 Budget authority	16,269	66,269	50,000
Budget authority:			
Current:			
40.00 Appropriation	16,269	16,269	50,000
40.49 Contract authority			-50,000
43.00 Appropriation (adjusted)	16,269	16,269	
49.10 Contract authority		50,000	
Permanent:			
69.10 Contract authority			50,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net	15,905	53,121	50,000
Obligated balance, start of year:			
72.40 Appropriation	8,499	10,806	2,185
72.49 Contract authority			50,000
Obligated balance, end of year:			
74.40 Appropriation	-10,806	-2,185	-5,312
74.49 Contract authority		-50,000	-50,000
90.00 Outlays	13,599	11,742	46,873

**MOTOR CARRIER SAFETY GRANTS—Continued**  
**(LIQUIDATION OF CONTRACT AUTHORIZATION)**  
**(HIGHWAY TRUST FUND)—Continued**

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	16,269	66,269	50,000
Outlays .....	13,599	11,742	46,873
<b>Supplemental under existing legislation:</b>			
Budget authority .....			
Outlays .....		15,000	
<b>Total:</b>			
Budget authority .....	16,269	66,269	50,000
Outlays .....	13,599	26,742	46,873

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 69-8027-0-7-401	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....			15,000
Contract authority.....		50,000	50,000
Supplemental to liquidate contract authority.....		-35,000	
Appropriation to liquidate contract authority.....			-50,000
Unfunded balance, end of year.....		15,000	15,000

The Motor Carrier Safety Grant program, authorized by the 1982 Surface Transportation Assistance Act, provides grants to States to enforce Federal and compatible State standards applicable to commercial motor vehicle safety. States become eligible for funds by adopting Federal truck safety standards and maintaining minimum levels of program funding. Uniform safety standards both enhance the coordination of enforcement activities and simplify the safety requirements of interstate trucking parties.

Federal grants for enforcement of commercial motor vehicle safety standards may not be used to maintain efforts already undertaken by State governments. The purpose of the grant program is to raise the level of enforcement, not to substitute Federal for State and local dollars. Liquidating cash appropriations of \$35 million in 1987 and of \$50 million in 1988 are necessary for payment of program obligations.

**MOTOR CARRIER SAFETY (HIGHWAY TRUST FUND)**

*For necessary expenses to carry out the motor carrier safety functions of the Secretary as authorized by the Department of Transportation Act (80 Stat. 939-940), \$24,744,000 to be derived from the Highway Trust Fund, of which \$2,400,000 shall remain available until expended. (Additional authorizing legislation to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 69-8056-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operations .....			22,344
00.02 Research and development .....			2,400
10.00 Total obligations.....			24,744
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			24,744
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			24,744
74.40 Obligated balance, end of year .....			-3,037
90.00 Outlays.....			21,707

Note.—Includes \$24,744 thousand in 1988 for activities previously funded from Motor Carrier Safety (general fund). Comparable amounts for 1986 (\$13,302 thousand) and for 1987 (\$19,515 thousand) are included elsewhere.

The motor carrier safety mission is to reduce the risk of accidents in truck and bus highway transportation by regulation of motor carriers engaged in interstate commerce through safety management audits and roadside examinations. The program also seeks to simplify the Federal Motor Carrier Safety Regulations, increase regulatory compliance and support commercial motor vehicle related safety research. By the end of 1987, the Department plans to double the number of motor carrier safety specialists and to focus their efforts on motor carrier audits, and education and monitoring of problem carriers. States will continue to have the primary responsibility for roadside inspection, with increased support from Federal motor carrier safety grants. It is proposed that the motor carrier safety program be financed from the Highway Trust Fund starting in fiscal year 1988.

**Object Classification (in thousands of dollars)**

Identification code 69-8056-0-7-401	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			11,648
11.3 Other than full-time permanent .....			408
11.5 Other personnel compensation .....			77
11.9 Total personnel compensation.....			12,133
12.1 Personnel benefits: Civilian.....			3,112
21.0 Travel and transportation of persons.....			2,942
22.0 Transportation of things.....			31
23.3 Communication, utilities, and miscellaneous charges.....			170
24.0 Printing and reproduction .....			120
25.0 Other services .....			4,371
26.0 Supplies and materials .....			94
31.0 Equipment .....			1,771
99.9 Total obligations.....			24,744

**Personnel Summary**

Total number of permanent positions.....	433
Total compensable workyears: Full-time equivalent employment .....	443

**HIGHWAY TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unexpended balance brought forward.....	12,886,024	12,772,908	14,028,723
Balance in expenditure accounts.....	-143,074	-150,249	-162,794
Appropriated balance .....	-1,802,434	-1,825,445	-2,692,536
Unappropriated balance, start of year.....	10,940,516	10,797,214	11,173,393
Receipts .....	14,699,763	14,896,400	16,273,000
Total available for appropriation.....	25,640,279	25,693,614	27,446,393
<b>Appropriations:</b>			
<b>Federal Highway Administration:</b>			
Federal-aid highways (liquidation of contract authorization) .....	13,836,000	13,130,000	13,400,000
Highway-related safety grants (liquidation of contract authorization) .....	9,000	12,000	10,000
<b>Trust fund share of other highway programs:</b>			
Appropriation .....	10,208	7,833	
Highway safety research and development .....	8,134	7,000	
Motor carrier safety grants.....	16,269	16,269	
Motor carrier safety grants (liquidation of contract authorization) .....			50,000
Motor carrier safety grants (liquidation of contract authorization) (proposed supplemental) .....		35,000	
Highway-railroad grade crossing.....		2,000	
Theodore Roosevelt Bridge.....		1,500	
Nuclear waste transportation safety demonstration .....		2,000	

Airport access highway demonstration.....	2,500		
Highway safety improvement demonstration.....	4,800		
Airport access demonstration.....	4,000		
Highway safety and economic development.....	10,000		
Intermodal urban demonstration project.....	10,000		
Motor carrier safety.....		24,744	
Baltimore-Washington Parkway.....	2,871	8,000	
Carpool and vanpool (transfer to NHTSA).....	-500		
National Highway Traffic Safety Administration:			
Trust fund share of operations and research.....	28,609	34,172	32,042
Transfer from FHWA.....	500		
Highway traffic safety grants (liquidation of contract authorization).....	149,000	127,000	127,900
Urban Mass Transportation Administration:			
Discretionary grants (liquidation of contract authorization).....	775,000	1,100,000	600,000
Formula transit grants (liquidation of contract authorization).....			500,000
Other agencies:			
Construction, NPS (liquidation of contract authorization).....	9,857	12,500	
Mt. St. Helens, USFS (liquidation of contract authorization).....		9,915	
Total appropriations.....	14,844,948	14,536,489	14,744,686
Adjustments in expired accounts, unexpired accounts and lapses, return to unappropriated receipts.....	1,883	16,269	
Unexpended balance, end of year.....	12,772,908	14,028,723	16,030,028
Balance in expenditure accounts.....	-150,249	-162,794	-105,919
Appropriated balance.....	-1,825,445	-2,692,536	-3,222,406
Unappropriated balance, end of year.....	10,797,214	11,173,394	12,701,707

The Highway Revenue Act of 1956, as amended, provides for the transfer from the general fund to the highway trust fund of revenue from the motor fuel tax and certain other taxes paid by highway users. The Secretary of the Treasury estimates the amounts to be so transferred. In turn, appropriations are authorized from this fund to meet expenditures for Federal-aid highways and other programs specified by law. The Budget proposes to repeal the highway user fee exemptions for gasohol use, public and private bus operations, and State and local governments.

The status of the fund is as follows:

STATUS OF HIGHWAY TRUST FUND

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Unexpended balance brought forward:			
U.S. securities (par).....	11,942,416	11,499,288	14,028,723
Cash.....	943,608	1,273,620	
Balance of fund at start of year.....	12,886,024	12,772,908	14,028,723
Cash income during the year: Governmental receipts:			
From excise taxes:			
Gasoline tax.....	8,974,735	9,143,000	9,594,000
Truck, bus and trailer taxes.....	1,144,460	1,188,000	1,305,000
Tire, innertube, and tread rubber taxes.....	319,993	267,000	274,000
Diesel fuel taxes.....	2,667,358	2,741,000	2,885,000
Lubricating oil taxes.....	-622		
Use tax on certain vehicles.....	532,791	604,000	514,000
Truck parts and accessories tax.....	757		
Fines and penalties.....	3,304		
Transfers to land and water fund.....	-1,000	-1,000	-1,000
Transfer to aquatic resources fund.....	-69,301	-104,000	-109,000
Refund of taxes.....	-209,623	-187,000	-221,000
Proposed legislation:			
Gasohol exemption elimination.....			282,000
Bus exemption elimination.....			125,000
State and local government exemption elimination.....			415,000
Intrabudgetary transactions:			
Interest on investments.....	1,336,912	1,245,400	1,210,000
Total annual income.....	14,699,763	14,896,400	16,273,000
(Mass transit account).....	(1,395,423)	(1,489,500)	(1,634,500)

Cash outlays during the year:			
Federal Highway Administration appropriations:			
Federal-aid highways (liquidation of contract authorization).....	13,951,284	12,491,000	12,726,000
Highway-related safety grants (liquidation of contract authorization).....	10,804	9,298	10,673
Trust fund share of other highway programs.....	10,283	12,691	15,380
Highway safety research and development.....	8,123	7,846	7,336
Miscellaneous highway trust funds.....	1,653	10,876	14,850
Motor carrier safety grants.....	13,599	26,742	46,873
Motor carrier safety.....			21,707
Right-of-way revolving fund (liquidation of contract authorization).....	15,534		
Baltimore-Washington Parkway.....	-4	1,818	2,724
National Highway Traffic Safety Administration appropriations:			
Trust fund share of operations and research.....	23,577	31,288	33,891
Highway traffic safety grants (liquidation of contract authorization).....	135,804	127,934	127,900
Urban Mass Transportation Administration:			
Formula transit grants (liquidation of contract authorization).....			436,951
Discretionary grants (liquidation of contract authorization).....	632,563	898,000	808,000
Other agencies:			
Construction, NPS, Interior.....	9,627	17,500	15,900
Mt. St. Helens, USFS, Agriculture.....		5,592	3,510
Highland scenic highway, USFS, Agriculture.....	32		
Total annual outlays.....	14,812,879	13,640,585	14,271,695
Unexpended balance carried forward:			
U.S. securities (par).....	11,499,330	14,028,723	16,030,028
Cash.....	1,273,578		
Balance of fund at end of year.....	12,772,908	14,028,723	16,030,028
Commitment against unexpended balances:			
Appropriated but not expended:			
Appropriations.....	-150,249	-162,794	-105,919
Liquidation of contract authorization.....	-1,825,445	-2,692,536	-3,222,402
Committed to future liquidating cash appropriations:			
Outstanding obligated balance of contract authority.....	-22,325,445	-20,881,443	-21,588,943
Unobligated balance of contract authority.....	-8,333,908	-9,892,810	-9,392,810
Total commitment against unexpended balances.....	-32,635,047	-33,629,583	-34,310,074
Uncommitted balance, end of year.....	-19,862,139	-19,600,860	-18,280,046

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-9971-0-7-151			
Program by activities:			
00.01 Cooperative work, forest highways.....	1,015	630	375
00.02 Technical assistance, U.S. dollars advanced from foreign governments.....	2,706	5,187	650
00.03 Contributions for highway research programs.....	30	18	14
00.04 Advances from State cooperating agencies.....	3,902	380	317
10.00 Total obligations.....	7,652	6,215	1,356
Financing:			
Unobligated balance available, start of year:			
21.40 Appropriation.....	-1,832	-1,097	
21.49 Contract authority.....	-217	-136	
Unobligated balance available, end of year:			
24.40 Appropriation.....	1,097		
24.49 Contract authority.....	136		
39.00 Budget authority.....	6,836	4,982	1,356
Budget authority:			
Permanent authority:			
60.00 Appropriation.....	7,050	5,587	1,356
60.49 Portion applied to liquidate contract authority.....	-247	-605	
63.00 Appropriation (adjusted).....	6,803	4,982	1,356
69.10 Contract authority.....	33		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	7,652	6,215	1,356

MISCELLANEOUS TRUST FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 69-9971-0-7-151	1986 actual	1987 est.	1988 est.
Obligated balance, start of year:			
72.40 Appropriation .....	1,260	1,907	1,973
72.49 Contract authority .....	601	898	929
Obligated balance, end of year:			
74.40 Appropriation .....	-1,907	-1,973	-1,286
74.49 Contract authority .....	-898	-929	-605
90.00 Outlays .....	6,707	6,118	2,367
Distribution of budget authority by account:			
Cooperative work, forest highways .....	1,253	361	375
Technical assistance, U.S. dollars advanced from foreign governments .....	1,695	4,302	650
Contributions for highway research programs .....	15	13	14
Advances from State cooperating agencies .....	3,873	306	317
Distribution of outlays by account:			
Cooperative work, forest highways .....	1,662	363	454
Equipment, supplies, etc., for cooperating countries .....		309	231
Technical assistance, U.S. dollars advanced from foreign governments .....	1,642	4,887	1,128
Contributions for highway research programs .....		36	33
Advances from State cooperating agencies .....	3,403	523	521
Status of Unfunded Contract Authority (in thousands of dollars)			
Unfunded balance, start of year .....	818	605	
Contract authority .....	33		
Appropriation to liquidate contract authority .....	-247	-605	
Unfunded balance, end of year .....	605		

Miscellaneous Trust Funds contains the following programs financed out of the highway trust fund and reimbursed by the requesting parties.

**Cooperative work, forest highways.**—Contributions are received from States and counties in connection with cooperative engineering, survey, maintenance, and construction projects for forest highways.

**Technical assistance, U.S. dollars advanced from foreign governments.**—The Federal Highway Administration renders technical assistance and acts as agent for the purchase of equipment and materials for carrying out highway programs in foreign countries. Currently, these services are being rendered in Costa Rica and Kuwait.

**Contributions for highway research programs.**—In association with the General Services Administration and the Department of Defense, tests of highway equipment are conducted for the purpose of establishing performance standards upon which to base specifications for use by the Government in purchasing such equipment.

**Advances from State cooperating agencies.**—Funds are contributed by the State highway departments or local subdivisions thereof for construction and/or maintenance of roads or bridges. The work is performed under the supervision of the Federal Highway Administration.

Object Classification (in thousands of dollars)

Identification code 69-9971-0-7-151	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	705	705	550
11.5 Other personnel compensation .....	238	238	50
11.9 Total personnel compensation .....	943	943	600
12.1 Personnel benefits: Civilian .....	133	133	50

21.0	Travel and transportation of persons .....	58	50	7
22.0	Transportation of things .....	71	60	20
23.3	Communications, utilities, and miscellaneous charges .....	5	5	5
24.0	Printing and reproduction .....	84	60	20
25.0	Other services .....	1,576	1,300	250
26.0	Supplies and materials .....	9	6	2
31.0	Equipment .....	9	6	2
32.0	Lands and structures .....	4,764	3,652	400
99.9	Total obligations .....	7,652	6,215	1,356

Personnel Summary

Total number of full-time permanent positions .....	15	15	15
Total compensable workyears:			
Full-time equivalent employment .....	13	16	16
Full-time equivalent of overtime and holiday hours .....	2		

MISCELLANEOUS HIGHWAY TRUST FUNDS

【THEODORE ROOSEVELT BRIDGE CAPACITY IMPROVEMENTS (HIGHWAY TRUST FUND)】

【For necessary expenses to improve the safety, capacity, and operation of the Theodore Roosevelt Bridge on I-66, connecting the Commonwealth of Virginia and the District of Columbia, \$1,500,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided*, That such funds shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

【NUCLEAR WASTE TRANSPORTATION SAFETY DEMONSTRATION PROJECT (HIGHWAY TRUST FUND)】

【For necessary expenses for a project to construct a relief route in the Los Alamos-Santa Fe, New Mexico, corridor that demonstrates methods of improving the safety of transporting nuclear waste by constructing an alternate route with specific safety features, \$2,000,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided*, That such funds shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

【AIRPORT ACCESS HIGHWAY DEMONSTRATION PROJECT (HIGHWAY TRUST FUND)】

【For necessary expenses to carry out a demonstration project in the vicinity of the New Orleans International Airport in Jefferson Parish, Louisiana, for the purpose of demonstrating methods of improving highway access to an airport that is suffering from commuter congestion and is in the process of extending its main east-west runway, \$2,500,000, to remain available until expended and to be derived from the Highway Trust Fund: *Provided*, That such funds shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

【HIGHWAY SAFETY IMPROVEMENT DEMONSTRATION PROJECT (HIGHWAY TRUST FUND)】

【For the purpose of carrying out a coordinated project of highway improvements in the vicinity of Pontiac and East Lansing, Michigan, that demonstrates methods of enhancing safety and promoting economic development through widening and resurfacing of highways on the Federal-aid primary system and on roads on the Federal-aid urban system, there is hereby authorized to be appropriated \$32,000,000, to be derived from the Highway Trust Fund and to remain available until expended, of which \$4,800,000 is hereby appropriated: *Provided*, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.】

【AIRPORT ACCESS DEMONSTRATION PROJECT (HIGHWAY TRUST FUND)】

【For necessary expenses to carry out a demonstration project in the vicinity of the Ontario International Airport in San Bernardino County, California, for the purpose of demonstrating methods of improving highway access to an airport that is projected to incur a substantial increase in air service, \$4,000,000, to remain available until expended and to be derived from the Highway Trust Fund: *Provided*, That such funds shall be exempt from any limitation on

obligations for Federal-aid highways and highway safety construction programs.]

**[HIGHWAY SAFETY AND ECONOMIC DEVELOPMENT DEMONSTRATION PROJECTS (HIGHWAY TRUST FUND)]**

[For necessary expenses to carry out construction projects in the State of Mississippi on Route 302 to connect I-55 and U.S. Highway 72, on State Route 6 from Pontotoc to Oxford, on U.S. Highway 82 from I-55 to Starkville, and on U.S. Highway 72 from Corinth, Mississippi, to the Tennessee State line, that demonstrate the safety and economic benefits of widening and improving highways, there is authorized to be appropriated such sums as may be necessary, to be derived from the Highway Trust Fund and to remain available until expended, of which \$10,000,000 is hereby appropriated, to remain available until expended, for the projects identified under this head on Route 302 and on U.S. Highway 82: *Provided*, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.]

**[INTERMODAL URBAN DEMONSTRATION PROJECT (HIGHWAY TRUST FUND)]**

[For necessary expenses to carry out the provisions of section 124 of the Federal-Aid Highway Amendments of 1974, \$10,000,000, to be derived from the Highway Trust Fund.]

**[HIGHWAY-RAILROAD GRADE CROSSING SAFETY DEMONSTRATION PROJECT (HIGHWAY TRUST FUND)]**

[For the purpose of carrying out a coordinated project of highway-railroad grade crossing separations in Mineola, New York, that demonstrates methods of enhancing highway-railroad grade crossing safety while minimizing surrounding environmental effects, there is hereby authorized to be appropriated \$50,000,000, to be derived from the Highway Trust Fund and to remain available until expended, of which \$2,000,000 is hereby appropriated: *Provided*, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-9972-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Overseas highways.....	935		
00.02 Carpool/vanpool support program.....	63	100	
00.03 Intermodal urban demonstration program.....		12,468	
00.04 Highway safety and economic development.....		10,000	
00.05 Airport access demonstration project.....		4,000	
00.06 Highway safety improvement demonstration.....		4,800	
00.07 Highway-railroad grade crossing.....		2,000	
00.08 Nuclear waste transportation safety.....		2,000	
00.09 Theodore Roosevelt Bridge.....		1,500	
00.10 Airport access highway demonstration.....		2,500	
00.11 Traffic control signalization.....	121		
10.00 Total obligations (object class 41.0).....	1,119	39,368	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-10		
21.40 Unobligated balance available, start of year.....	-4,056	-2,568	
22.40 Unobligated balance transferred, net.....	500		
24.40 Unobligated balance available, end of year.....	2,568		
25.00 Unobligated balance restored.....	-121		
40.00 Budget authority (appropriation).....		36,800	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,119	39,368	
72.40 Obligated balance, start of year.....	7,945	7,401	35,894
74.40 Obligated balance, end of year.....	-7,401	-35,894	-21,044
78.00 Adjustments in unexpired accounts.....	-10		
90.00 Outlays.....	1,653	10,876	14,850
<b>Distribution of budget authority by account:</b>			
Intermodal urban demonstration.....		10,000	
Highway safety and economic development.....		10,000	
Highway safety improvement demonstration.....		4,800	
Highway railroad grade crossing.....		2,000	

Nuclear waste transportation safety.....	2,000		
Theodore Roosevelt Bridge.....	1,500		
Airport access highway demonstration.....	2,500		
Airport access demonstration.....	4,000		

**Distribution of outlays by account:**

Project acceleration demonstration.....	2	201	151
Traffic control signalization.....	552	472	354
Overseas highway.....	736	1,595	1,196
Intermodal urban demonstration program.....	106	2,989	4,361
Carpool/vanpool support program.....	257	259	212
Highway safety and economic development.....	2,000		3,200
Airport access demonstration project.....		800	1,280
Highway safety improvement demonstration.....		960	1,536
Highway-railroad grade crossing.....		400	640
Nuclear waste transportation safety.....		400	640
Roosevelt Bridge.....		300	480
Airport access highway demonstration.....		500	800

For 1987, a total of \$36.8 million was appropriated for the following accounts: Intermodal Urban Demonstration, Highway Safety and Economic Development, Highway Safety Improvement Demonstration, Highway Railroad Grade Crossing, Nuclear Waste Transportation Safety, Roosevelt Bridge, Airport Access Highway Demonstration, and Airport Access Demonstration. No further budget authority is requested for 1988. Other accounts in this consolidated schedule show the obligation and outlay of amounts made available in prior years.

**RIGHT-OF-WAY REVOLVING FUND (LIMITATION ON DIRECT LOANS) (TRUST FUND)**

During fiscal year [1987] 1988 and with the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$47,850,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-8402-0-8-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	65,908	47,850	47,850
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-22,406	-47,850	-47,850
17.00 Recovery of prior year obligations.....	-34,147		
<b>Unobligated balance available, start of year:</b>			
21.40 Appropriation.....	-43,779	-34,424	-34,424
21.49 Contract authority.....	-40,000	-40,000	-40,000
<b>Unobligated balance available, end of year:</b>			
24.40 Appropriation.....	34,424	34,424	34,424
24.49 Contract authority.....	40,000	40,000	40,000
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	43,502		
72.98 Obligated balance, start of year: Fund balance.....	100,670	94,490	94,490
74.98 Obligated balance, end of year: Fund balance.....	-94,490	-94,490	-94,490
78.00 Adjustments in unexpired accounts.....	-34,147		
90.00 Outlays.....	15,534		

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	47,850	47,850	47,850
1150 Total direct loan obligations.....	47,850	47,850	47,850
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	115,552	131,086	131,086
1231 Disbursements: Direct loan disbursements.....	37,940	47,850	47,850

RIGHT-OF-WAY REVOLVING FUND (LIMITATION ON DIRECT LOANS)  
(TRUST FUND)—Continued

Status of Direct Loans (in thousands of dollars)—Continued

1251	Repayments: Repayments and prepayments .....	— 22,406	— 47,850	— 47,850
1290	Outstanding, end of year .....	131,086	131,086	131,086

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year .....	40,000	40,000	40,000
Appropriation from the Highway Trust Fund to liquidate contract authority .....			
Unfunded balance, end of year .....	40,000	40,000	40,000

The Federal-Aid Highway Act of 1968 authorized \$300 million for the establishment of a right-of-way revolving fund. This fund is utilized to make cash advances to the States for the purpose of purchasing right-of-way parcels in advance of highway construction and thereby preventing the inflation of land prices from significantly increasing construction costs. Although the advances are currently interest-free, an interest charge will be proposed in the reauthorization of the Surface Transportation Assistance Act.

The initial legislation for this program required the States to construct the highway and reimburse the revolving fund within seven years from the date of the advance. The 1973 Highway Act extended the required time limit on construction to 10 years and the 1976 Highway Act extended the time limit indefinitely, if deemed necessary by the Secretary.

In 1988, gross obligations will be limited to \$47.85 million, consistent with prior years' practice.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Advances for acquisition of right-of-way program:			
Revenue .....	22,406		
Expense .....	— 35,941		
Net operating income .....	15,534		

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Drawing account with Treasury:				
Advances (loans) .....	115,552	131,086	131,086	131,086
Due from Highway trust fund .....	144,448	128,914	128,914	128,914
Total assets .....	260,000	260,000	260,000	260,000
Liabilities .....				
<b>Government equity:</b>				
Selected equities:				
Non-interest-bearing capital:				
Undisbursed loan obligations .....	100,670	94,490	100,670	100,670
Unobligated balance .....	83,779	74,424	74,424	74,424
Contract authority .....	— 40,000	— 40,000	— 40,000	— 40,000
Invested capital .....	115,552	131,086	131,086	131,086
Total Government equity .....	260,000	260,000	260,000	260,000
<b>Analysis of changes in Government equity:</b>				
Non-interest-bearing capital:				
Start of year .....	260,000	260,000	260,000	260,000
Appropriation .....				
Total Government equity, end of year .....	260,000	260,000	260,000	260,000

NATIONAL HIGHWAY TRAFFIC SAFETY  
ADMINISTRATION

The programs administered by the National Highway Traffic Safety Administration (NHTSA) are authorized by three separate laws: The National Traffic and Motor Vehicle Safety Act, the Highway Safety Act, and the Motor Vehicle Information and Cost Savings Act. The following table shows the funding for NHTSA programs.

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
<b>Budget authority:</b>			
Operations and research .....	80,246	90,323	90,008
Highway traffic safety grants .....	126,324	110,000	110,000
Total budget authority .....	206,570	200,323	200,008
<b>Program level (obligations):</b>			
Operations and research .....	85,827	97,284	90,008
Highway traffic safety grants .....	133,228	121,460	124,400
Miscellaneous safety programs .....	211		
Total program level .....	219,055	218,955	214,408
<b>Outlays:</b>			
Operations and research .....	78,285	93,261	97,120
Highway traffic safety grants .....	135,804	127,934	127,900
Miscellaneous safety programs .....	— 1,926	1,500	1,400
Total outlays .....	212,163	222,695	226,420

Federal Funds

General and special funds:

OPERATIONS AND RESEARCH

[(INCLUDING TRANSFERS OF FUNDS)]

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety and functions under the Motor Vehicle Information and Cost Savings Act (Public Law 92-513, as amended), [ \$89,222,000, together with \$5,000,000, to be derived from unobligated balances of "Payments to air carriers" ] \$90,008,000, of which [ \$34,172,000 ] \$32,042,000 shall be derived from the Highway Trust Fund: *Provided*, That not to exceed [ \$41,484,000 ] \$38,052,000 shall remain available until expended, of which [ \$19,387,000 ] \$16,301,000 shall be derived from the Highway Trust Fund [ : *Provided further*, That, of the funds available under this head, \$10,000,000 shall be available to implement the recommendations of the 1985 National Academy of Sciences report on trauma research ]. (*Additional authorizing legislation to be proposed.*)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act 1987.

Program and Financing (in thousands of dollars)

Identification code	69-0650-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 Rulemaking programs .....		6,609	7,342	7,851
00.02 Enforcement programs .....		10,924	11,777	12,581
00.03 Highway safety programs .....		4,363	3,459	3,849
00.04 Research and analysis .....		28,665	33,472	25,743
00.05 Office of the Administrator .....		1,572	1,756	2,091
00.06 General administration .....		5,047	5,273	5,851
00.91 Total direct programs .....		57,180	63,079	57,966
01.01 Reimbursable program .....		35,166	40,865	38,702
10.00 Total obligations .....		92,346	103,944	96,668
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00 Federal funds .....		— 900	— 900	— 900
13.00 Trust funds .....		— 33,432	— 39,065	— 36,902
14.00 Non-Federal sources .....		— 834	— 900	— 900
17.00 Recovery of prior year obligations .....		— 350		
21.40 Unobligated balance available, start of year .....		— 8,138	— 1,928	

22.40	Unobligated balance transferred, net.....	-5,000	-5,000	.....
23.40	Unobligated balance rescinded (P.L. 99-88).....	6,000	.....	.....
24.40	Unobligated balance available, end of year.....	1,928	.....	.....
25.00	Unobligated balance lapsing.....	18	.....	.....
39.00	<b>Budget authority</b> .....	<b>51,637</b>	<b>56,151</b>	<b>57,966</b>
Budget authority:				
40.00	<b>Appropriation</b> .....	<b>51,637</b>	<b>55,050</b>	<b>57,966</b>
Transfers in for:				
46.20	Civilian pay raises.....	.....	634	.....
46.40	Retirement contributions (P.L. 99-335).....	.....	467	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	57,180	63,079	57,966
72.40	Obligated balance, start of year.....	18,367	34,166	35,271
73.40	Obligated balance transferred, net.....	13,500	.....	.....
74.40	Obligated balance, end of year.....	-34,166	-35,271	-30,008
77.00	Adjustments in expired accounts.....	176	.....	.....
78.00	Adjustments in unexpired accounts.....	-350	.....	.....
89.00	<b>Outlays</b> .....	<b>54,708</b>	<b>61,973</b>	<b>63,229</b>
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	54,708	60,927	63,174
91.20	Outlays from civilian pay raise supplemental.....	.....	602	32
91.40	Outlays from retirement contribution supplemental.....	.....	444	23

In total, Operations and research programs have been funded at the 1987 level excluding transfers. For the program areas described below, funding levels vary to reflect current priorities.

**Rulemaking programs.**—Covers rulemaking activity relative to the promulgation of Federal motor vehicle safety standards for new and used motor vehicles, tires, and equipment; automotive fuel economy standards required by the Energy Policy and Conservation Act; international harmonization of standards; theft prevention; regulatory reform; and information on motor vehicle safety required by the Motor Vehicle Information and Cost Savings Act.

**Enforcement programs.**—Provides for the enforcement of programs described under the rulemaking activity, including manufacturer compliance with motor vehicle safety and automotive fuel economy standards, investigation of safety-related motor vehicle defects, and surveillance of odometer tampering.

**Highway safety programs.**—Provides for technical assistance to the States in the conduct of their highway safety programs; demonstration programs emphasizing alcohol countermeasures, safety belt and child safety seat usage, automatic protection, improved traffic law enforcement, emergency medical services, and enhanced traffic records systems to reduce highway fatalities and injuries; and operation and improvement of the national driver register. A National Occupant Protection Program will be underway in 1987 and 1988 to implement the Secretary of Transportation's decision on Federal Motor Vehicle Safety Standard 208, occupant protection. The program will promote the usage of safety belts and automatic protection.

**Research and analysis.**—Provides motor vehicle safety and highway safety research and development in support of all NHTSA programs, including the collection and analysis of data to identify safety problems, develop alternative solutions, and assess costs, benefits, and effectiveness. Research will continue to concentrate on improving vehicle crashworthiness, accident avoidance characteristics of cars, trucks and motorcycles, safety belt usage and alcohol countermeasures. The budget includes funds to continue a national accident

data collection program to improve problem identification, regulatory reform, and program evaluation activities.

**Office of the Administrator.**—Provides for the overall executive direction, coordination and implementation of agency programs. Includes legal, public affairs, civil rights and executive secretariat support for programs of this administration.

**General administration.**—Provides for the planning, program evaluation, and basic administrative and supporting services for programs of this administration.

Object Classification (in thousands of dollars)

Identification code 69-0650-0-1-401	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	16,132	16,807	16,983
11.3	Other than full-time permanent.....	723	683	685
11.5	Other personnel compensation.....	168	166	306
11.9	Total personnel compensation.....	17,023	17,656	17,973
12.1	Personnel benefits: Civilian.....	1,804	2,195	2,856
13.0	Benefits for former personnel.....	47	.....	.....
21.0	Travel and transportation of persons.....	333	451	472
22.0	Transportation of things.....	28	104	94
23.1	Rental payments to GSA.....	1,503	1,881	2,231
23.3	Communications, utilities, and miscellaneous charges... ..	927	577	622
24.0	Printing and reproduction.....	550	667	693
25.0	Other services.....	33,145	38,127	31,601
26.0	Supplies and materials.....	415	217	219
31.0	Equipment.....	1,404	1,205	1,206
99.0	Subtotal, direct obligations.....	57,180	63,079	57,966
99.0	Reimbursable obligations.....	35,166	40,865	38,702
99.9	Total obligations.....	92,346	103,944	96,668

Personnel Summary

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	497	497	497
Total compensable workyears:			
Full-time equivalent employment.....	498	501	501
Full-time equivalent of overtime and holiday hours.....	1	1	1

MISCELLANEOUS SAFETY PROGRAMS

Program and Financing (in thousands of dollars)

Identification code 69-0651-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	211	.....
<b>Financing:</b>			
17.00	Recovery of prior year obligations.....	-103	.....
21.40	Unobligated balance available, start of year.....	-108	-211
24.40	Unobligated balance available, end of year.....	211	.....
39.00	<b>Budget authority</b> .....	.....	.....
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	211	.....
72.40	Obligated balance, start of year.....	6,875	8,698
74.40	Obligated balance, end of year.....	-8,698	-7,409
78.00	Adjustments in unexpired accounts.....	-103	.....
90.00	Outlays.....	-1,926	1,500

This schedule displays the following programs funded by State and community highway safety: Territorial Grant and Transportation Systems Management. These programs no longer require appropriations. Obligation and outlay amounts shown reflect spend-out of prior year appropriations.

**Trust Funds**

**TRUST FUND SHARE OF OPERATIONS AND RESEARCH**

**Program and Financing (in thousands of dollars)**

Identification code 69-8016-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Highway safety programs.....	10,052	14,641	15,152
00.02 Research and analysis.....	16,360	17,335	14,237
00.03 Office of the Administrator.....	568	603	772
00.04 General administration.....	1,667	1,626	1,881
10.00 Total obligations.....	28,647	34,205	32,042
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,500	-33	
22.40 Unobligated balance transferred, net.....	-500		
23.40 Unobligated balance rescinded (P.L. 99-88).....	1,500		
24.40 Unobligated balance available, end of year.....	33		
25.00 Unobligated balance lapsing.....	429		
40.00 Budget authority (appropriation).....	28,609	34,172	32,042
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	28,647	34,205	32,042
72.40 Obligated balance, start of year.....	13,305	18,375	21,292
74.40 Obligated balance, end of year.....	-18,375	-21,292	-19,443
90.00 Outlays.....	23,577	31,288	33,891

This account represents the portion of the operations and research appropriation authorized under 23 U.S.C. 403 and financed from the Highway Trust Fund for the following activities:

**Highway safety programs.**—Provides for headquarters and field staff to assist the States in the conduct of their highway safety and demonstration programs, and to develop and implement a National Occupant Protection Program.

**Research and analysis.**—Provides for highway safety research in support of NHTSA programs, including the collection and analysis of data to determine the relationship between driver performance characteristics and crashes causing death or personal injury. Research is also undertaken to identify ways to improve safety belt usage and alcohol control. The 1988 budget includes funds to continue a national accident data collection program to improve problem identification, regulatory reform, and program evaluation activities.

**Office of the Administrator.**—Provides for the pro rata contribution to the cost of executive direction, coordination and implementation of agency programs. Includes legal, public affairs, civil rights and executive secretariat support for programs of this administration.

**General administration.**—Provides for the pro rata contribution to the cost of planning, program evaluation, and basic administrative and supporting services for programs of this administration.

**Object Classification (in thousands of dollars)**

Identification code 69-8016-0-7-401	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	5,764	6,089	6,454
11.3 Other than full-time permanent.....	552	647	645
11.5 Other personnel compensation.....	90	82	164
11.9 Total personnel compensation.....	6,406	6,818	7,263
12.1 Personnel benefits: Civilian.....	689	630	1,221
13.0 Benefits for former personnel.....	16		
21.0 Travel and transportation of persons.....	307	340	351

22.0 Transportation of things.....	13	77	69
23.1 Rental payments to GSA.....	704	1,391	1,649
23.3 Communications, utilities, and miscellaneous charges.....	283	426	444
24.0 Printing and reproduction.....	426	493	513
25.0 Other services.....	19,560	22,978	19,478
26.0 Supplies and materials.....	21	161	162
31.0 Equipment.....	222	891	892
99.9 Total obligations.....	28,647	34,205	32,042

**Personnel Summary**

Total number of full-time permanent positions.....	143	143	143
Total compensable workyears:			
Full-time equivalent employment.....	143	144	144
Full-time equivalent of overtime and holiday hours.....		1	1

**HIGHWAY TRAFFIC SAFETY GRANTS**

**(LIQUIDATION OF CONTRACT AUTHORITY) (HIGHWAY TRUST FUND)**

**[(INCLUDING RESCISSION)]**

For payment of obligations incurred carrying out the provisions of 23 U.S.C. 402, 406, and 408, and section 209 of Public Law 95-599, as amended, to remain available until expended, **[\$127,000,000]** \$127,900,000, to be derived from the Highway Trust Fund: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of **[\$121,060,000]** \$110,000,000 in fiscal year **[1987]** 1988 for "State and community highway safety" authorized under 23 U.S.C. 402: *Provided further*, That none of these funds shall be used for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of **[\$16,150,000]** \$17,900,000 for "Alcohol safety incentive grants" authorized under 23 U.S.C. 408: *Provided further*, That none of the funds in this Act shall be available for the planning or execution of programs authorized under section 209 of Public Law 95-599, as amended, the total obligations for which are in excess of \$4,750,000 in fiscal years 1983, 1984, 1985, 1986, **[and]** 1987, and 1988: *Provided further*, That not to exceed \$4,860,000 shall be available for administering the provisions of 23 U.S.C. 402: *Provided further*, That of the funds available for obligation for "Alcohol safety incentive grants" under section 23 U.S.C. 408, \$5,000,000 is hereby rescinded. *(Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-8020-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Safety formula grants:			
00.01 Grants.....	116,364	102,200	105,140
00.02 Administration.....	4,785	4,860	4,860
00.03 School bus driver training.....	53		
00.04 Alcohol safety incentive grants.....	12,027	14,400	14,400
10.00 Total obligations.....	133,229	121,460	124,400
<b>Financing:</b>			
21.49 Unobligated balance available, start of year: Contract authority.....	-193,803	-185,094	-133,034
23.49 Unobligated balance rescinded (P.L. 99-88, 99-500 and 99-591).....	250	5,000	
24.49 Unobligated balance available, end of year: Contract authority.....	185,094	133,034	83,034
25.00 Unobligated balance lapsing.....	1,555	35,600	35,600
39.00 Budget authority.....	126,324	110,000	110,000
<b>Budget authority:</b>			
Current:			
40.00 Appropriation.....	149,000	127,000	127,900
40.49 Portion applied to liquidate contract authority.....	-149,000	-127,000	-127,900
43.00 Appropriation (adjusted).....			
49.10 Contract authority.....		110,000	110,000

69.10	Permanent: Contract authority (96 Stat. 1740)	126,324		
71.00	Relation of obligations to outlays: Obligations incurred, net	133,229	121,460	124,400
	Obligated balance, start of year:			
72.40	Appropriation	14,020	27,216	26,282
72.49	Contract authority	114,387	98,615	93,075
	Obligated balance, end of year:			
74.40	Appropriation	-27,216	-26,282	-26,282
74.49	Contract authority	-98,615	-93,075	-89,574
90.00	Outlays	135,804	127,934	127,900
Distribution of budget authority by account: Safety formula grants		126,324	110,000	110,000
Distribution of outlays by account:				
	Safety formula grants	122,066	106,934	104,200
	School bus driver training	980	500	300
	Alcohol safety incentive grants	9,967	19,000	22,000
	Safety education and information	2,791	1,500	1,400

Note.—The activities financed under the State and Community Highway Safety (Liquidation of Contract Authorization) account in 1986 are presented in these schedules and are proposed to be financed in this account in 1987 and 1988. Budget authority and outlays are distributed by account above.

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 69-8020-0-7-401	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year	308,190	283,709	226,109
Contract authority (98 Stat. 435)	126,324	110,000	110,000
Unfunded balance lapsing	-1,555	-35,600	-35,600
Appropriation to liquidate contract authority	-149,000	-127,000	-127,900
Unobligated balance rescinded (P.L. 99-88, 99-500 and 99-591)	-250	-5,000	
Unfunded balance, end of year	283,709	226,109	172,609

**Safety formula grants.**—Grant allocations are determined on the basis of a statutory formula established under 23 U.S.C. 402. Individual States use this funding in areas which have the greatest potential for achieving safety improvements and reducing traffic crashes and fatalities. Activities are centered predominantly on efforts to control the drinking driver; stimulate activities to improve child passenger safety and increase safety belt usage; improve traffic law enforcement; improve the quality of emergency medical services; improve the collection and analysis of traffic accident data; and establish and maintain a computerized traffic recordkeeping system.

NHTSA's Safety formula grant program needs to be reauthorized for 1987 and later. The Department has submitted reauthorizing legislation to the Congress.

**Safety formula grant administration.**—Under 23 U.S.C. 402, up to 5 percent of amounts authorized for safety formula grants are permitted to be used for reimbursement to the operations and research account for grant administration. Funds of \$4.86 million are required to cover the expenses of administering Federal grant activity in 1988.

**Alcohol safety incentive grants.**—Grant allocations will be made under 23 U.S.C. 408, to those States which adopt and implement effective programs to reduce traffic safety problems resulting from persons driving while under the influence of alcohol. These grants will be made in accordance with established criteria and will only be used to implement and enforce such programs. Public Law 97-364 establishes a two-tier grant system. The first tier, i.e., basic grant, amounts to 30 percent of each State's apportionment under the safety formula grant program (section 402 program) if the State meets specified minimum criteria. The second tier is a supple-

mental grant of up to 20 percent of the State's apportionment if it qualifies for the base grant and implements additional specified alcohol traffic safety measures. Public Law 98-363 established a third tier to encourage States to enact stiffer penalties for drunk driving.

Object Classification (in thousands of dollars)

Identification code 69-8020-0-7-401	1986 actual	1987 est.	1988 est.
25.0 Other services	4,785	4,860	4,860
41.0 Grants, subsidies, and contributions	128,444	116,600	119,540
99.9 Total obligations	133,229	121,460	124,400

FEDERAL RAILROAD ADMINISTRATION

The following table depicts the level of all Federal Railroad Administration programs, the details of which are in the following budget schedules:

	[In thousands of dollars]	1986 actual	1987 est.	1988 est.
<i>Program level</i>				
Office of the Administrator		35,521	41,787	19,467
Railroad safety		43,832	42,487	39,548
Conrail labor protection		6,665		
Settlements of railroad litigation		95,879		
Proposed supplemental			6,500	
Northeast corridor improvement		14,168	11,467	
Railroad rehabilitation and improvement		-80,177	-5,436	-211,395
Proposed supplemental			790	
Regional rail reorganization		5,567	4,739	2,774
Subtotal, FRA		121,455	102,334	-149,606
National Railroad Passenger Corp. (Amtrak) grants		674,458	626,087	
Total program		795,913	728,421	-149,606

Federal Funds

General and special funds:

OFFICE OF THE ADMINISTRATOR  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, including authorized expenses associated with Washington Union Station, [\$26,875,000] \$19,467,000, of which [\$4,600,000] \$3,500,000 shall remain available until expended, and [\$3,500,000] \$6,000,000 shall be derived from unobligated balances of ["Rail service assistance"] "Redeemable preference shares", and \$10,000,000 shall be derived from unobligated balances of "Rail service assistance"; and in addition, all unexpended balances in "Rail service assistance" after September 30, 1987, shall be transferred to this account, to remain available until expended: Provided, [That, notwithstanding any other provision of law, up to \$500,000 of the funds appropriated in fiscal year 1986 for discretionary local rail service assistance grants under "Rail service assistance" shall be made available only for the rail rehabilitation needs of the Mississippi Railroad: Provided further,] That none of the funds in this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and that no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: Provided further, That none of the funds in this Act shall be available for the acquisition, sale, or transference of Washington Union Station without [the] prior [approval of] notice to the House and Senate Committees on Appropriations: Provided further, That notwithstanding any other provision of law, of the funds available under this head, \$10,000,000 shall be available for necessary expenses for rail assistance authorized by section 5(q) of the Department of Transportation Act, as amended, to remain available until expended: Provided further, That \$7,500,000 of the fiscal year 1987 funds made available

General and special funds—Continued

OFFICE OF THE ADMINISTRATOR—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued

under section 5(h) shall be made available for use directly under sections 5(h)(3)(B)(ii) and 5(h)(3)(C) of the Department of Transportation Act, as amended, notwithstanding any provisions therein to the contrary: *Provided further*, That each State shall be entitled to, and no more than, \$50,000 under the combined provisions of section 5(h)(2) and section 5(i), notwithstanding any provisions therein to the contrary: *Provided further*, That no State may apply for fiscal year 1987 funds available under section 5(h)(2) until such State has obligated all funds granted to it under section 5(h)(2) in the fiscal years prior to the beginning of fiscal year 1982, other than funds not expended due to pending litigation: *Provided further*, That a State denied funding by reason of the preceding proviso may still apply for and receive funds for planning purposes.]

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-0700-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Salaries and expenses.....	12,576	13,171	13,207
00.02 Contractual support.....	2,163	2,661	860
00.03 Washington Union Station.....	4,932	4,600	3,500
00.04 Local rail service assistance.....	15,850	21,355	
00.05 Alaska railroad workers' compensation and unemployment compensation payments.....			1,900
00.91 Total, direct program.....	35,521	41,787	19,467
01.01 Reimbursable program.....	1,200		
10.00 Total obligations.....	36,721	41,787	19,467
<b>Financing:</b>			
11.00 Offsetting collections from Federal funds.....	-1,200		
17.00 Recovery of prior year obligations.....	-1,714		
21.40 Unobligated balance available, start of year.....	-33,285	-28,489	-10,000
22.40 Unobligated balance transferred, net.....		77	-6,000
24.40 Unobligated balance available, end of year.....	28,489	10,000	
25.00 Unobligated balance lapsing.....	6		
40.00 Budget authority (appropriation).....	29,016	23,375	3,467
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	35,521	41,787	19,467
72.40 Obligated balance, start of year.....	63,419	58,909	29,342
74.40 Obligated balance, end of year.....	-58,909	-29,342	-13,914
77.00 Adjustments in expired accounts.....	-735		
78.00 Adjustments in unexpired accounts.....	-1,714		
90.00 Outlays.....	37,581	71,354	34,895
<b>Distribution of budget authority by account:</b>			
Office of the Administrator.....	9,685	23,375	3,467
Rail service assistance.....	19,331		
<b>Distribution of outlays by account:</b>			
Office of the Administrator.....	10,388	39,277	19,320
Rail service assistance.....	27,193	32,077	15,575

The 1988 budget proposes to transfer 1987 unobligated balances from the rail service assistance and redeemable preference shares accounts.

**Salaries and expenses.**—Provides for salaries and related expenses for the Office of the Administrator and his immediate staff, Chief Counsel, Civil Rights, Public Affairs, Office of Budget, Office of Administration, Office of Policy and the Office of Passenger and Freight Services. Together these offices resolve national problems confronting the railroad industry and provide top level support to the Federal Railroad Administrator.

**Contract support.**—The Office of Policy uses contractual support to develop positions regarding various proposed structural changes in the railroad industry such

as mergers and the sale of Conrail to the private sector. Contractual support is also used to conduct internal studies dealing with traffic, economic forecasting, financial condition, and other factors that contribute to an efficient national freight railroad network. In 1986 and 1987, this program also provided contractual support to Federal assistance programs, labor-management activities, railroad rehabilitation and improvement financing funds, grants to the National Railroad Passenger Corporation and the Conrail labor protection program.

**Washington Union Station.**—The Department of Transportation assumed responsibility for leasing Washington Union Station in 1984. In 1988, funds will be used for rental of that facility.

**Local rail service assistance.**—This program provides discretionary and formula grants to all States for rail planning and for track rehabilitation of light density lines. No funds are requested in 1988.

**Reimbursable program.**—In 1986, reimbursable authority provided Department of the Interior reimbursement to FRA for payment of storm drainage and skylight repairs at Washington Union Station.

Object Classification (in thousands of dollars)

Identification code 69-0700-0-1-401	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	8,537	8,627	8,040
11.3 Other than full-time permanent.....	145	140	18
11.5 Other personnel compensation.....	133	125	120
11.9 Total personnel compensation.....	8,815	8,892	8,178
12.1 Personnel benefits: Civilian.....	905	1,070	1,432
13.0 Benefits for former personnel.....	1		1,900
21.0 Travel and transportation of persons.....	160	150	150
23.1 Rental payments to GSA.....	897	1,149	1,449
23.3 Communications, utilities, and miscellaneous charges.....	459	372	365
24.0 Printing and reproduction.....	141	129	120
25.0 Other services.....	8,131	8,543	5,753
26.0 Supplies and materials.....	75	62	60
31.0 Equipment.....	87	65	60
41.0 Grants, subsidies, and contributions.....	15,850	21,355	
99.0 Subtotal, direct obligations.....	35,521	41,787	19,467
99.0 Reimbursable obligations.....	1,200		
99.9 Total obligations.....	36,721	41,787	19,467

Personnel Summary

Total number of full-time permanent positions.....	204	204	195
Total compensable workyears:			
Full-time equivalent employment.....	230	192	183
Full-time equivalent of overtime and holiday hours.....	1	1	1

RAILROAD SAFETY

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in connection with railroad safety, not otherwise provided for, [ \$27,050,000 ] \$39,299,000, including \$30,000,000 to be transferred from unobligated balances of "Redeemable preference shares"; of which [ \$1,350,000 ] \$9,923,000 shall remain available until expended.

[RAILROAD RESEARCH AND DEVELOPMENT]

[For necessary expenses for railroad research and development, \$9,581,000, to remain available until expended: *Provided*, That \$200,000, together with funds appropriated for fiscal year 1986 and intended for such purposes, shall be available to support, by contract or financial assistance agreement, the development of railroad-community-police grade crossing safety education programs.] (*Additional authorizing legislation to be proposed.*)

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	69-0702-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Federal enforcement .....	20,652	21,190	24,083
00.02	Automated track inspection program .....	1,196	1,269	1,449
00.03	Safety regulation and program administration .....	4,369	5,233	4,093
00.04	Grants-in-aid for railroad safety .....	2,189		
00.05	Research and development .....	15,426	14,795	9,923
00.91	Total direct program .....	43,832	42,487	39,548
01.01	Reimbursable program .....	405	1,000	1,000
10.00	Total obligations .....	44,237	43,487	40,548
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-405	-1,000	-1,000
17.00	Recovery of prior year obligations .....	-401		
21.40	Unobligated balance available, start of year .....	-13,218	-6,483	-249
22.40	Unobligated balance transferred, net .....		-723	-30,000
24.40	Unobligated balance available, end of year .....	6,483	249	
25.00	Unobligated balance lapsing .....	18		
39.00	<b>Budget authority</b> .....	<b>36,714</b>	<b>35,530</b>	<b>9,299</b>
<b>Budget authority:</b>				
40.00	Appropriation .....	36,714	36,631	9,299
45.00	Transfers out for pay raises and retirement contributions .....		-1,101	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	43,832	42,487	39,548
72.40	Obligated balance, start of year .....	17,773	16,839	11,969
74.40	Obligated balance, end of year .....	-16,839	-11,969	-11,688
77.00	Adjustments in expired accounts .....	-538		
78.00	Adjustments in unexpired accounts .....	-401		
90.00	Outlays .....	43,827	47,357	39,829
<b>Distribution of budget authority by account:</b>				
	Railroad safety .....	26,570	27,050	9,299
	Railroad research and development .....	10,144	9,581	
<b>Distribution of outlays by account:</b>				
	Railroad safety .....	28,449	29,565	35,294
	Railroad research and development .....	15,378	17,792	4,535

The 1988 budget includes funds previously appropriated under the Railroad Research and Development account and proposes to transfer 1987 unobligated balances from the redeemable preference shares account.

**Federal enforcement.**—This program provides salaries and related expenses for safety field operations and is designed to reduce the number of railroad related accidents/incidents. Federal inspectors monitor railroads for compliance with Federal laws with specific emphasis on passenger and hazardous material routes. In addition, this staff provides training to Federal, State and railroad industry personnel on related safety enforcement activities, including programs dealing with the problem of alcohol and drug abuse.

**Automated track inspection program.**—This program provides \$1.4 million for the continued operation by FRA's Office of Safety of a self-propelled automatic track inspection vehicle and a research vehicle. The track inspection vehicle will survey approximately 25,000 miles of track in 1988. In January 1987, ownership of one set of FRA's automated track inspection vehicles will be transferred to the Department of Defense. The remaining vehicles assigned to this program will be disposed of within the next year.

**Safety regulation and program administration.**—This program funds the salaries and related expenses of safety headquarters personnel, data gathering and dissemination; and planning and evaluation activities. The ongoing responsibility of this program is to issue new or revised standards, procedures, and regulations to provide a safer railroad environment. This program also administers technical training and management of rail-highway grade crossings.

**Grants-in-aid for railroad safety.**—This program assists States in paying salaries and expenses incurred for State safety inspectors on a 50-percent cost-sharing basis. No funds are requested in 1988.

**Research and development.**—This program provides for the conduct of railroad safety research and development including the salaries and related expenses of the research project management staff. The research conducted encompasses all aspects of existing railroad operations and maintenance as well as new industry developments and trends. The scope of work undertaken helps to ensure the safe performance (1) of equipment, including critical components; (2) of the track structure, its components and other elements of the right-of-way; (3) of the railroad system operating as a whole, including the dynamic interaction between rail vehicles and the track structure on which they travel; (4) of the transport of hazardous materials; and, (5) of the operating practices employed in running the Nation's railroads. In addition, other Government agencies provide reimbursements for the conduct of research, development, testing, evaluation and analyses unique to the technical expertise and research capability of this program.

Object Classification (in thousands of dollars)

Identification code	69-0702-0-1-401	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	16,299	17,465	17,647
11.3	Other than full-time permanent .....	129	205	208
11.5	Other personnel compensation .....	338	340	267
11.9	Total personnel compensation .....	16,766	18,010	18,122
12.1	Personnel benefits: Civilian .....	2,128	2,282	3,369
13.0	Benefits for former personnel .....	163	106	151
21.0	Travel and transportation of persons .....	2,999	3,010	3,392
22.0	Transportation of things .....	56	44	50
23.1	Rental payments to GSA .....	998	1,051	1,186
23.3	Communications, utilities, and miscellaneous charges .....	748	942	1,037
24.0	Printing and reproduction .....	75	86	90
25.0	Other services .....	17,471	16,705	11,853
26.0	Supplies and materials .....	144	150	140
31.0	Equipment .....	95	101	158
41.0	Grants, subsidies, and contributions .....	2,189		
99.0	Subtotal, direct obligations .....	43,832	42,487	39,548
99.0	Reimbursable obligations .....	405	1,000	1,000
99.9	Total obligations .....	44,237	43,487	40,548

Personnel Summary

Total number of full-time permanent positions .....	458	458	459
Total compensable workyears:			
Full-time equivalent employment .....	447	450	451
Full-time equivalent of overtime and holiday hours .....	7	7	5

General and special funds—Continued

CONRAIL LABOR PROTECTION

Program and Financing (in thousands of dollars)

Identification code 69-0707-0-1-603	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	6,665		
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-7,209	-97	
21.40 Unobligated balance available, start of year	-35,714	-7,758	
22.40 Unobligated balance transferred, net	28,500	7,855	
24.40 Unobligated balance available, end of year	7,758		
<b>39.00 Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	6,665		
72.40 Obligated balance, start of year	23,237	75	
74.40 Obligated balance, end of year	-75		
78.00 Adjustments in unexpired accounts	-7,209	-97	
90.00 Outlays	22,618	-22	

*Conrail labor protection—Section 701.*—\$165 million has been appropriated under Section 701 of the Regional Rail Reorganization Act of 1973, as amended, to provide protection to Conrail employees deprived of employment because of actions taken under the 3R Act as amended by the Northeast Rail Service Act of 1981. No funds are requested for 1988 since Conrail is being returned to the private sector and labor protection will be a corporate, rather than Federal, responsibility.

*Conrail title V labor benefits.*—The Northeast Rail Service Act of 1981 terminated labor protection benefits under title V of the Regional Rail Reorganization Act and provided funds for Conrail employee benefits. Unobligated balances from prior years are proposed to be transferred to other programs in 1987 to offset pay cost increases.

*Milwaukee Railroad labor assistance.*—This program provided funds for Milwaukee Railroad employee benefits under section 509 of the Regional Rail Reorganization Act, as amended. A portion of the unobligated balances is proposed to be transferred to other programs in 1987 to offset pay cost increases.

*Conrail workforce reduction—Section 702.*—The Conrail workforce reduction program was authorized by the National Rail Service Act of 1981. In 1987, the remaining unobligated balance of \$7,209,000 was transferred to Grants to the National Railroad Passenger Corporation.

COMMUTER RAIL SERVICE

[CONRAIL COMMUTER TRANSITION ASSISTANCE]

[For necessary capital expenses of Conrail commuter transition assistance, not otherwise provided for, \$5,000,000, to remain available until expended.]

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-0747-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0)			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-5,000	
22.40 Unobligated balance transferred, net	-5,000	5,000	

24.40 Unobligated balance available, end of year	5,000		
<b>39.00 Budget authority</b>			
Budget authority:			
40.00 Appropriation		5,000	
45.00 Transfers out for pay raises and retirement contributions		-5,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	92		
90.00 Outlays		92	

These funds helped to defray the one-time only start-up costs of commuter service and other transition expenses connected with the transfer of rail commuter services from Conrail to other operators. In 1986, \$5.0 million was appropriated by transfer from UMTA research and development to fund Conrail Commuter Transition Assistance. No additional funds are requested in 1988.

SETTLEMENTS OF RAILROAD LITIGATION\*

\*See Part II for additional information.

Program and Financing (in thousands of dollars)

Identification code 69-0708-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0)	95,879		
<b>Financing:</b>			
47.10 Budget authority (authority to borrow) (87 Stat. 1001)	95,879		
Relation of obligations to outlays:			
71.00 Obligations incurred, net	95,879		
90.00 Outlays	95,879		

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[in thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	95,879		
Outlays	95,879		
Supplemental under existing legislation:			
Budget authority		6,500	
Outlays		6,500	
Total:			
Budget authority	95,879	6,500	
Outlays	95,879	6,500	

In 1981, the Government began valuation settlements with railroads for properties transferred to Conrail in 1976. Total settlements made through 1986 amount to \$2.8 billion.

PAYMENTS FOR PURCHASE OF CONRAIL SECURITIES

Status of Direct Loans (in thousands of dollars)

Identification code 69-0748-0-1-401	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	850,939	850,939	
1264 Adjustments: Other adjustments, net		-850,939	
1290 Outstanding, end of year	850,939		

These funds were provided for the U.S. Railway Association to purchase debentures and series A preferred

stock issued by the Consolidated Rail Corporation which were transferred to the Department of Transportation on November 21, 1986.

The Department of Transportation is currently in the process of selling the Government's interest in Conrail, as mandated by the Conrail Privatization Act.

**【NORTHEAST CORRIDOR IMPROVEMENT PROGRAM】**

【For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.), \$16,962,000, to remain available until expended: *Provided*, That, notwithstanding any other provision of law, the provisions of Public Law 85-804 shall apply to the Northeast Corridor Improvement Program: *Provided further*, That the Secretary may waive the provisions of 23 U.S.C. 322 (c) and (d) if such action would serve a public purpose: *Provided further*, That all public at grade-level crossings remaining along the Northeast Corridor upon completion of the project shall be equipped with protective devices including gates and lights.】

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0123-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Construction.....	15,889	6,788	.....
00.02 System engineering/program management and administration.....	36	282	.....
00.03 Public grade crossing elimination.....	.....	4,397	.....
00.91 Total direct program.....	15,925	11,467	.....
01.01 Reimbursable program.....	.....	1,200	.....
10.00 Total obligations.....	15,925	12,667	.....
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-1,757	-1,200	.....
17.00 Recovery of prior year obligations.....	-2,241	.....	.....
21.40 Unobligated balance available, start of year.....	-11,432	-11,467	.....
24.40 Unobligated balance available, end of year.....	11,467	.....	.....
39.00 <b>Budget authority</b> .....	<b>11,962</b>	.....	.....
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>11,962</b>	<b>16,962</b>	.....
45.00 <b>Transfers out for pay raises and retirement contributions</b> .....	.....	<b>-16,962</b>	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	14,168	11,467	.....
72.40 Obligated balance, start of year.....	301,733	216,543	110,233
74.40 Obligated balance, end of year.....	-216,543	-110,233	-19,710
78.00 Adjustments in unexpired accounts.....	-2,241	.....	.....
90.00 <b>Outlays</b> .....	<b>97,117</b>	<b>117,777</b>	<b>90,523</b>

**Construction.**—No funds are requested for this program in 1988. Appropriations for 1987 are proposed to be transferred to offset increased 1987 pay costs. At the end of 1985, responsibility for any additional construction on the Northeast Corridor was transferred to the National Railroad Passenger Corporation (Amtrak). However, outlays will continue from prior year obligations.

**Reimbursable program.**—Collections are made from Federal and non-Federal agencies for cost-shared improvement projects, such as stations.

**System engineering/program management and administration.**—In 1988, the primary effort will be to complete and audit a number of projects being closed out. At the end of 1985, all Northeast Corridor Improvement

program work scope and responsibility was transferred to Amtrak.

**Public grade crossing elimination.**—No funds are requested for this program in 1988; however, obligations and outlays will continue on projects which were included in prior year appropriations.

**Object Classification (in thousands of dollars)**

Identification code 69-0123-0-1-401	1986 actual	1987 est.	1988 est.
<b>FEDERAL RAILROAD ADMINISTRATION</b>			
Direct obligations:			
25.0 Other services.....	15,725	5,620	.....
99.0 Reimbursable obligations: Federal Railroad Administration.....	.....	1,200	.....
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>			
25.0 Other services.....	200	5,847	.....
99.0 Subtotal obligations, Federal Highway Administration.....	200	5,847	.....
99.9 Total obligations.....	15,925	12,667	.....

**【GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION】**

**【(INCLUDING TRANSFERS OF FUNDS)】**

【To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for operating losses incurred by the Corporation, capital improvements, and labor protection costs authorized by 45 U.S.C. 565, to remain available until expended, \$602,000,000, including all unexpended balances available from "Conrail workforce reduction" as of September 30, 1986: *Provided*, That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status: *Provided further*, That the Secretary shall make no commitments to guarantee new loans or loans for new purposes under 45 U.S.C. 602 in fiscal year 1987: *Provided further*, That the incurring of any obligation or commitment by the Corporation for the purchase of capital improvements prohibited by this Act or not expressly provided for in an appropriation Act shall be deemed a violation of 31 U.S.C. 1341: *Provided further*, That no funds are required to be expended or reserved for expenditure pursuant to 45 U.S.C. 601(e): *Provided further*, That none of the funds in this or any other Act shall be made available to finance the rehabilitation and other improvements (including upgrading track and the signal system, ensuring safety at public and private highway and pedestrian crossings by improving signals or eliminating such crossings, and the improvement of operational portions of stations related to intercity rail passenger service) on the main line track between Atlantic City, New Jersey, and the main line of the Northeast Corridor, unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Federal sources: *Provided further*, That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall not operate rail passenger service between Atlantic City, New Jersey, and the Northeast Corridor main line unless the Corporation's Board of Directors determines that revenues from such service have covered or exceeded 80 per centum of the short term avoidable costs of operating such service in the first year of operation and 100 per centum of the short term avoidable operating costs for each year thereafter: *Provided further*, That none of the funds provided in this or any other Act shall be made available to finance the acquisition and rehabilitation of a line, and construction necessary to facilitate improved rail passenger service, between Spuyten Duyvil, New York, and the main line of the Northeast Corridor unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Amtrak sources.】

General and special funds—Continued

**【GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION】—Continued**

**【(INCLUDING TRANSFERS OF FUNDS)】—Continued**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0704-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating grants .....	590,737	582,000	.....
00.02 Labor protection and capital grants .....	83,721	44,087	.....
10.00 Total obligations (object class 41.0) .....	674,458	626,087	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-107,808	-24,087	.....
22.40 Unobligated balance transferred, net .....	-28,500	-7,209	.....
24.40 Unobligated balance available, end of year .....	24,087	.....	.....
40.00 Budget authority (appropriation) .....	562,237	594,791	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	674,458	626,087	.....
72.40 Obligated balance, start of year .....	20,287	14,410	.....
74.40 Obligated balance, end of year .....	-14,410	.....	.....
90.00 Outlays .....	680,335	640,497	.....

The National Railroad Passenger Corporation (Amtrak) is a private corporation. In past years, Federal funds were provided to sustain Amtrak operations. No funds are requested in 1988. Legislation will be proposed to permit Amtrak's assets to be sold to the private sector or other interested parties.

**Operating grants and State assisted routes.**—No funds are requested in 1988, because Amtrak's performance to date has failed to justify continued massive Federal subsidies of interstate, commuter, and state-assisted rail passenger service.

**Labor protection and capital grants.**—No funds are requested in 1988. Labor protection payments, insofar as they exist, are a responsibility of the corporation.

**Public enterprise funds:**

**ALASKA RAILROAD REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code 69-4400-0-3-401	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	.....	.....	.....
72.98 Obligated balance, start of year: Fund balance .....	4,389	3,743	.....
74.98 Obligated balance, end of year: Fund balance .....	-3,743	.....	.....
90.00 Outlays .....	646	3,743	.....

The Alaska Railroad was operated by the Federal Government under the Act of March 12, 1914 (38 Stat. 305).

The Alaska Transfer Act of 1982 authorized transfer of the Alaska Railroad to the State of Alaska. The transfer was accomplished January 5, 1985.

**REGIONAL RAIL REORGANIZATION PROGRAM**

**Program and Financing (in thousands of dollars)**

Identification code 69-4100-0-3-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Direct loans (total obligations) (object class 33.0) .....	5,567	4,739	2,774
<b>Financing:</b>			
21.49 Unobligated balance available, start of year: Contract authority .....	-1	.....	.....
25.00 Unobligated balance lapsing .....	1	.....	.....
67.10 Budget authority (authority to borrow) (permanent, indefinite) (12 U.S.C. 2281-96) .....	5,567	4,739	2,774
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	5,567	4,739	2,774
72.40 Obligated balance, start of year .....	.....	5,567	10,306
74.40 Obligated balance, end of year .....	-5,567	-10,306	-13,080
90.00 Outlays .....	.....	.....	.....

**Status of Direct Loans (in thousands of dollars)**

Identification code 69-4100-0-3-401	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	78,250	83,804	49,543
1251 Repayments: Repayments and prepayments .....	.....	-39,000	.....
1261 Adjustments: Capitalized interest .....	5,554	4,739	2,774
1290 Outstanding, end of year .....	83,804	49,543	52,317

The United States Railway Association was authorized by the Regional Rail Reorganization Act, as amended, to borrow funds and make loans to certain railroads. These borrowings were guaranteed by the Secretary of Transportation and are limited to an aggregate of outstanding obligations of \$395 million. Outstanding loans payable were transferred to the Department of Transportation on January 1, 1987. No new loans will be made in 1987 or 1988.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue .....	2,833	2,529	1,804
Expense .....	-5,567	-4,739	-2,774
Net income or loss (-) for the year .....	-2,734	-2,210	-970

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Loans receivable (net) .....	833	833	833	833
Accrued interest receivable (net) .....	14,347	17,167	19,696	21,500
Notes receivable .....	20,246	20,246	20,246	20,246
Total assets .....	35,426	38,246	40,775	42,579
<b>Liabilities:</b>				
<b>Borrowing from the Federal Financing Bank (principal and capitalized interest) .....</b>				
	78,250	83,804	49,543	52,317
Total liabilities .....	78,250	83,804	49,543	52,317
<b>Government equity:</b>				
Retained earnings or deficit (-) .....	-42,824	-45,558	-8,768	-9,738
Total Government equity .....	-42,824	-45,558	-8,768	-9,738
<b>Analysis of changes in Government equity:</b>				
Retained income: Opening balance .....	.....	-42,824	-45,558	-8,768
<b>Transactions:</b>				
Net operating income or loss (-) .....	.....	-2,734	-2,210	-970

Other adjustments .....	39,000		
Total Government equity .....	-45,558	-8,768	-9,738

Note.—Other adjustments represent a repayment from Central Jersey Industries.

**RAILROAD REHABILITATION AND IMPROVEMENT FINANCING FUNDS\***

\*See Part II for additional information.

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided*, That no new loan guarantee commitments shall be made during fiscal year [1987] 1988.

**[REDEEMABLE PREFERENCE SHARES]**

[Notwithstanding any other provision of law, the Secretary of Transportation shall, until September 30, 1988, issue and sell, and the Secretary of the Treasury until such date shall purchase fund anticipation notes, and the Secretary of Transportation is hereby authorized to expend for uses authorized for the Railroad Rehabilitation and Improvement Fund proceeds from the sale of such fund anticipation notes and any other moneys deposited in the fund after September 30, 1985, pursuant to sections 502, 505-507, and 509 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, and section 803 of Public Law 95-620, in additional amounts not to exceed \$6,500,000.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-4411-0-3-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Loan repayments .....	230	440	1,133
00.02 Loan guarantee default .....	12,924		
00.03 Direct loans .....	1,600	1,800	1,000
10.00 Total obligations (object class 33.0) .....	14,754	2,240	2,133
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-10	-10	-10
Non-Federal sources:			
14.00 Fees and repayments .....	-94,921	-7,666	-7,518
14.00 Sale of assets .....			-206,000
Unobligated balance available, start of year:			
21.47 Authority to borrow .....		-32,059	-38,559
21.98 U.S. securities (par) .....	-1,323	-125	-251
21.98 Fund balance .....	-3	-4	
22.47 Unobligated balance transferred, net: Authority to borrow .....			36,000
Unobligated balance available, end of year:			
24.47 Authority to borrow .....	32,059	38,559	
24.98 U.S. securities (par) .....	125	251	374
24.98 Fund balance .....	4		
25.00 Unobligated balance lapsing .....			208,559
31.00 Redemption of debt .....	94,544	7,114	6,272
39.00 <b>Budget authority</b> .....	<b>45,228</b>	<b>8,300</b>	<b>1,000</b>
<b>Budget authority:</b>			
47.00 Authority to borrow (appropriation acts) .....	32,059	6,500	
47.10 Authority to borrow (84 Stat. 1976) .....	11,569		
67.10 Authority to borrow (permanent, indefinite) .....	1,600	1,800	1,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-80,177	-5,436	-211,395
72.47 Obligated balance, start of year .....	41,548	33,919	27,129
74.47 Obligated balance, end of year .....	-33,919	-27,129	-22,819
77.00 Adjustments in expired accounts .....	-230		
90.00 Outlays .....	-72,778	1,354	-207,085

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	45,228	8,300	1,000
Outlays .....	-72,778	1,354	-207,085
Supplemental under existing legislation:			
Budget authority .....		790	
Outlays .....		790	
Total:			
Budget authority .....	45,228	9,090	1,000
Outlays .....	-72,778	2,144	-207,085

**Status of Direct Loans (in thousands of dollars)**

Identification code 69-4411-0-3-401	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....	3,828		
1112 Unused balance of direct loan limitation expiring .....	-3,828		
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	719,976	634,372	635,408
1231 Disbursements: Direct loan disbursements .....	9,170	8,590	5,310
<b>Repayments:</b>			
1251 Repayments and prepayments .....	-94,774	-7,554	-7,405
1253 Loan asset sales to the public .....			-206,000
1264 Adjustments: Other adjustments, net <sup>1</sup> .....			-377,228
1290 Outstanding, end of year .....	634,372	635,408	50,085

<sup>1</sup> Reflects the discount from face value on sale of loan assets to the public.

No new commitments for the redeemable preference shares and loan guarantee programs are proposed to be made in 1988; however, outlays will continue on projects which were included in prior year appropriations. Appropriations for redeemable preference shares in 1987 and unobligated balances from prior years are proposed to be used to partially fund the program level in other FRA programs in 1988 with the remaining balance lapsing. This account now reflects direct loans which were previously shown under the Federal Financing Bank (FFB) direct loan account. In 1988, the account reflects \$206 million in receipts resulting from the proposed sale of redeemable preferences shares to the private sector.

**Loan repayments.**—This program reflects repayments of principal and interest on outstanding borrowings by the railroads to the Federal Financing Bank (FFB).

**Loan guarantee defaults.**—This program reflects public debt authority incurred in 1986 associated with a prepayment of a section 511 loan guarantee with Milwaukee Road, Inc.

**Direct loans.**—This program provides direct loans that are disbursed by the Federal Financing Bank to private freight railroad companies that are guaranteed by the Federal Railroad Administration, as authorized by sections 511-513 of Public Law 94-210. The budget authority for this account reflects draw downs by the railroads on the direct loans.

**URBAN MASS TRANSPORTATION ADMINISTRATION**

The underlying policy principle in the development of the 1988 budget is that greater funding at the local level and greater participation by the private sector can and will reduce public costs in providing for the mass transportation needs of American citizens. Greater private

vate sector participation in capital infrastructure development through direct private investment or public/private joint ventures in new rail systems, rail extensions, and station modernization will greatly reduce reliance on Federal capital assistance. Also, the introduction of greater competition through competitive bidding of service and maintenance will significantly reduce operating costs and the need for Federal subsidies.

The following tables depict budget authority and program levels for all Urban Mass Transportation programs for which more detail is furnished in the budget schedules:

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Budget authority:</b>			
Administrative expenses .....	28,710	31,000	.....
Research, training, and human resources .....	16,652	17,400	.....
Interstate transfer grants—transit .....	191,400	200,000	.....
Washington Metro .....	217,239	201,120	130,000
Formula grants .....	2,057,550	2,000,000	.....
Formula transit grants (trust fund) .....	.....	.....	1,374,000
Discretionary grants (trust fund) .....	1,052,700	1,002,500	.....
<b>Total, budget authority .....</b>	<b>3,564,251</b>	<b>3,452,020</b>	<b>1,504,000</b>
<b>Program level:</b>			
Miscellaneous accounts .....	17,126	.....	.....
Administrative expenses .....	28,512	31,336	.....
Research, training, and human resources .....	21,095	21,090	.....
Interstate transfer grants—transit .....	245,077	215,987	.....
Washington Metro .....	432,839	201,120	130,000
Formula grants .....	2,204,257	2,300,000	300,000
Formula transit grants (trust fund) .....	.....	.....	1,374,000
Discretionary grants (trust fund) .....	1,210,650	978,538	450,000
<b>Total, program level .....</b>	<b>4,159,556</b>	<b>3,748,071</b>	<b>2,254,000</b>

**Federal Funds**

**General and special funds:**

**[ADMINISTRATIVE EXPENSES]**

For necessary administrative expenses of the urban mass transportation program authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), and 23 U.S.C. chapter 1, in connection with these activities, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, \$31,000,000, of which not to exceed \$600,000 shall be available for the Office of the Administrator.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-1120-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	28,512	31,336	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-121	.....	.....
22.40 Unobligated balance transferred, net .....	.....	-336	.....
25.00 Unobligated balance lapsing .....	319	.....	.....
<b>40.00 Budget authority (appropriation) .....</b>	<b>28,710</b>	<b>31,000</b>	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	28,512	31,336	.....
72.40 Obligated balance, start of year .....	3,765	2,499	3,299
74.40 Obligated balance, end of year .....	-2,499	-3,299	.....
77.00 Adjustments in expired accounts .....	225	.....	.....
<b>90.00 Outlays .....</b>	<b>30,003</b>	<b>30,536</b>	<b>3,299</b>

Note.—Excludes \$32,747 thousand in 1988 for activities proposed to be funded within Formula transit grants (trust fund).

Through 1987, this appropriation finances, with general revenues from the Treasury, personnel and other support costs associated with managing and directing UMTA program responsibilities including executive direction, policy, budget, financial management, civil rights, public affairs, legal, grants delivery and management, technical assistance, and research and demonstration support. No appropriation is requested from general funds in 1988 to fund this program. Rather in 1988, it is proposed that funds from the Mass Transit Account of the Highway Trust Fund be made available to finance this program. This proposal is further explained under the account heading Formula transit grants (trust fund).

**Object Classification (in thousands of dollars)**

Identification code 69-1120-0-1-401	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	18,182	18,549	.....
11.3 Other than full-time permanent .....	596	902	.....
11.5 Other personnel compensation .....	309	350	.....
11.9 Total personnel compensation .....	19,087	19,801	.....
12.1 Personnel benefits: Civilian .....	2,199	2,298	.....
13.0 Benefits for former personnel .....	5	15	.....
21.0 Travel and transportation of persons .....	590	586	.....
22.0 Transportation of things .....	52	30	.....
23.1 Rental payments to GSA .....	1,785	2,500	.....
23.2 Rental payments to others .....	78	87	.....
23.3 Communications, utilities, and miscellaneous charges .....	1,120	1,018	.....
24.0 Printing and reproduction .....	164	167	.....
25.0 Other services .....	3,158	4,478	.....
26.0 Supplies and materials .....	103	134	.....
31.0 Equipment .....	170	221	.....
43.0 Interest and dividends .....	1	1	.....
<b>99.9 Total obligations .....</b>	<b>28,512</b>	<b>31,336</b>	.....

**Personnel Summary**

Total number of full-time permanent positions .....	496	443	.....
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	490	468	.....
Full-time equivalent of overtime and holiday hours .....	2	2	.....

**[RESEARCH, TRAINING, AND HUMAN RESOURCES]**

For necessary expenses for research, training, and human resources as authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), to remain available until expended, \$17,400,000: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for training.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-1121-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	21,095	21,090	.....
01.01 Reimbursable program .....	528	.....	.....
<b>10.00 Total obligations .....</b>	<b>21,623</b>	<b>21,090</b>	.....
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-500	.....	.....
14.00 Non-Federal sources .....	-28	.....	.....
17.00 Recovery of prior year obligations .....	-588	.....	.....
21.40 Unobligated balance available, start of year .....	-50,981	-8,026	.....
22.40 Unobligated balance transferred, net .....	39,100	4,336	.....

24.40	Unobligated balance available, end of year.....	8,026		
40.00	<b>Budget authority (appropriation).....</b>	<b>16,652</b>	<b>17,400</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	21,095	21,090	
72.40	Obligated balance, start of year.....	54,741	52,612	51,735
74.40	Obligated balance, end of year.....	-52,612	-51,735	-34,987
78.00	Adjustments in unexpired accounts.....	-588		
90.00	Outlays.....	22,635	21,968	16,748

Note.—Excludes \$17,000 thousand in 1988 for activities proposed to be funded within Formula transit grants (trust fund).

Through 1987 this appropriation finances, with general revenues from the Treasury, grants and contracts for the purpose of developing, testing, and demonstrating techniques and methods (analytical, operational, and managerial); improving the cost effectiveness and efficiency of mass transportation services; grants to public bodies to provide for advanced training for personnel in the mass transportation field; and grants to public and private nonprofit institutions to assist in establishing or continuing programs which combine professional training and research in the field of mass transportation. In addition, grants are provided to enhance the effective utilization of human resources and to ensure the participation of minority business enterprises in the transit industry. In 1988, it is proposed that funds from the Mass Transit Account of the Highway Trust Fund be made available to finance this program. It will be subject to the obligation limitation for the new Formula Transit Grants Program.

**Object Classification (in thousands of dollars)**

Identification code 69-1121-0-1-401	1986 actual	1987 est.	1988 est.
Direct obligations:			
25.0	Other services.....	13,712	14,759
41.0	Grants, subsidies, and contributions.....	7,383	6,331
99.0	Subtotal, direct obligations.....	21,095	21,090
99.0	Reimbursable obligations.....	528	
99.9	Total obligations.....	21,623	21,090

**【INTERSTATE TRANSFER GRANTS—TRANSIT】**

【For necessary expenses to carry out the provisions of 23 U.S.C. 103(e)(4) related to transit projects, \$200,000,000, to remain available until expended.】

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-1127-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	245,077	215,987
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....	-102,714	-67,787
22.40	Unobligated balance transferred, net.....	-18,750	51,800
24.40	Unobligated balance available, end of year.....	67,787	
40.00	<b>Budget authority (appropriation).....</b>	<b>191,400</b>	<b>200,000</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	245,077	215,987
72.40	Obligated balance, start of year.....	797,789	653,421
74.40	Obligated balance, end of year.....	-653,421	-509,348
90.00	Outlays.....	389,445	360,060

Grants under this activity are authorized by the Federal-Aid Highway Act of 1973 as amended (23 U.S.C. 103(e)(4)) whereby States and localities may withdraw previously approved segments of the Interstate System and substitute transit or other highway capital projects. Through 1987, this appropriation provided funding for substituted transit projects while funding for substituted highway projects was included in the budget of the Federal Highway Administration. Beginning in 1988, no funding is requested under this account. Eligible substituted transit project commitments are proposed to be funded through the Interstate Transfer program under the Federal-Aid Highways Account (Trust Fund), administered by the Federal Highway Administration.

**WASHINGTON METRO**

For necessary expenses to carry out the provisions of section 14 of Public Law 96-184, 【\$201,119,500】 \$130,000,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-1128-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	432,839	201,120
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....	-215,600	
40.00	<b>Budget authority (appropriation).....</b>	<b>217,239</b>	<b>201,120</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	432,839	201,120
72.40	Obligated balance, start of year.....	400,733	749,939
74.40	Obligated balance, end of year.....	-749,939	-754,763
90.00	Outlays.....	83,633	196,296

The National Capital Transportation Amendments of 1979 authorized \$1.7 billion in Federal funds for the construction of the Federal portion of the Washington Metrorail system. Through 1987, \$1,158.3 million has been appropriated for the Washington Metrorail system, leaving a balance of \$541.7 million remaining under the original \$1.7 billion Stark-Harris authorization. An appropriation of \$130.0 million is requested for 1988 to continue construction of the system. The Washington Metropolitan Area Transit Authority needs to initiate a dedicated source of local funding to become independent of Federal funding.

**【FORMULA GRANTS】**

【For necessary expenses to carry out the provisions of sections 9 and 18 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), \$2,000,000,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, before apportionment of these funds, \$16,900,000 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended: *Provided further*, That, notwithstanding any other provision of law, of the funds provided under this Act for formula grants, no more than \$847,044,097 may be used for operating assistance under section 9(k)(2) of the Urban Mass Transportation Act of 1964, as amended: *Provided further*, That, notwithstanding any other provision of law, of the amount available for operating assistance under this Act, no more than \$563,505,567 may be used for operating

General and special funds—Continued

【FORMULA GRANTS】—Continued

assistance in urbanized areas with a population of 1,000,000 or more.】

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-1129-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Urban formula grants.....	2,103,034	2,224,989	300,000
00.02 Nonurban formula grants.....	101,223	75,011	
10.00 Total obligations (object class 41.0).....	2,204,257	2,300,000	300,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-45,659		
21.40 Unobligated balance available, start of year.....	-1,084,880	-970,234	-670,234
24.40 Unobligated balance available, end of year.....	970,234	670,234	370,234
25.00 Unobligated balance lapsing.....	13,599		
40.00 Budget authority (appropriation).....	2,057,550	2,000,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,204,257	2,300,000	300,000
72.40 Obligated balance, start of year.....	3,671,658	4,178,674	4,482,674
74.40 Obligated balance, end of year.....	-4,178,674	-4,482,674	-3,301,674
78.00 Adjustments in unexpired accounts.....	-45,659		
90.00 Outlays.....	1,651,582	1,996,000	1,481,000

Through 1987, this program provided grants on the basis of statutory formulas to State and local agencies for mass transportation capital and operating expenses. Capital expenses included construction, acquisition, modernization, and improvement of existing transit facilities and equipment, employment of new technology, and technical planning assistance. Operating assistance expenses included administration, maintenance and operation of transit systems.

No appropriations are requested under this heading in 1988. Rather, it is proposed that formula grants be funded from the Mass Transit Account of the Highway Trust Fund. This proposal is further explained below under the account heading Formula transit grants (trust fund).

MISCELLANEOUS ACCOUNTS

Program and Financing (in thousands of dollars)

Identification code 69-9913-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Discretionary grants.....	17,064		
00.02 Waterborne and commuter rail.....	62		
10.00 Total obligations (object class 41.0).....	17,126		
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-20,000		
21.40 Unobligated balance available, start of year.....	-6,147		
25.00 Unobligated balance lapsing.....	9,021		
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	17,126		
72.40 Obligated balance, start of year.....	1,565,210	1,028,889	578,889
74.40 Obligated balance, end of year.....	-1,028,889	-578,889	-328,889
78.00 Adjustments in unexpired accounts.....	-20,000		
90.00 Outlays.....	533,447	450,000	250,000

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year.....	748	535	
1262 Adjustments: Write-offs for default.....	-213	-535	
1290 Outstanding, end of year.....	535		

Status of Guaranteed Loans (in thousands of dollars)

Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year.....	997,000	997,000	997,000
2290 Outstanding, end of year.....	997,000	997,000	997,000

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	997,000	997,000	997,000
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These schedules display programs that no longer require appropriations and thus reflects obligations and outlays made under prior year appropriations. Among these programs is the general funded appropriation for Discretionary Grants for 1983 and earlier years.

Trust Funds

FORMULA TRANSIT GRANTS

(LIMITATION ON OBLIGATIONS)

No funds shall be available for programs under the Mass Transportation Improvement Act of 1987 in excess of \$1,374,000,000; of which not to exceed \$32,747,000 shall be available to carry out necessary expenses for the administration and operation of the Urban Mass Transportation Administration; not to exceed \$17,000,000 shall be available to carry out the research, training and human resources programs; not to exceed \$35,000,000 shall be available to carry out the section 16(b)(2) Elderly and Handicapped program; not to exceed \$35,000,000 shall be available to carry out the section 8 Planning program: Provided, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities and private sources, for expenses incurred for training: Provided further, That notwithstanding any other provision of law, before apportionment of these funds, \$29,000,000 of the funds available herein shall be available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended. (Additional authorizing legislation to be proposed.)

LIQUIDATION OF CONTRACT AUTHORIZATION

For payment of obligations incurred under the Mass Transportation Improvement Act of 1987, \$500,000,000, to be derived from the Mass Transit Account of the Highway Trust Fund and to remain available until expended. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 69-8099-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Urban formula capital grants.....			1,077,463
00.02 Small urban operating grants.....			111,890
00.03 Non-urban grants.....			64,900
00.04 Research training and human resources.....			17,000
00.05 Administrative expenses.....			32,747
00.06 Elderly and handicapped.....			35,000
00.07 Planning.....			35,000
10.00 Total obligations (object class 41.0).....			1,374,000
<b>Financing:</b>			
39.00 Budget authority.....			1,374,000
<b>Budget authority:</b>			
40.00 Appropriation.....			500,000
40.49 Portion applied to liquidate contract authority.....			-500,000
43.00 Appropriation (adjusted).....			

49.10	Contract authority (Public Law 97-424).....	1,374,000
Relation of obligations to outlays:		
71.00	Obligations incurred, net .....	1,374,000
74.49	Obligated balance, end of year: Contract authority.....	-937,049
90.00	Outlays.....	436,951

Note.—Includes \$1,374,000 thousand in 1988 for activities previously financed from (in thousands of dollars):

	1986	1987
Research, training, and human resources .....	16,652	17,400
Administrative expenses.....	28,710	31,000
Discretionary grants.....	1,052,700	1,002,500
Total.....	1,098,062	1,050,900

Status of Unfunded Contract Authority (in thousands of dollars)

Identification code 69-8099-0-7-401	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....			
Contract authority.....			1,374,000
Appropriation to liquidate contract authority.....			-500,000
Unfunded balance end of year.....			874,000

For 1988, legislation is being proposed to amend section 21 of the Urban Mass Transportation Act of 1964 to provide that funds available in the Mass Transit Account be allocated on the basis of legislative formulas to State and local agencies for mass transit capital investments rather than on a discretionary basis. This new Formula Transit Grants program will also replace the Formula Grants program which is currently funded from general funds, and will require a 50 percent local match on Federal funds.

The specific activities to be funded are:

**Urban formula capital grants.**—Funding is proposed to be allocated on the basis of legislative formulas to urbanized areas for mass transportation capital activities in urbanized areas with populations of 50 thousand or more.

**Small urban operating grants.**—The legislative proposal will also provide that only small urban and non-urban areas may use funds for operating assistance. These areas are the most dependent upon Federal operating assistance. The amounts available for small urban operating assistance will be limited to the \$111.89 million level made available for such assistance in 1986.

Since benefits derived from mass transit accrue primarily to localities, and in light of the mounting pressure on the Federal deficit, it is appropriate to reduce the Federal role to one of managing and allocating the penny gas tax for transit. Since this penny gas tax for transit is collected nationally, it is also appropriate that it be allocated nationally so that, to the greatest degree possible, all payers of this tax may receive equitable benefits from it.

An obligation limitation of \$1.374 billion, in line with the projected receipts from the one penny per gallon motor fuel tax for mass transit over the 4-year authorization period, is proposed for 1988. The obligation limitation for 1987 enacted by Congress is \$1.0025 billion. Consistent with Department policy, no funding from accrued trust fund interest will be used to fund highway or transit programs.

The 1988 budget proposal for Formula Transit Grants' budget authority and obligation limitation is based on increased revenue as a result of proposed repeal of existing tax exemptions (estimated to begin in

1988) for gasohol, public and private buses, and State and local government vehicles. The budget and proposed legislation would set average budget authority for the transit trust fund programs equal to average revenue from transit's one-cent share of motor fuel taxes for fiscal years 1987-90. Without repeal of the tax exemptions, Formula Transit Grants' 1988 budget authority and obligation limitation would be approximately \$44 million less than the budget proposal.

**Non-urban grants.**—Funding is proposed to be allocated to States by a legislative formula for mass transportation capital and operating activities in nonurbanized areas with populations below 50 thousand. In addition to the amount of funds made available by the formula, non-urban areas will receive an additional \$29 million in recognition of their greater dependence of Federal assistance.

**Research, training and human resources.**—Up to \$17 million in funds from the Mass Transit Account is requested to be made available to fund the Research, Training and Human Resources program. Prior to 1988, funding this program was derived from general revenues. Areas of emphasis in 1988 will include private sector transit alternatives, transit safety and security, operations and management practices, financial management, necessary project management oversight, and human resources.

**Administrative expenses.**—It is also requested in 1988 that \$32.7 million in funds from the Mass Transit Account be made available to fund the necessary expenses for the administration and operation of the UMTA program. This appropriation will finance personnel and other support costs associated with managing and directing UMTA program responsibilities. Prior to 1988, funding for the Administrative Expenses program was derived from general revenues. Cost savings in the Administrative Expenses account from 1987 to 1988 results primarily from a planned reduction of 40 workyears, consistent with termination of selected mass transit programs.

**Elderly and handicapped.**—The Urban Mass Transportation Act of 1964, as amended, requires that special efforts be made in planning and design of mass transportation facilities and services so that elderly and handicapped persons are assured of mass transportation services that they can effectively utilize. This request for \$35 million will provide equipment and facilities needed to enhance transit mobility for elderly and handicapped persons through private, non-profit providers. The 16(b)(2) program is administered at the State level by designated State agencies.

**Planning.**—This program provides \$35 million to finance section 8 transit planning and technical studies.

The status of the Mass Transit Account is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Unexpended balance brought forward, start of year:.....	2,524,017	3,286,877	3,878,377
Cash income during the year, Governmental receipts:			
Motor fuel taxes.....	1,112,654	1,169,000	1,300,000
Interest on investments.....	282,769	320,500	334,500
Total annual income.....	1,395,423	1,489,500	1,634,500
Cash outgo during the year (liquidation of contract authorization):			
Discretionary grants.....	632,563	898,000	808,000

**FORMULA TRANSIT GRANTS—Continued**  
**LIQUIDATION OF CONTRACT AUTHORIZATION—Continued**

	1986 actual	1987 est.	1988 est.
Formula transit grants.....			436,951
Subtotal.....	632,563	898,000	1,244,951
Unexpended balance carried forward, end of year.....	3,286,877	3,878,377	4,267,926

**Object Classification (in thousands of dollars)**

Identification code 69-8099-0-7-401	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			16,952
11.3 Other than full-time permanent.....			450
11.5 Other personnel compensation.....			351
11.9 Total personnel compensation.....			17,753
12.1 Personnel benefits: Civilian.....			3,732
13.0 Benefits for former personnel.....			30
21.0 Travel and transportation of persons.....			637
22.0 Transportation of things.....			74
23.1 Rental payments to GSA.....			2,901
23.2 Rental payments to others.....			87
23.3 Communications, utilities, and miscellaneous charges.....			1,276
24.0 Printing and reproduction.....			183
25.0 Other services.....			15,303
26.0 Supplies and materials.....			157
31.0 Equipment.....			613
41.0 Grants, subsidies, and contributions.....			1,331,253
43.0 Interest and dividends.....			1
99.9 Total obligations.....			1,374,000

**Personnel Summary**

Total number of full-time permanent positions.....	400
Total compensable workyears:	
Full-time equivalent employment.....	428
Full-time equivalent of overtime and holiday hours.....	5

**DISCRETIONARY GRANTS**

**[(LIMITATION ON OBLIGATIONS)]**  
**[(HIGHWAY TRUST FUND)]**

None of the funds in this Act shall be available for the implementation or execution of programs in excess of \$1,002,500,000 in fiscal year 1987 for grants under the contract authority authorized in section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.).

(LIQUIDATION OF CONTRACT AUTHORIZATION)  
(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), administered by the Urban Mass Transportation Administration, **[\$1,100,000,000] \$600,000,000**, to be derived from the Highway Trust Fund and to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-8191-0-7-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	1,210,650	978,538	450,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-19,676		
21.49 Unobligated balance available, start of year:			
Contract authority.....	-564,312	-426,038	-450,000
24.49 Unobligated balance available, end of year: Con-			
tract authority.....	426,038	450,000	
39.00 Budget authority.....	1,052,700	1,002,500	

<b>Budget authority:</b>			
60.00 Appropriation (permanent).....	775,000	1,100,000	600,000
60.49 Portion applied to liquidate contract authority.....	-775,000	-1,100,000	-600,000
63.00 Appropriation (adjusted).....			
69.10 Contract authority (Public Law 97-424) (definite).....	1,052,700	1,002,500	

<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,210,650	978,538	450,000
Obligated balance, start of year:			
72.40 Appropriation.....	3,675	146,112	348,112
72.49 Contract authority.....	1,817,687	2,233,661	2,112,199
Obligated balance, end of year:			
74.40 Appropriation.....	-146,112	-348,112	-140,112
74.49 Contract authority.....	-2,233,661	-2,112,199	-1,962,199
78.00 Adjustments in unexpired accounts.....	-19,676		
90.00 Outlays.....	632,563	898,000	808,000

Note.—Excludes \$70,000 thousand in 1988 for elderly and handicapped, and planning activities proposed to be funded within Formula transit grants (trust fund).

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification Code 69-8191-0-7-401	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....	2,382,000	2,659,700	2,562,200
Contract authority.....	1,052,700	1,002,500	
Appropriation to liquidate contract authority.....	-775,000	-1,100,000	-600,000
Unfunded balance, end of year.....	2,659,700	2,562,200	1,962,000

Funding in this account authorized for 1984 through 1987 was allocated for capital mass transit projects under Discretionary Grants which provided additional financial assistance over and above the Section 9 and 18 Formula Grants programs.

The funding has provided financial assistance at the discretion of the Secretary (though often directed by Congress) for planning and capital investments in mass transportation. The Discretionary Grants program has been used to fund selected bus projects, rail modernization projects, and new fixed guideway systems. In addition, a small amount of discretionary funds were used for selected grants to support planning, innovative techniques, and special elderly and handicapped transportation services. In 1988, no funding is requested for discretionary allocation. Rather, a separate formula grant program under the heading Formula Transit Grants is proposed to ensure that resources from the nationally derived motor fuel tax will be more fairly allocated on the basis of legislative formulas.

Currently the Discretionary Grant program uses trust funds from transit's share of the gasoline tax. Over 80 percent of these funds benefit fewer than 20 cities. Moreover, continued Federal funding under the Discretionary Grants account for major new fixed guideway investments, or new starts results in the development of many inefficient, expensive transit systems that will cost more to operate than other available transportation alternatives. It is proposed that this program be terminated in 1988.

**FEDERAL AVIATION ADMINISTRATION**

The following table depicts the funding for all Federal Aviation Administration programs, including proposed supplementals, for which more detail is furnished in the budget schedules:

[In millions of dollars]

	1986 actual	1987 est.	1988 est.
<b>Budget authority:</b>			
Operations.....	2,664	2,811	3,248
Trust fund.....	(427)	(621)	(2,416)
Headquarters administration.....	60	35	38
Metropolitan Washington airports.....	39	30	.....
Grants-in-aid for airports (trust).....	973	1,017	1,017
Facilities and equipment (trust).....	895	805	1,350
Research, engineering, and development (trust).....	237	142	150
Aircraft purchase loan guarantee program.....	4	2	.....
<b>Total net.....</b>	<b>4,873</b>	<b>4,842</b>	<b>5,803</b>
<b>Program level:</b>			
Operations.....	2,675	2,927	3,248
Trust fund.....	(435)	(621)	(2,416)
Headquarters administration.....	60	35	38
Facilities, engineering, and development.....	2	1	.....
Metropolitan Washington airports.....	39	36	.....
Grants-in-aid for airports (trust).....	899	1,000	1,017
Facilities and equipment (trust).....	753	1,097	1,152
Research, engineering, and development (trust).....	249	161	150
Aviation insurance revolving fund.....	-2	-3	-3
Aircraft purchase loan guarantee program.....	4	2	.....
<b>Total net.....</b>	<b>4,678</b>	<b>5,257</b>	<b>5,602</b>
<b>Outlays:</b>			
Operations.....	2,666	2,686	3,130
Trust fund.....	(435)	(621)	(2,416)
Headquarters administration.....	59	38	38
Facilities, engineering, and development.....	1	4	.....
Metropolitan Washington airports.....	41	39	9
Grants-in-aid for airports (trust).....	853	889	950
Facilities and equipment (trust).....	758	804	971
Research, engineering, and development (trust).....	293	234	156
Aviation insurance revolving fund.....	-2	-3	-3
Aircraft purchase loan guarantee program.....	4	2	.....
<b>Total net.....</b>	<b>4,673</b>	<b>4,692</b>	<b>5,251</b>

**Federal Funds**

**General and special funds:**

**OPERATIONS\***

\*See Part II for additional information.

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development, and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act, as amended, or other provisions of law authorizing obligation of funds for similar programs of airport and airway development or improvement, purchase of four passenger motor vehicles for replacement only, **[\$2,783,000,000]** **\$3,248,288,000**, of which not to exceed **[\$621,163,000]** **\$2,415,891,000** shall be derived from the Airport and Airway Trust Fund: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities: **["Provided further, That, at a minimum, the air traffic controller on-board employment level shall be 15,000 by September 30, 1987:"]** *Provided further*, That none of these funds shall be available for new applicants for the second career training program [or for a pilot test of contractor maintenance: *Provided further*, That the immediately preceding proviso shall not prohibit the augmentation of the existing field maintenance workforce if it is determined to be essential for the safe operation of the air traffic control system]: *Provided further*, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, [1986] 1987" and inserting "December 31, [1987] 1988" in lieu thereof: *Provided further*, That section 8344(h) of title V, United States Code, is amended by striking "April 1, [1985] 1986" in paragraph (2), and inserting ["April 1, 1986"] "December 31, 1986" in lieu thereof: *Provided further*, That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed \$10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through

December 31, [1987] 1988, for the purpose of funding such employment: *Provided further*, That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives. (Additional authorizing legislation to be proposed for \$2,415,891,000.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriation Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
69-1301-0-1-402			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Operation of traffic control system.....	1,211,961	1,283,487	1,451,520
00.02 Installation and materiel services.....	192,271	186,406	211,952
00.03 Maintenance of traffic control system.....	562,237	592,541	658,158
00.04 Leased telecommunications services.....	185,341	176,827	230,014
00.05 Administration of aviation standards program.....	268,278	317,938	351,241
00.06 Development direction.....	10,180	9,326	9,783
00.07 Administration of airports program.....	25,583	26,997	30,057
00.08 Direction, staff and supporting services.....	134,768	73,908	77,488
00.09 Human resource management.....	85,635	209,687	228,075
00.91 Total direct program.....	2,676,254	2,877,117	3,248,288
01.01 Reimbursable program.....	33,319	45,500	45,500
10.00 Total obligations.....	2,709,573	2,922,617	3,293,788
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-26,624	-36,400	-36,400
13.00 Trust funds.....	-434,822	-621,168	-2,415,891
14.00 Non-Federal sources.....	-7,657	-9,100	-9,100
17.00 Recovery of prior year obligations.....	-123	.....	.....
21.40 Unobligated balance available, start of year.....	-5,388	-1,850	.....
22.40 Unobligated balance transferred, net.....	.....	-64,038	.....
24.40 Unobligated balance available, end of year.....	1,850	.....	.....
25.00 Unobligated balance lapsing.....	639	.....	.....
39.00 <b>Budget authority.....</b>	<b>2,237,448</b>	<b>2,190,061</b>	<b>832,397</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	2,231,910	2,161,832	832,397
42.00 Transferred from other accounts.....	5,538	.....	.....
43.00 <b>Appropriation (adjusted).....</b>	<b>2,237,448</b>	<b>2,161,832</b>	<b>832,397</b>
<b>Transfers in for:</b>			
46.20 Civilian pay raises.....	.....	16,962	.....
46.40 Retirement contributions (P.L. 99-335).....	.....	11,267	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,240,470	2,255,949	832,397
72.40 Obligated balance, start of year.....	300,104	303,996	537,402
74.40 Obligated balance, end of year.....	-303,996	-537,402	-663,690
77.00 Adjustments in expired accounts.....	-5,036	.....	.....
78.00 Adjustments in unexpired accounts.....	-123	.....	.....
89.00 <b>Outlays.....</b>	<b>2,231,420</b>	<b>2,022,543</b>	<b>706,109</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplements.....	2,231,420	1,996,216	704,207
91.20 Outlays from civilian pay raise supplemental.....	.....	15,819	1,143
91.40 Outlays from retirement contribution supplemental.....	.....	10,508	759

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	2,237,448	2,190,061	832,397
Outlays.....	2,231,420	2,022,543	706,109
Supplemental under existing legislation:			
Budget authority.....	.....	.....	.....
Outlays.....	.....	42,500	7,500
<b>Total:</b>			
Budget authority.....	2,237,448	2,190,061	832,397
Outlays.....	2,231,420	2,065,043	713,609

**Operation of traffic control system.**—This activity covers the operation of a national system of air traffic

General and special funds—Continued

OPERATIONS—Continued

(INCLUDING TRANSFER OF FUNDS)—Continued

management in the United States, its territories and possessions on a 24-hour basis. With the aid of radar, communications, and other facilities, traffic management personnel at 24 centers monitor and control en route flights of civil and military aircraft conducted under instrument conditions to assure safety and to expedite the flow of traffic. Terminal control facilities are operated at major civil airports to guide traffic movements at and in the vicinity of the airports. A system of flight service stations provides weather and aeronautical information to pilots, processes flight plans and provides inflight advisory and emergency services.

*Installation and materiel services.*—This activity covers procurement, contracting and materiel management programs; administrative communications services provided through the Federal Telecommunications System (FTS); supply support for the National Airspace System (NAS) and agency aircraft, except for aircraft related to the research and development program; leased space for which payment is made to General Services Administration (GSA); and other logistics support functions.

*Maintenance of traffic control system.*—This activity covers direction and engineering services related to the maintenance, improvement, and modification of facilities and equipment in the traffic control system as well as technical operation and maintenance of a national network of air navigation aids and traffic control facilities in the United States, and its territories and possessions.

*Leased telecommunications services.*—This activity finances the non-capital costs of FAA's operational telecommunications system. This system, which currently includes over 23,000 voice and data communications circuits, consists of three major components: en route, terminal, and flight service stations. Under this activity, funds are provided for leased circuits and equipment, as well as end-to-end communications between FAA facilities and service affording public access to FAA facilities.

*Administration of aviation standards program.*—This activity exists to promote flight safety of civil aviation by assuring: the airworthiness of aircraft; the competence of pilots, aviators and aviator technicians; the adequacy of flight procedures and air operations; the evaluation of inflight facility performance for compliance with prescribed standards. In addition, this activity covers the safe operation and the effective development, utilization, and maintenance of the FAA's aircraft fleet. Resources are also included under this activity for the conduct of the Federal Government's civil aviation security program, and to ensure the medical fitness of personnel in the national airspace system.

*Development direction.*—This activity covers the planning, direction, and evaluation of the engineering and development program, the direct project costs of which are financed under the Research, engineering and development appropriation.

*Administration of airports program.*—This activity includes the following work programs: (1) administration of an airport grant program for airport planning and development; (2) maintenance of the national plan of integrated airport systems; (3) development and application of airport engineering and safety standards; (4) collection, processing, and dissemination of airport data; (5) safety certification of airports serving air carriers utilizing aircraft with a seating capacity of more than 30 passengers; and (6) airport capacity enhancements.

*Direction, staff and supporting services.*—This activity covers administrative and housekeeping functions such as administrative supplies, communications, and payrolls at Oklahoma City, Atlantic City, and regional offices. Included also for these locations are activities for direction and management, public affairs, plans, international aviation, legal, accounting, budget, civil rights, communication control, data systems, and management systems. Also included are centrally managed items, such as certain data processing and Information Resources Management Plan requirements.

*Human resource management (HRM).*—This activity directly supports the other FAA activities. The most important goal of the HRM activity is to provide the highly skilled, competent, and motivated workforce necessary to accomplish FAA's objectives in improving air safety while promoting the Administration's goals in aviation-related activities. The HRM activity includes administration of FAA employee recruitment, development, compensation (including Federal Employees' Compensation Program payments and unemployment compensation), training, and labor-management relations programs. Key activities funded within the HRM are: conduct and administration of FAA's technical and management training programs; recruitment and placement of technical and administrative personnel; initiation of labor relations activities with the goal of increased employee participation in work-related decisions and increased productivity; and human relations improvement activities resulting from reviews of internal surveys and external recommendations.

Object Classification (in thousands of dollars)

Identification code	69-1301-0-1-402	1986 actual	1987 est.	1988 est.
FEDERAL AVIATION ADMINISTRATION				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	1,533,577	1,584,142	1,639,901
11.3	Other than full-time permanent .....	19,762	15,746	15,809
11.5	Other personnel compensation .....	165,017	176,870	175,105
11.8	Special personal services payments .....	2,157	1,992	2,002
11.9	Total personnel compensation .....	1,720,513	1,778,750	1,832,817
12.1	Personnel benefits: Civilian .....	300,516	366,803	496,830
13.0	Benefits for former personnel .....	182	2,456	2,456
21.0	Travel and transportation of persons .....	52,525	75,236	82,889
22.0	Transportation of things .....	17,996	19,304	20,413
23.1	Rental payments to GSA .....	25,551	29,304	35,169
23.2	Rental payments to others .....	29,665	25,237	27,418
23.3	Communications, utilities, and miscellaneous charges .....	99,771	257,903	326,368
24.0	Printing and reproduction .....	9,938	10,641	10,713
25.0	Other services .....	180,806	232,366	326,487
26.0	Supplies and materials .....	55,810	64,163	67,492
31.0	Equipment .....	13,970	14,718	18,994
32.0	Lands and structures .....	301	111	115
42.0	Insurance claims and indemnities .....	210	125	127
99.0	Subtotal, direct obligations, Federal Aviation Administration .....	2,507,754	2,877,117	3,248,288

99.0	Reimbursable obligations, Federal Aviation Administration.	33,319	45,500	45,500
ALLOCATION TO DEPARTMENT OF DEFENSE				
23.3	Communications, utilities, and miscellaneous charges .....	168,500	.....	.....
99.9	Total obligations .....	2,709,573	2,922,617	3,293,788

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions .....	44,686	45,266	45,044
	Total compensable workyears:			
	Full-time equivalent employment .....	42,879	42,927	42,696
	Full-time equivalent of overtime and holiday hours .....	1,229	1,400	1,343
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	404	384	384
	Total compensable workyears: Full-time equivalent employment	313	362	362

**HEADQUARTERS ADMINISTRATION**

For necessary expenses, not otherwise provided for, of providing administrative services at the headquarters location of the Federal Aviation Administration, including but not limited to accounting, budgeting, legal, public affairs, and executive direction services for the Federal Aviation Administration, **[\$34,500,000] \$38,113,000.**

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-1302-0-1-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	60,288	35,447	38,113
01.01 Reimbursable program .....	992	2,000	2,000
10.00 Total obligations .....	61,280	37,447	40,113
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-992	-2,000	-2,000
25.00 Unobligated balance lapsing .....	55	.....	.....
39.00 <b>Budget authority</b> .....	<b>60,343</b>	<b>35,447</b>	<b>38,113</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	61,631	34,500	38,113
41.00 Transferred to other accounts .....	-1,288	.....	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>60,343</b>	<b>34,500</b>	<b>38,113</b>
<b>Transfers in for:</b>			
46.20 Civilian pay raises .....	.....	542	.....
46.40 Retirement contributions (P.L. 99-335) .....	.....	405	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	60,288	35,447	38,113
72.40 Obligated balance, start of year .....	16,445	19,510	16,861
74.40 Obligated balance, end of year .....	-19,510	-16,861	-17,050
77.00 Adjustments in expired accounts .....	2,063	.....	.....
89.00 <b>Outlays</b> .....	<b>59,286</b>	<b>38,096</b>	<b>37,924</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	59,286	37,213	37,860
91.20 Outlays from civilian pay raise supplemental .....	.....	505	37
91.40 Outlays from retirement contribution supplemental .....	.....	378	27

The Headquarters Administration appropriation provides administrative services at the Washington Headquarters location of the Federal Aviation Administration. This appropriation finances:

**Executive direction.**—Establishes and directs the implementation of policy and broad technological, operational, and managerial concepts.

**Communications control.**—Provides key agency officials with effective executive telecommunications.

**Public affairs.**—Insures that relevant information concerning FAA is consistently presented in a factual and timely manner.

**Legal.**—Provides legal counsel and advice for the handling of all legal matters with which FAA is concerned, in order to insure conformance with all legal requirements of all applicable laws, rules, regulations, and orders.

**Planning/policy.**—Recommends FAA policy and plans; identifies needed national air system changes; and performs economic analysis of regulations.

**Accounting.**—Provides accounting, financial advisory, and audit liaison services.

**Budget.**—Identifies and defines budgetary needs and assures that they are effectively presented to the Office of the Secretary of Transportation, Office of Management and Budget, and Congressional Committees, and that funds and other resources available to the agency are effectively utilized.

**Civil rights.**—Assures full and affirmative implementation of civil rights and equal opportunity precepts within the Federal Aviation Administration.

**International aviation.**—Insures adequacy of international aviation systems policies, and maintains effective liaison with foreign governments.

**Management systems/data systems.**—Develops and administers the implementation and operation of FAA organizational plans, management systems and controls, and administrative standards and procedures; provides data processing, editorial, graphics, and publishing services.

**Object Classification (in thousands of dollars)**

Identification code 69-1302-0-1-402	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	26,317	22,452	23,000
11.3 Other than full-time permanent .....	1,101	770	714
11.5 Other personnel compensation .....	469	236	236
11.8 Special personal services payments .....	172	.....	.....
11.9 Total personnel compensation .....	28,059	23,458	23,950
12.1 Personnel benefits: Civilian .....	3,239	2,929	4,068
21.0 Travel and transportation of persons .....	862	870	902
22.0 Transportation of things .....	51	31	32
23.3 Communications, utilities, and miscellaneous charges .....	3,147	419	435
24.0 Printing and reproduction .....	24	34	35
25.0 Other services .....	21,866	7,130	8,093
26.0 Supplies and materials .....	449	403	418
31.0 Equipment .....	2,591	173	180
99.0 Subtotal, direct obligations .....	60,288	35,447	38,113
99.0 Reimbursable obligations .....	992	2,000	2,000
99.9 Total obligations .....	61,280	37,447	40,113

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions .....	629	507	510
	Total compensable workyears:			
	Full-time equivalent employment .....	666	501	504
	Full-time equivalent of overtime and holiday hours .....	4	2	3
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	56	43	43
	Total compensable workyears: Full-time equivalent employment.	21	43	43

General and special funds—Continued

FACILITIES, ENGINEERING AND DEVELOPMENT

Program and Financing (in thousands of dollars)

Identification code 69-1303-0-1-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	1,590	792	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-2,382	-793	
24.40 Unobligated balance available, end of year	793		
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	1,590	792	
72.40 Obligated balance, start of year	2,306	3,018	
74.40 Obligated balance, end of year	-3,018		
90.00 Outlays	879	3,809	

Facilities, engineering and development activities are now appropriated from the airport and airway trust fund in accord with section 506(b) of the Airport and Airway Improvement Act of 1982.

**[OPERATION AND MAINTENANCE, METROPOLITAN WASHINGTON AIRPORTS]**

[For expenses incident to the care, operation, maintenance, improvement, and protection of the federally-owned civil airports in the vicinity of the District of Columbia, including purchase of six passenger motor vehicles for police use, for replacement only; purchase, cleaning, and repair of uniforms; and arms and ammunition, \$35,000,000: *Provided*, That there may be credited to this appropriation funds received from air carriers, concessionaires, and non-Federal tenants sufficient to cover utility and fuel costs that are in excess of \$6,682,000: *Provided further*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, or private sources, for expenses incurred in the maintenance and operation of the federally-owned civil airports.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-1332-0-1-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Washington National Airport	14,685	10,679	
00.02 Washington Dulles International Airport	17,194	11,827	
00.91 Total operating expenses	31,879	22,506	
<b>Capital investment:</b>			
01.01 Washington National Airport	418	175	
01.02 Washington Dulles International Airport	262	105	
01.91 Total capital investment	680	280	
01.92 Total direct program	32,559	22,786	
02.01 Reimbursable program	2,914	4,495	
10.00 Total obligations	35,473	27,281	
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds	-1,185	-1,537	
14.00 Non-Federal sources	-1,729	-2,958	
25.00 Unobligated balance lapsing	75		
39.00 Budget authority	32,634	22,786	
<b>Budget authority:</b>			
40.00 Appropriation	32,634	35,000	
45.00 Transfers out for pay raises		-12,214	

Relation of obligations to outlays:			
71.00 Obligations incurred, net	32,559	22,786	
72.40 Obligated balance, start of year	5,772	5,152	3,630
74.40 Obligated balance, end of year	-5,152	-3,630	
77.00 Adjustments in expired accounts	-17		
90.00 Outlays	33,162	24,308	3,630

Funding is not being requested for this appropriation in fiscal year 1988 because it is anticipated that Washington National and Washington Dulles International Airports will be transferred by long-term lease from the Federal Government to a new independent airport authority during fiscal year 1987.

Under the provisions of the "Metropolitan Washington Airports Act of 1986," as included in the fiscal year 1987 appropriations act (Public Law 99-500 and Public Law 99-591), the Secretary of Transportation is authorized to enter into a lease of the Metropolitan Washington Airports for a 50-year term with a new airport authority represented by the Commonwealth of Virginia, the State of Maryland, and the District of Columbia. The lease will provide for the airport authority to pay to the general fund of the U.S. Treasury annually an amount, computed using the GNP price deflator, to equal \$3 million in 1987 dollars.

The new airport authority will operate, maintain, protect, promote, and develop the Metropolitan Washington Airports as a unit and as primary airports serving the Metropolitan Washington area.

Object Classification (in thousands of dollars)

Identification code 69-1332-0-1-402	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	15,677	11,342	
11.3 Other than full-time permanent	937	153	
11.5 Other personnel compensation	2,573	1,622	
11.9 Total personnel compensation	19,187	13,117	
12.1 Personnel benefits: Civilian	2,139	1,553	
13.0 Benefits for former personnel	10		
21.0 Travel and transportation of persons	165	99	
22.0 Transportation of things	11	10	
23.3 Communications, utilities, and miscellaneous charges	6,163	4,066	
24.0 Printing and reproduction	10	21	
25.0 Other services	1,629	1,705	
26.0 Supplies and materials	2,661	2,015	
31.0 Equipment	566	196	
32.0 Lands and structures	5		
42.0 Insurance claims and indemnities	13	4	
99.0 Subtotal, direct obligations	32,559	22,786	
99.0 Reimbursable obligations	2,914	4,495	
99.9 Total obligations	35,473	27,281	

Personnel Summary

Total number of full-time permanent positions	707	720
<b>Total compensable workyears:</b>		
Full-time equivalent employment	680	353
Full-time equivalent of overtime and holiday hours	78	78

**[CONSTRUCTION, METROPOLITAN WASHINGTON AIRPORTS]**

[For necessary expenses for construction at the federally-owned civil airports in the vicinity of the District of Columbia, \$7,000,000, to remain available until September 30, 1989: *Provided*, That the Federal Aviation Administration shall submit to Congress by March 31, 1987, fully coordinated five-year master plans for capital development at Washington National and Washington Dulles International Airports.]

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Washington National Airport.....	5,557	10,423	.....
00.02 Washington Dulles International Airport .....	934	3,079	.....
10.00 Total obligations.....	6,492	13,502	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-6,296	-6,502	.....
24.40 Unobligated balance available, end of year.....	6,502	.....	.....
25.00 Unobligated balance lapsing.....	1	.....	.....
40.00 Budget authority (appropriation).....	6,699	7,000	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	6,492	13,502	.....
72.40 Obligated balance, start of year.....	9,256	7,508	5,852
74.40 Obligated balance, end of year.....	-7,508	-5,852	.....
90.00 Outlays.....	8,239	15,158	5,852

Funding is not being requested for this appropriation in fiscal year 1988 because it is anticipated that Washington National and Washington Dulles International Airports will be transferred by long-term lease from the Federal Government to a new independent airport authority during fiscal year 1987.

Under the provisions of the "Metropolitan Washington Airports Act of 1986," as included in the 1987 appropriation act, Public Law 99-500 and Public Law 99-591, the Secretary of Transportation is authorized to enter into a lease of the Metropolitan Washington Airports for a 50-year term with a new airport authority represented by the Commonwealth of Virginia, the State of Maryland, and the District of Columbia.

The new airport authority has been tasked to pursue the improvement, construction, and rehabilitation of the facilities at Washington National and Washington Dulles International Airports simultaneously; and to the extent practicable, accomplish the estimated \$700 million in improvements at both airports as identified in the Metropolitan Washington Airports Capital Development Needs Study within five years after the new airport authority first issues bonds.

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>FEDERAL AVIATION ADMINISTRATION</b>			
32.0 Lands and structures.....	5,592	13,502	.....
<b>ALLOCATION TO FEDERAL HIGHWAY ADMINISTRATION</b>			
32.0 Lands and structures.....	900	.....	.....
99.9 Total obligations.....	6,492	13,502	.....

**AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM\***

\*See Part II for additional information.

The Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to any guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). None of the

funds in this Act shall be available for the implementation or execution of programs under this head, the obligations for which are in excess of \$75,000,000 during fiscal year [1987] 1988. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purposes for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchases, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.

[For the settlement of promissory notes issued to the Secretary of the Treasury, \$13,516,000, to remain available until expended, together with such sums as may be necessary for the payment of interest due under the terms and conditions of such notes.]

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	3,560	1,300	.....
<b>Financing:</b>			
47.00 Authority to borrow (97 Stat. 339).....	3,560	1,300	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,560	1,300	.....
72.47 Obligated balance, start of year.....	118	.....	.....
77.00 Adjustments in expired accounts.....	-20	.....	.....
90.00 Outlays.....	3,658	1,300	.....

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	3,560	1,300	.....
Outlays.....	3,658	1,300	.....
<b>Supplemental under existing legislation:</b>			
Budget authority.....	.....	427	.....
Outlays.....	.....	427	.....
<b>Total:</b>			
Budget authority.....	3,560	1,727	.....
Outlays.....	3,658	1,727	.....

**Status of Direct Loans** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	.....	.....	.....
1132 Obligations exempt from limitation: Defaulted guaranteed loan claims.....	2,355	.....	.....
1150 Total direct loan obligations.....	2,355	.....	.....
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	68,714	47,746	42,066
1232 Disbursements: Disbursements for guaranteed loan claims.....	2,355	.....	.....
1264 Adjustment: Other adjustments, net.....	-23,323	-5,680	-5,448
1290 Outstanding, end of year.....	47,746	42,066	36,618

**Status of Guaranteed Loans** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	406,733	276,006	200,036
2251 Repayments: Repayments and prepayments.....	-128,589	-75,970	-36,678
2261 Adjustments: Termination for default that result in direct loans.....	-2,138	.....	.....
2290 Outstanding, end of year.....	276,006	200,036	163,358

General and special funds—Continued

AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM—Continued

Status of Guaranteed Loans (in thousands of dollars)—Continued

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....	248,405	180,032	147,022
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This program is continuing only for the purpose of making payments to private lenders upon default of existing loans by air carriers. No new loans are being made.

Public enterprise funds:

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958, as amended (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year for aviation insurance activities under said Act.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4120-0-3-402			
<b>Program by activities:</b>			
10.00 Total obligations.....	94	149	163
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-2,392	-2,919	-3,321
14.00 Non-Federal sources.....	-5	-10	-10
Unobligated balance available, start of year:			
21.98 Fund balance.....	-186	-144	-172
21.98 U.S. securities (par).....	-33,610	-35,955	-38,707
Unobligated balance available, end of year:			
24.98 Fund balance.....	144	172	172
24.98 U.S. securities (par).....	35,955	38,707	41,875
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-2,303	-2,780	-3,168
72.98 Obligated balance, start of year: Fund balance.....	10	11	399
74.98 Obligated balance, end of year: Fund balance.....	-11	-399	-399
90.00 Outlays.....	-2,303	-3,168	-3,168

The fund currently provides direct support for the aviation insurance program authorized under title XIII of the Federal Aviation Act.

Income to the fund is derived from premium deposits for premium insurance coverage issued, income from authorized investments, and binder fees for nonpremium coverage issued. The binders provide aviation insurance coverage for U.S. air carrier aircraft used in connection with certain Government contract operations entered into by the Department of Defense (DOD) and Department of State (DOS). There exist indemnity agreements under which the DOD and DOS agree to reimburse the Department of Transportation for all payments on account of losses to air carriers sustaining damage to their aircraft by an insured peril with respect to the aircraft operating under contract to DOD and DOS.

Administrative costs are paid from the Aviation Insurance Revolving Fund, into which are credited receipts from premiums, salvage, and interest on assets of the fund (49 U.S.C. 1536).

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Administrative expenses:			
Revenue.....	2,397	2,929	3,331
Expense.....	-94	-149	-163
Net operating income.....	2,303	2,780	3,168

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	197	155	186	186
U.S. securities (par).....	33,610	35,955	38,707	41,875
Total.....	33,807	36,110	38,893	42,061
<b>Liabilities:</b>				
Accounts payable.....	10	11	14	14
<b>Government equity:</b>				
Retained earnings.....	33,797	36,099	38,879	42,047
<b>Analysis of changes in Government equity:</b>				
Retained earnings:				
Start of year.....	33,797	36,099	38,879	
Net income for year.....	2,303	2,780	3,168	
Total Government equity (end of year).....	36,099	38,879	42,047	

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4120-0-3-402			
11.1 Personnel compensation: Full-time permanent.....	80	82	94
12.1 Personnel benefits: Civilian.....	8	9	11
21.0 Travel and transportation of persons.....	2	2	2
25.0 Other services.....	2	2	2
26.0 Supplies and materials.....	2	4	4
42.0 Insurance claims and indemnities.....		50	50
99.9 Total obligations.....	94	149	163

Personnel Summary

Total number of full-time permanent positions.....	2	2	2
Total compensable workyears: Full-time equivalent employment....	2	2	2

Trust Funds

AIRPORT AND AIRWAY TRUST FUND

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	4,595,724	5,883,307	7,313,855
Revenue.....	3,565,053	3,929,000	1,612,400
Proposed legislation: Revenue.....			2,588,100
Total available for appropriation.....	8,160,777	9,812,307	11,514,355
<b>Appropriations:</b>			
Facilities and equipment.....	-895,081	-804,584	
Proposed legislation: Facilities and equipment.....			-1,350,000
Research, engineering and development.....	-237,050	-141,700	
Proposed legislation: Research, engineering and development.....			-150,000
<b>Grants-in-aid for airports:</b>			
Appropriation to liquidate contract authority.....	-693,000	<sup>1</sup> 902,000	-790,500
Proposed legislation to liquidate contract authority..			-159,500
Trust fund share of FAA operations.....	-426,822	-621,168	
Proposed legislation: Operations.....			-2,415,891

Department of Commerce: NOAA, operations, research and facilities .....	- 26,796	- 29,000	- 30,000
Total appropriations .....	- 2,278,749	- 2,498,452	- 4,895,891
Adjustments in expired accounts, return to unappropriated receipts.....	1,279		
Unappropriated balance, end of year.....	5,883,307	7,313,855	6,618,464

<sup>1</sup> Includes proposed liquidating cash supplemental of \$42 million in 1987.

The Tax Equity and Fiscal Responsibility Act of 1982 (26 U.S.C. 9502) provides for the revenues received in the Treasury from the 8 percent passenger ticket tax and certain other taxes paid by airport and airway users to be transferred from the general fund of the Treasury to the Airport and Airway trust fund. The Secretary of the Treasury estimates the amount to be so transferred. In turn, appropriations are authorized from this fund to meet obligations for airport planning and development and noise compatibility planning and programs; facilities and equipment; research, engineering and development; and a portion of operations. Authority for the Trust Fund's receipt of excise taxes expires December 31, 1987. Legislation will be proposed to extend that authority through December 31, 1989.

The status of the fund is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Unexpended balance brought forward:			
U.S. securities (par) .....	7,410,218	8,596,199	9,968,241
Cash .....	15,289	29,000	10,000
Balance of fund, start of year.....	7,425,507	8,625,199	9,978,241
Cash income during the year:			
Government receipts:			
From excise taxes:			
Passenger ticket tax.....	2,401,766	2,753,400	762,300
Waybill tax .....	136,937	165,900	46,500
Fuel tax .....	111,536	107,200	29,700
International departure tax .....	93,156	102,600	26,500
Proposed legislation:			
Passenger ticket tax .....			2,289,000
Waybill tax .....			139,500
Fuel tax .....			80,200
International passenger tax .....			79,400
Refund of taxes.....	- 7,525	- 3,000	- 3,000
Intrabudgetary transaction: Interest on investments .....	829,183	802,900	750,400
Total annual income .....	3,565,053	3,929,000	4,200,500
Cash outgo during the year:			
Federal Aviation Administration:			
Grants-in-aid for airports.....	853,409	888,590	950,000
Facilities and equipment.....	757,755	803,500	971,200
Research, engineering and development .....	292,573	233,700	155,609
Operations .....	434,827	621,168	2,415,891
Department of Commerce: NOAA.....	26,796	29,000	30,000
Total annual outgo.....	2,365,360	2,575,958	4,522,700
Unexpended balance carried forward:			
U.S. securities (par) .....	8,596,199	9,968,241	9,646,041
Treasury balance.....	29,000	10,000	10,000
Balance of fund, end of year.....	8,625,199	9,978,241	9,656,041
Commitments against unexpended balances:			
Appropriated but not expended.....	- 2,741,892	- 2,664,386	- 3,037,577
Committed to future-liquidating-cash appropriations to liquidate outstanding obligations (contract authority)	- 1,571,169	- 1,682,580	- 1,749,580
Uncommitted balance, end of year.....	4,312,138	5,631,275	4,868,884

At the end of 1987, the uncommitted Trust Fund balance is estimated at \$5.6 billion. This balance has accumulated in part because a penalty provision in the 1982 authorization caused the share of FAA operations appropriations financed from the Trust Fund to be \$3.3

billion lower than authorized. This shortfall was subsidized by the general taxpayer.

In addition, because FAA operations costs authorized to be funded from the Trust Fund were less than 50 percent of actual appropriations rather than at the user's fair share of about 75 percent, there was an additional general taxpayer subsidy of FAA operations of \$4.1 billion during the 1982-87 period. Hence, in total, the general taxpayer subsidy to the FAA equals about \$7.4 billion between 1982 and 1987, or about \$1.8 billion more than the uncommitted balanced estimated for the end of 1987. (This \$7.4 billion subsidy is in addition to \$4.0 billion provided to Federal Aviation programs through general fund interest payments to the Trust Fund.)

To ensure that the general taxpayer does not continue to overly subsidize aviation programs, the 1988 budget proposes that about 75 percent of FAA operations and 85 percent of overall FAA costs be funded out of the user-financed Trust Fund and that the penalty provision be eliminated. These actions, together with the funding increase for "Facilities and Equipment," will reduce the uncommitted balance by an estimated \$762 million from \$5.6 billion at the end of 1987 to \$4.9 billion at the end of 1988.

GRANTS-IN-AID FOR AIRPORTS (LIQUIDATION OF CONTRACT AUTHORIZATION) (AIRPORT AND AIRWAY TRUST FUND)\*

\*See Part II for additional information.

For liquidation of obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended, and under other law authorizing such obligations, and obligations for noise compatibility planning and programs, **[\$860,000,000]** \$950,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the commitments for which are in excess of **[\$1,000,000,000]** \$1,017,000,000 in fiscal year **[1987]** 1988 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, **[** notwithstanding section 506(e)(4) of the Airport and Airway Improvement Act of 1982**]**. (Additional authorizing legislation to be proposed for \$1,017,000,000.)

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8106-0-7-402			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	898,649	1,000,000	1,017,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	- 21,919		
21.49 Unobligated balance available, start of year: Contract authority .....	- 326,515	- 423,054	- 440,254
24.49 Unobligated balance available, end of year: Contract authority.....	423,054	440,254	440,254
39.00 <b>Budget authority.....</b>	<b>973,269</b>	<b>1,017,200</b>	<b>1,017,000</b>
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation.....	693,000	860,000	950,000
40.49 Portion applied to liquidate contract authority .....	- 693,000	- 860,000	- 950,000
43.00 <b>Appropriation (adjusted).....</b>			
49.10 <b>Contract authority .....</b>			<b>1,017,000</b>
<b>Permanent:</b>			
69.10 <b>Contract authority (96 Stat. 676, 677).....</b>	<b>973,269</b>	<b>1,017,200</b>	

**GRANTS-IN-AID FOR AIRPORTS (LIQUIDATION OF CONTRACT AUTHORIZATION) (AIRPORT AND AIRWAY TRUST FUND)—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 69-8106-0-7-402	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	898,649	1,000,000	1,017,000
Obligated balance, start of year:			
72.40 Appropriation.....	146,639		
72.49 Contract authority.....	1,401,210	1,571,169	1,724,580
Obligated balance, end of year:			
74.40 Appropriation.....			
74.49 Contract authority.....	-1,571,169	-1,724,580	-1,791,580
78.00 Adjustments in unexpired accounts.....	-21,919		
90.00 Outlays.....	853,409	846,590	950,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	973,269	1,071,200	1,017,000
Outlays.....	853,409	846,590	950,000
Supplemental under existing legislation:			
Budget authority.....			
Outlays.....		42,000	
Total:			
Budget authority.....	973,269	1,071,200	1,017,000
Outlays.....	853,409	888,590	950,000

**Status of Unfunded Contract Authority (in thousands of dollars)**

Identification code 69-8106-0-7-402	1986 actual	1987 est.	1988 est.
Unfunded balance, start of year.....	1,727,725	1,994,223	2,123,194
Contract authority.....	973,269	1,017,200	1,017,000
Unfunded outlays not appropriated.....	-13,771	13,771	
Appropriation to liquidate contract authority.....	-693,000	-860,000	-950,000
Appropriation to liquidate contract authority, supplemental requested.....		-42,000	
Unfunded balance, end of year.....	1,994,223	2,123,194	2,190,194

The Airport and Airway Improvement Act of 1982 expires at the end of fiscal year 1987. The Administration will introduce new authorizing legislation for airport grants which will emphasize capacity development and continued safety of the airport system. The legislation will also provide an opportunity for an increased role by state governments and a voluntary program of airport defederalization. To adequately meet these objectives, a \$1,017,000,000 program level is proposed for fiscal year 1988.

**FACILITIES AND EQUIPMENT (AIRPORT AND AIRWAY TRUST FUND)**

**[(INCLUDING TRANSFER OF FUNDS)]**

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities, including initial acquisition of necessary sites by lease or grant; engineering and service testing including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations of officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; to be derived from the Airport and Airway Trust Fund and to remain available until September 30, [1991, \$804,584,000 together with \$1,914,000 to be derived from unobligated balances of "Research, engineering and development (Airport and Airway Trust Fund), Center for Research and Training in Information-based Aviation and Transportation Management"] 1992, \$1,350,000,000: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the

establishment and modernization of air navigation facilities [ *Provided further*, That of the funds available under this head, \$10,000,000 shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges having an airway science curriculum recognized by the Federal Aviation Administration, to conduct demonstration projects in the development, advancement, or expansion of airway science curriculum programs, and such funds, which shall remain available until expended, shall be made available under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with airway science curriculum programs; and \$3,914,000 shall be available to construct an experimental computer-based airway and aviation management facility at the Center for Research and Training in Information-based Aviation and Transportation Management at Barry University]. (*Additional authorizing legislation to be proposed for \$1,350,000,000.*)

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriation Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-8107-0-7-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Air route traffic control centers.....	115,452	459,462	440,032
00.02 Airport traffic control towers.....	305,683	160,651	296,463
00.03 Flight service facilities.....	135,460	77,503	72,193
00.04 Air navigation facilities.....	65,482	143,177	97,798
00.05 Housing, utilities, and miscellaneous facilities.....	118,615	163,116	206,836
00.06 Aircraft and related equipment.....	1,478	78,151	26,645
00.07 Development, test, and evaluation facilities.....	10,922	15,340	12,033
00.91 Total direct program.....	753,092	1,097,400	1,152,000
01.01 Reimbursable program.....	7,136	12,000	12,000
10.00 Total obligations.....	760,228	1,109,400	1,164,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-4,995	-8,400	-8,400
14.00 Non-Federal sources.....	-2,141	-3,600	-3,600
21.40 Unobligated balance available, start of year.....	-1,270,161	-1,372,150	-1,081,248
22.40 Unobligated balance transferred, net.....	40,000	-1,914	
24.40 Unobligated balance available, end of year.....	1,372,150	1,081,248	1,279,248
25.00 Unobligated balance lapsing.....			
39.00 Budget authority.....	895,081	804,584	1,350,000
Budget authority:			
40.00 Appropriation.....	950,301	804,584	1,350,000
41.00 Transferred to other accounts.....	-55,220		
43.00 Appropriation (adjusted).....	895,081	804,584	1,350,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	753,092	1,097,400	1,152,000
72.40 Obligated balance, start of year.....	1,226,129	1,220,193	1,514,093
74.40 Obligated balance, end of year.....	-1,220,193	-1,514,093	-1,694,893
77.00 Adjustments in expired accounts.....	-1,273		
90.00 Outlays.....	757,755	803,500	971,200

Under this appropriation, the Federal airway system is improved by the installation of new equipment and the construction and modernization of facilities to keep pace with aeronautical activity. The appropriation also finances major capital investments required by other agency programs, such as aircraft for flight inspection of facilities, and related training, and experimental facilities for the engineering and development program. The operating costs of facilities procured under this appropriation are financed under the Operations appropriation.

The funding requested for 1988 is in accordance with the Federal Aviation Administration's comprehensive

plan for modernizing and improving air traffic control and airway facilities services.

Budget activities include:

**Air route traffic control centers.**—Long-range radar, communications and automation equipment provide air traffic controllers information on aircraft positions and weather.

**Airport traffic control towers.**—Terminal area radar, doppler weather radar, communications and automation equipment aid air traffic controllers in handling air traffic.

**Flight service facilities.**—Flight service stations and associated facilities provide flight assistance to pilots, particularly general aviation pilots.

**Air navigation facilities.**—Very high, medium and low frequency facilities are used to define airways and air routes and provide distance, direction and weather information to pilots. Precision landing systems, distance measuring equipment and visual lighting aids assist pilots in making final approaches to airport runways.

**Housing, utilities, and miscellaneous facilities.**—This activity includes general facility support requirements which apply to a wide range of FAA installations.

**Aircraft and related equipment.**—This activity includes the procurement, modification and/or replacement of aircraft and equipment both to inspect the accuracy and other characteristics of navigation and traffic control aids from the air and to conduct research and development activities.

**Development, test and evaluation facilities.**—This activity provides for leasing and improvements of the plant and facilities at the Federal Aviation Administration Technical Center in Atlantic City, NJ.

**Object Classification (in thousands of dollars)**

Identification code 69-8107-0-7-402	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	47,542	46,369	47,219
11.3 Other than full-time permanent.....	371	2,591	4,394
11.5 Other personnel compensation.....	1,227	1,392	1,286
11.8 Special personal services payments.....	13	13	13
11.9 Total personnel compensation.....	49,153	50,365	52,912
12.1 Personnel benefits: Civilian.....	5,773	7,182	7,505
21.0 Travel and transportation of persons.....	3,982	14,377	15,102
22.0 Transportation of things.....	1,040	2,885	3,030
23.2 Rental payments to others.....	8,521	15,805	8,776
23.3 Communications, utilities, and miscellaneous charges.....	544	12,339	12,961
24.0 Printing and reproduction.....	170	206	216
25.0 Other services.....	309,595	373,944	392,541
26.0 Supplies and materials.....	4,617	14,596	15,332
31.0 Equipment.....	359,416	535,887	586,093
32.0 Lands and structures.....	6,280	54,770	57,532
41.0 Grants, subsidies, and contributions.....	4,000	15,044	.....
42.0 Insurance claims and indemnities.....	1	.....	.....
99.0 Subtotal, direct obligations.....	753,092	1,097,400	1,152,000
99.0 Reimbursable obligations.....	7,136	12,000	12,000
99.9 Total obligations.....	760,228	1,109,400	1,164,000

**Personnel Summary**

Direct:	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	962	1,162	1,162
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,166	1,212	1,275
Full-time equivalent of overtime and holiday hours.....	51	57	50

Reimbursable:	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	53	53	53
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	43	53	53
Full-time equivalent of overtime and holiday hours.....	1	3	3

**RESEARCH, ENGINEERING, AND DEVELOPMENT (AIRPORT AND AIRWAY TRUST FUND)**

[(INCLUDING TRANSFER OF FUNDS)]

For necessary expenses, not otherwise provided for, for research, engineering, and development, in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, **[\$141,700,000]** \$150,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development. *(Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-8108-0-7-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Air traffic control.....	49,916	96,589	84,909
00.02 Advanced computer.....	153,460	22,895	7,743
00.03 Navigation.....	5,246	6,218	8,160
00.04 Aviation weather.....	10,486	6,770	20,271
00.05 Aviation medicine.....	4,469	4,067	4,292
00.06 Aircraft safety.....	22,608	22,735	22,438
00.07 Environment.....	2,651	1,600	2,187
00.91 Total direct program.....	248,836	160,874	150,000
01.01 Reimbursable program.....	738	1,600	1,600
10.00 Total obligations.....	249,574	162,474	151,600
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	—492	—1,000	—1,000
14.00 Non-Federal sources.....	—246	—600	—600
21.40 Unobligated balance available, start of year.....	—874	—21,088	.....
22.40 Unobligated balance transferred, net.....	—32,000	1,914	.....
24.40 Unobligated balance available, end of year.....	21,088	.....	.....
39.00 <b>Budget authority</b> .....	<b>237,050</b>	<b>141,700</b>	<b>150,000</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	181,830	141,700	150,000
42.00 Transferred from other accounts.....	55,220	.....	.....
43.00 <b>Appropriation (adjusted)</b> .....	<b>237,050</b>	<b>141,700</b>	<b>150,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	248,836	160,874	150,000
72.40 Obligated balance, start of year.....	185,980	142,243	69,417
74.40 Obligated balance, end of year.....	—142,243	—69,417	—63,808
90.00 <b>Outlays</b> .....	<b>292,573</b>	<b>233,700</b>	<b>155,609</b>

The FAA conducts engineering and development programs to improve the national air traffic control system and to increase its safety, productivity and capacity to meet the expected air traffic demands of the future. The agency also administers aviation medical research aimed at increasing the personal effectiveness of air traffic controllers and the safety of aircrewmembers.

These programs are conducted by the agency's technical personnel, and through contracts with qualified private firms, universities, individuals and other Government agencies.

RESEARCH, ENGINEERING, AND DEVELOPMENT (AIRPORT AND AIRWAY TRUST FUND)—Continued

[(INCLUDING TRANSFER OF FUNDS)]—Continued

**Air traffic control.**—Existing technology is applied to air traffic control problems to keep the current system operating safely and system improvements are made to increase the productivity and capacity of the current system. These improvements include the development and implementation of a collision avoidance capability which operates independently of the ATC system and development of a communications switching system for improved voice communications between controllers within an ATC facility, between controllers at adjacent facilities, and between controllers and pilots over air-ground radio outlets and the applications development for providing data link air/ground services.

This program also includes activities designed to insure that the air traffic control system will satisfy the demands of the 1990's, particularly those affecting the interface between pilots and traffic controllers. This work includes developing new traffic control system features and concepts; assessing their technical, economic, and operational feasibility and conducting selected feasibility demonstrations.

**Advanced computer.**—This activity modernizes the air traffic control system by providing for an advanced automation system to accommodate the demand for air traffic services forecasted for the post-1990's. Program efforts include design, development, and testing of an advanced automation system.

**Navigation.**—This activity provides for modernization, expansion, and improvement of the common navigation system facilities. The requested funds will support research and development activities for enroute navigation to assess and develop standards for candidate navigation systems for use in the post-1995 period.

**Aviation weather.**—This activity provides for a program, coordinated with the Departments of Defense and Commerce, to modernize the acquisition, processing, dissemination, and display of weather information tailored to the needs of aviation users. Development of weather radars and weather processors, and research into hazardous weather phenomena in terminal areas will be emphasized.

**Aviation medicine.**—Aeromedical research is directed toward identifying and eliminating those physiological and psychological factors harmful to personnel engaged in operating the traffic control system or which may jeopardize flight safety.

**Aircraft safety.**—This activity covers the research work in support of developing improved regulations to promote flight safety of civil aircraft. Development of systems and devices to prevent and deter sabotage in the civil air transportation system will also continue. Funds requested will continue research in fire safety, including cabin fires, and will continue research in air transport, general aviation, and flight safety.

**Environment.**—Principal efforts under this activity are the development of data to support rulemaking and to minimize the undesired environmental effects on the public attributable to the air transportation system. Research will continue into air pollution and noise con-

trol, primarily associated with certification and enforcement requirements.

Object Classification (in thousands of dollars)

Identification code	69-8108-0-7-402	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	24,540	26,106	25,516
11.3	Other than full-time permanent .....	458	918	1,149
11.5	Other personnel compensation .....	360	558	602
11.8	Special personal services payments .....	267	348	355
11.9	Total personnel compensation .....	25,625	27,930	27,622
12.1	Personnel benefits: Civilian .....	3,047	3,722	4,118
21.0	Travel and transportation of persons .....	1,548	2,623	2,875
22.0	Transportation of things .....	26	173	186
23.3	Communications, utilities, and miscellaneous charges .....	207	235	250
24.0	Printing and reproduction .....	27	16	16
25.0	Other services .....	214,966	123,452	111,220
26.0	Supplies and materials .....	1,426	1,883	2,357
31.0	Equipment .....	1,964	840	1,356
99.0	Subtotal, direct obligations .....	248,836	160,874	150,000
99.0	Reimbursable obligations .....	738	1,600	1,600
99.9	Total obligations .....	249,574	162,474	151,600

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	845	645	645
Total compensable workyears:			
Full-time equivalent employment .....	602	674	640
Full-time equivalent of overtime and holiday hours .....	7	7	8
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	8	8	8
Total compensable workyears: Full-time equivalent employment .....	8	13	13

TRUST FUND SHARE OF FAA OPERATIONS

Program and Financing (in thousands of dollars)

Identification code	69-8104-0-7-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	434,822	621,168	2,415,891
<b>Financing:</b>				
22.40	Unobligated balance transferred, net .....	-8,000		
40.00	Budget authority (appropriation) .....	426,822	621,168	2,415,891
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	434,822	621,168	2,415,891
77.00	Adjustments in expired accounts .....	6		
90.00	Outlays .....	434,828	621,168	2,415,891

The Airport and Airway Improvement Act of 1982 authorizes use of the Airport and Airway trust fund as the source of financing a portion of FAA's operating costs. Cost allocation studies by the FAA show that, overall, 85 percent of the cost of the FAA's programs is attributable to the users contributing to the trust fund. In 1988, it is proposed that \$2.4 billion of the Operations appropriation be financed from the trust fund to provide an overall 85 percent recovery. Appropriate legislation is proposed to effect this level of financing.

COAST GUARD

The following table depicts funding for all Coast Guard programs for which detail is furnished in the

budget schedules, including net transfers and proposed supplementals and legislation:

	(In thousands of dollars)		
	1986 actual	1987 est.	1988 est. <sup>1</sup>
<b>Budget authority:</b>			
Operating expenses .....	1,617,939	1,785,155	1,934,813
Acquisition, construction and improvements <sup>2</sup> .....	218,806	298,000	277,893
Alteration of bridges .....	4,976		
Retired pay .....	339,489	364,000	386,700
Reserve training .....	58,857	64,400	69,142
Research, development, test and evaluation .....	17,847	20,000	20,119
Boat safety .....	48,077	45,000	45,000
Pollution fund .....	3,984	5,300	5,300
Offshore oil pollution compensation fund .....	957	1,000	
Deepwater port liability fund .....	957	1,000	
Trust funds .....	16	80	80
<b>Total net .....</b>	<b>2,311,905</b>	<b>2,583,935</b>	<b>2,739,047</b>
<b>Program level:</b>			
Operating expenses .....	1,657,719	<sup>a</sup> 1,816,254	1,964,813
Acquisition, construction, and improvements .....	359,870	324,700	339,193
Alteration of bridges .....	6,799	9,900	5,595
Retired pay .....	338,919	364,000	386,700
Reserve training .....	58,598	65,631	69,142
Research, development, test, and evaluation .....	16,629	21,500	21,119
Boat safety .....	32,823	30,000	15,000
Pollution fund .....	9,422	10,000	5,300
Offshore oil pollution compensation fund .....	370		
Deepwater port liability fund .....			
Supply fund .....	84	92	92
Coast Guard yard fund .....	-23,053	-2,526	14,360
Trust funds .....	-105	132	132
<b>Total net .....</b>	<b>2,458,075</b>	<b>2,639,683</b>	<b>2,821,446</b>

<sup>1</sup> Includes proposed legislation.

<sup>2</sup> Augmented by \$342,235,000 in 1986 and \$200,000,000 in 1987 appropriated to the Coastal defense augmentation account in the Department of the Navy's budget.

<sup>a</sup> Includes reimbursements from Navy of \$90,000,000.

**Federal Funds**

**General and special funds:**

**OPERATING EXPENSES**

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed eight passenger motor vehicles for replacement only; and recreation and welfare, **[\$1,755,000,000]** \$1,964,813,000, of which **[\$15,000,000]** \$30,000,000 shall be expended from the Boat Safety Account: *Provided*, **That**, of the funds available under this head, not less than \$372,983,000 shall be available for drug enforcement activities: *Provided further*, **That** the number of aircraft on hand at any one time shall not exceed two hundred and **[ten]** fourteen, exclusive of planes and parts stored to meet future attrition: *Provided further*, **That** none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further*, **That** none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109 except to the extent fees are collected from yacht owners and credited to this appropriation. *(Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0201-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Search and rescue .....	319,492	337,342	345,970
00.02 Aids to navigation .....	371,679	387,690	393,584
00.03 Marine safety .....	99,465	103,971	105,729
00.04 Marine environmental protection .....	127,940	132,317	146,234
00.05 Enforcement of laws and treaties .....	584,725	635,231	646,232
00.06 Ice operations .....	56,310	86,145	87,623
00.07 Defense readiness .....		33,306	123,385
00.08 Headquarters administration .....	97,463	100,252	101,056
00.91 Total direct program .....	1,657,074	1,816,254	1,949,813

10.01 Reimbursable program .....	160,795	145,500	55,500
10.00 Total obligations .....	1,817,869	1,961,754	2,005,313
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-158,895	-141,717	-51,500
13.00 Trust funds .....	-14,355	-15,000	-15,000
14.00 Non-Federal sources .....	-1,900	-3,783	-4,000
21.40 Unobligated balance available, start of year .....	-15,000		
22.40 Unobligated balance transferred, net .....	-10,000	-16,099	
25.00 Unobligated balance lapsing .....	220		
39.00 <b>Budget authority .....</b>	<b>1,617,939</b>	<b>1,785,155</b>	<b>1,934,813</b>
<b>Budget authority:</b>			
40.00 Appropriation .....	1,592,539	1,740,000	1,934,813
42.00 Transferred from other accounts .....	25,400	39,000	
43.00 <b>Appropriation (adjusted) .....</b>	<b>1,617,939</b>	<b>1,779,000</b>	<b>1,934,813</b>
<b>Transfers in for:</b>			
46.10 Wage-board pay raises .....		150	
46.20 Civilian pay raises .....		700	
46.30 Military pay raises .....		5,305	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,642,719	1,801,254	1,934,813
72.40 Obligated balance, start of year .....	315,373	335,265	396,019
74.40 Obligated balance, end of year .....	-335,265	-396,019	-457,671
77.00 Adjustments in expired accounts .....	-12,150		
89.00 <b>Outlays .....</b>	<b>1,610,676</b>	<b>1,740,500</b>	<b>1,873,161</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental .....	1,610,676	1,734,777	1,872,729
91.10 Outlays from wage-board pay raise supplemental .....		136	14
91.20 Outlays from civilian pay raise supplemental .....		658	42
91.30 Outlays from military pay raise supplemental .....		4,929	376

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	1,617,939	1,785,155	1,934,813
Outlays .....	1,610,676	1,740,500	1,873,161
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays .....			
<b>Total:</b>			
Budget authority .....	1,617,939	1,785,155	1,934,813
Outlays .....	1,610,676	1,740,500	1,873,161

Funds for operating expenses represent more than two-thirds of the total Coast Guard program level. To carry out its unique duties as a peacetime operating agency and one of the military services, the Coast Guard employs multipurpose vessels, aircraft and shore units, strategically located along the coasts and inland waterways of the United States and in selected areas overseas. In 1988, search and rescue and enforcement of laws and treaties still account for the major portions of the budget. Amounts requested for the activities described below reflect the continued introduction into the operating forces of new equipment and capital facilities, including new medium endurance cutters and aircraft. Although program increases are included for these new resources, they are partially offset by savings achieved through a reduction in older, existing platforms. Additional savings will be achieved through continued management improvements, including productivity increases, improved efficiency of operations, and continued contracting out of support activities. The growth in the budget reflects built-in changes required by military and civilian pay raises, cost-of-living adjustments, and an addition to the budget base of previously non-recurring funding for ongoing drug law enforce-

General and special funds—Continued

OPERATING EXPENSES—Continued

ment and defense readiness programs. This budget also reflects the addition of 300 formerly reimbursable law enforcement detachment (LEDET) military personnel and funds to the Coast Guard base. It also contains funding for an underground storage tank program to identify leaking tanks and contain/remove pollutants in compliance with current EPA regulations.

**Search and rescue.**—The Coast Guard maintains a nationwide system of boats, aircraft, cutters, and rescue coordination centers on 24-hour alert capable of responding to notice of a distress incident.

WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Responses to search and rescue cases .....	67,450	68,800	70,175
Sorties .....	84,990	86,690	88,425
Time on sorties (hours) .....	241,020	242,705	247,560
Lives saved .....	6,480	6,495	6,565
Persons otherwise assisted .....	134,580	134,705	137,400
Property saved (in thousands of dollars) .....	1,154,500	1,199,345	1,247,285
Value of property assisted (in thousands of dollars) .....	2,727,000	2,836,310	2,876,580

**Aids to navigation.**—A network of floating and fixed aids to navigation is maintained along our coasts and on inland waterways to insure the safe passage of the mariner. Vessel Traffic Services (VTSs) are operated in New York, New Orleans, Houston-Galveston, San Francisco, Puget Sound (Seattle, WA), Prince William Sound (Valdez, AK) and Berwick Bay, LA. Loran-C stations provide electronic coastal marine navigation as well as enroute and non-precision approach aviation navigation capabilities throughout the United States. Domestic Loran-C serves the needs of both civilian and military users throughout the continental U.S. and Alaska. Overseas, Loran-C is operated in support of DOD requirements. Eight OMEGA stations, six of which are operated and funded to various levels by the six host partner nations, provide navigational coverage to military and civilian ships and aircraft nearly worldwide. Radiobeacons operated in the United States provide mariners with an all-weather, low user cost navigational system, used primarily for homing, along our coasts and in the Great Lakes. Administrative control is exercised over the construction, maintenance, and operation of bridges across navigable waters of the United States.

WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Federal floating aids .....	25,346	25,400	25,400
Federal fixed aids .....	23,066	23,100	23,100
Private aids authorized .....	44,399	44,500	44,600
Total vessel traffic service transits .....	1,018,767	1,020,000	1,050,000
Bridge permits and regulations issued .....	166	165	170

**Marine safety.**—The Coast Guard's Safety program consists of two major activities:

**Marine inspection and marine licensing programs.**—The Coast Guard reviews plans and specifications for the construction or alteration of merchant vessels; conducts periodic inspections; investigates casualties; and sets standards, procedures, and practices under which merchant marine personnel are licensed and regulated.

WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Marine inspection:			
New construction .....	360	380	400
U.S. vessels inspected .....	40,000	41,800	43,200
Foreign vessels examined .....	3,200	3,300	3,400
Marine investigations .....	11,200	12,000	12,000
Marine licensing:			
License transactions .....	42,125	42,000	42,000
Seamen's document transactions .....	31,495	32,000	32,775

**Recreational boating safety.**—The Coast Guard operates a boat safety standards program and provides boater information and support of the Coast Guard Auxiliary as well as the individual State boating safety programs.

WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Factory visits/inspections .....	1,250	1,300	1,300
Defect campaigns .....	152	190	190
Potential units affected by campaigns .....	646,320	653,000	660,000
Persons enrolled in Auxiliary boating education courses .....	326,722	335,000	350,000
Courtesy marine examinations (Auxiliary) .....	278,331	285,000	295,000

**Marine environmental protection.**—The Coast Guard's Marine Environmental Protection program consists of two major activities:

**Marine environmental readiness.**—Under various laws, international agreements and conventions the Coast Guard is responsible for responding to pollution incidents involving oil and hazardous chemicals. The Coast Guard receives reports, evaluates, responds to, and mitigates potential and actual pollution discharges on waters and land areas defined as the "Coastal Zone" in the National Contingency Plan.

WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Reports of pollution received by the Coast Guard:			
Oil .....	10,112	10,220	10,340
Chemical .....	798	820	850
Investigations:			
Oil .....	8,271	8,360	8,450
Chemical .....	623	640	660
Responsible party cleanups monitored by the Coast Guard:			
Oil .....	1,975	2,000	2,020
Chemical .....	138	140	150
Federally funded cleanups supervised by the Coast Guard:			
Oil .....	241	245	250
Chemical .....	31	32	33

**Port safety and security.**—Under various laws, conventions, international agreements, and memoranda of understanding with other Federal agencies, the Coast Guard is charged with promoting port safety and security in ports, on waterways, and on the high seas. The Coast Guard is expected to provide rapid and effective response to port emergencies such as fires, explosions, collisions, civil disturbances, and terrorist incidents. The Coast Guard Captain of the Port (COTP) has extensive law enforcement authority over waterfront facilities, vessels and the navigable waters of the United States, and has a broad role as the coordinator and overseer of port safety and security activities of all parties involved in the port complex. Coast Guard responsibilities in port security have been increased recently under the combined Navy/Coast Guard Maritime Defense Zone initiative, and under the DOD/DOT Memorandum of Understanding on Port Readiness.

WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Port safety:			
Cargo transfer operations monitored .....	7,944	8,100	8,100
Cargo vessels/barges boarded .....	6,697	6,700	6,700

Waterfront facilities inspected.....	3,710	3,850	3,850
Harbor patrols (operating hours).....	40,393	40,400	40,400
MARPOL waste reception inspections.....	700	2,500	2,700
Port security:			
Mobilization plans.....	47	47	47
Mobilization plan exercises.....	85	97	109
Contingency plans.....	167	202	222
Contingency plan exercises.....	214	227	234
Port security cards issued.....	4,000	10,000	20,000
Special interest vessel boardings.....	330	330	330
Safety/security zones established.....	284/69	290/70	290/70

**Enforcement of laws and treaties.**—Maritime enforcement of laws and treaties is accomplished by cutters and aircraft conducting patrols to enforce international agreements and Federal laws on and over the high seas and waters over which the U.S. exercises jurisdiction. Fisheries enforcement involves living marine resources, while general law enforcement concerns drug smuggling by air and sea, illegal immigration, hijacking/theft of vessels and other unlawful activities.

This budget reflects the annualization of personnel and dollars included in the Anti-Drug Abuse Act of 1986, in order to continue to fund ongoing drug law enforcement programs. The Coast Guard will begin a newly assigned mission in fiscal year 1987 of assisting in the interdiction of controlled substances being smuggled by air into the United States as assigned to the Coast Guard by the National Drug Enforcement Policy Board. Resources included in this budget will finance this new responsibility.

**WORKLOAD DATA**

Cutter operating hours:	1986 actual	1987 est.	1988 est.
Fisheries enforcement.....	46,635	45,000	45,000
General law enforcement.....	180,193	210,000	217,500
Aircraft flight hours:			
Fisheries enforcement.....	5,793	5,550	5,550
General law enforcement.....	19,409	27,000	28,000
Drug-related seizures—vessels.....	147	150	150

**Ice operations.**—Polar ice operations are performed in the Arctic and Antarctic by icebreakers in support of programs of the Coast Guard and other agencies.

In fiscal year 1988, USCGC Westwind will be operated in place of USCGC Glacier, maintaining a fleet of four operational polar icebreakers. Funding to continue analyses on how best to replace current icebreakers with new cutters is contained elsewhere in this budget. Domestic ice operations are performed on the navigable waters of the United States. Also included are certain marine science activities.

**WORKLOAD DATA**

	1986 actual	1987 est.	1988 est.
Polar ice operations: Icebreaker deployment days.....	534	520	550
Domestic ice operations:			
Cutter operating hours.....	1,835	4,050	4,050
Aircraft reconnaissance operating hours.....	134	235	235
Vessels assisted.....	233	765	765
International Ice Patrol: Aircraft hours.....	380	500	500

**Defense readiness.**—The Coast Guard operates as a service in the Navy upon declaration of war or during times of national emergency at the direction of the President. During peacetime, an effective state of military preparedness is maintained through individual and unit training, by joint naval training exercises, and by Coast Guard single and multiship operations.

**WORKLOAD DATA**

	1986 actual	1987 est.	1988 est.
Cutters participating in naval fleet training exercises.....	38	45	45
Cutter days.....	383	500	500
Joint service or Coast Guard exercises.....	63	60	60
Units participating.....	234	220	220

**Headquarters administration.**—Headquarters administration provides funding for administrative services at the headquarters location of the Coast Guard, including executive direction; budget, planning and policy; command, control, communication, and operations; financial management; legal; engineering; civil rights; and personnel and health services for the Coast Guard.

**Object Classification (in thousands of dollars)**

Identification code 69-0201-0-1-403	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	112,210	117,955	127,362
11.3 Other than full-time permanent.....	3,478	3,846	3,746
11.5 Other civilian personnel compensation.....	3,091	3,052	2,973
11.7 Military personnel.....	688,628	748,865	791,609
11.8 Special personal services payments.....	1,279	1,351	1,329
11.9 Total personnel compensation.....	808,686	875,069	927,019
Personnel benefits:			
12.1 Civilian.....	16,699	19,941	19,100
12.2 Military personnel.....	62,994	69,957	74,571
13.0 Benefits for former personnel.....	2,050	2,032	2,183
21.0 Travel and transportation of persons.....	35,747	36,674	39,174
22.0 Transportation of things.....	26,009	27,372	29,924
23.1 Rental payments to GSA.....	21,775	23,574	27,492
23.2 Rental payments to others.....	21,708	24,621	28,722
23.3 Communications, utilities, and miscellaneous charges.....	59,107	71,952	78,496
24.0 Printing and reproduction.....	4,905	4,915	4,925
25.0 Other services.....	285,268	317,127	342,249
26.0 Supplies and materials.....	263,107	290,373	319,198
31.0 Equipment.....	43,493	47,087	51,369
32.0 Lands and structures.....	3,956	3,971	3,342
42.0 Insurance claims and indemnities.....	1,360	1,368	1,817
43.0 Interest and dividends.....	210	221	232
99.0 Subtotal, direct obligations.....	1,657,074	1,816,254	1,949,813
99.0 Reimbursable obligations.....	160,795	145,500	55,500
99.9 Total obligations.....	1,817,869	1,961,754	2,005,313

**Personnel Summary**

Direct:			
Military:			
Total number of full-time permanent positions.....	34,639	35,409	37,937
Total compensable workyears: Full-time equivalent employment.....	33,479	35,298	37,502
Civilian:			
Total number of full-time permanent positions.....	4,349	4,369	4,680
Total compensable workyears:			
Full-time equivalent employment.....	4,433	4,348	4,666
Full-time equivalent of overtime and holiday hours.....	93	90	90
Reimbursable:			
Military:			
Total number of full-time permanent positions.....	3,356	2,244	99
Total compensable workyears: Full-time equivalent employment.....	3,356	2,244	99
Civilian:			
Total number of full-time permanent positions.....	263	209	29
Total compensable workyears: Full-time equivalent employment.....	261	207	27

General and special funds—Continued

OPERATING EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 69-0201-2-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)			15,000
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds			-15,000
39.00 Budget authority			
<b>Relations of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

Legislation will be proposed to authorize an additional expenditure of \$15 million from Boat Safety to be used to offset Coast Guard Operating Expenses in 1988 for a total of \$30 million of which \$15 million is currently authorized for these purposes by Public Law 98-369.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; to remain available until September 30, [1991, \$209,000,000] 1992, \$277,893,000: *Provided*, That the Secretary of Transportation shall issue regulations requiring that written warranties shall be included in all contracts with prime contractors for major systems acquisitions of the Coast Guard: *Provided further*, That any such written warranty shall not apply in the case of any system or component thereof that has been furnished by the Government to a contractor: *Provided further*, That the Secretary of Transportation may provide for a waiver of the requirements for a warranty where: (1) the waiver is necessary in the interest of the national defense or the warranty would not be cost effective; and (2) the Committees on Appropriations of the Senate and the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirements: *Provided further*, That the requirements for such written warranties shall not cover combat damage. (*Additional authorizing legislation to be proposed.*)

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-0240-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Search and rescue	28,332	39,808	27,318
00.02 Aids to navigation	24,054	35,692	21,850
00.03 Marine safety	4,180	4,610	3,472
00.04 Marine environmental protection	14,424	4,991	12,413
00.05 Enforcement of laws and treaties	251,165	197,732	235,943
00.06 Ice operations	2,510	7,028	3,380
00.07 Defense readiness	35,197	34,839	34,817
00.91 Total direct program	359,862	324,700	339,193
01.01 Reimbursable program	9,294	25,300	11,200
10.00 Total obligations	369,156	350,000	350,393
<b>Financing:</b>			
11.00 Offsetting collections from: Federal sources	-9,286	-25,300	-11,200
17.00 Recovery of prior year obligations	-3,734		
21.40 Unobligated balance available, start of year	-411,024	-273,206	-246,506
24.40 Unobligated balance available, end of year	273,206	246,506	185,206
25.00 Unobligated balance lapsing	489		
39.00 Budget authority	218,806	298,000	277,893

<b>Budget authority:</b>				
40.00	Appropriation	207,956	209,000	277,893
42.00	Transferred from other accounts	10,850	89,000	
43.00	<b>Appropriation (adjusted)</b>	<b>218,806</b>	<b>298,000</b>	<b>277,893</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	359,870	324,700	339,193
72.40	Obligated balance, start of year	671,688	586,098	510,798
74.40	Obligated balance, end of year	-586,098	-510,798	-499,598
77.00	Adjustments in expired accounts	-95		
78.00	Adjustments in unexpired accounts	-3,734		
90.00	<b>Outlays</b>	<b>441,631</b>	<b>400,000</b>	<b>350,393</b>

This appropriation provides for the major acquisition, construction, and improvement of vessels, aircraft, shore units, and aids to navigation, excluding minor acquisitions, additions, renewals, and replacements funded in the Operating Expenses appropriation where estimated costs of a program are \$150 thousand or less, or where renewals and replacements involve less than 75 percent of the original facility. Most of the facilities financed by this appropriation are multi-mission in nature and are required by the Coast Guard in the performance of its operational and regulatory missions.

**Vessels.**—By the end of fiscal year 1988, eleven of the thirteen 270-foot Medium Endurance Class cutters (WMEC) will be operational or delivered. In addition, the ninth and final 140-foot Icebreaking Tug (WTGB) will be operational. By the beginning of fiscal year 1988, all of the Coast Guard Island Class 110-foot patrol boats will be delivered and operational. In addition, a contract for construction of another twenty-one patrol boats will have been awarded. Major accomplishments will also be realized in the area of vessel renovation and modernization. By the end of fiscal year 1988, five of twelve 378-foot High Endurance Cutters (WHEC) and seven of sixteen 210-foot Medium Endurance Cutters (WMEC) will have completed their major renovations; five additional WHECs, and three WMECs will be undergoing renovation. Eight 180-foot Buoy Tenders (WLB) will have completed service life extension rehabilitation. Cumulatively, these accomplishments will enhance critical multimission capabilities of the Coast Guard's major vessel capital assets and favorably impact on the fleet's readiness and maintenance posture.

**Aircraft.**—All of the ninety-six HH-65A Short Range Recovery (SRR) helicopters will be delivered by the end of fiscal year 1988. In addition, three new HC-130 Long Range Surveillance fixed-wing aircraft funded in the fiscal year 1986 Coastal Defense Augmentation Account will be delivered. Considerable progress will be made in acquiring aircraft sensors to enhance search and rescue and law enforcement missions. Five of thirty-six HC-130 search radars will be delivered with three installed by the end of fiscal year 1988. Six airborne surveillance systems (AIREYE) will be in operational use on HH-25A Medium Range Search aircraft. The HH-65A helicopter promises enhanced missions performance for the Coast Guard helicopter fleet. These improvements will include faster response time, safer operations, and more capable detection systems.

**Shore facilities.**—Recent shore facility projects have emphasized both new construction and renovations, improvements, or replacements of existing facilities. Ap-

proximately fourteen prior year shore construction projects will be completed by fiscal year 1988. These projects range from air station rehabilitations to moorings improvements. Particular emphasis has been placed on upgrading shore facilities at Alameda, CA; Portsmouth, VA; Boston, MA; New Bedford, MA; and Long Beach, CA, to insure adequate support of new and renovated WHECs and WMECs. This construction will be completed by fiscal year 1988. Projects have also been initiated to provide advanced electronic data processing and communications to Coast Guard commands to enhance productivity and management decisions.

**Object Classification (in thousands of dollars)**

Identification code 69-0240-0-1-403	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,028	7,031	7,341
11.3 Other than full-time permanent .....	52	54	54
11.5 Other civilian personnel compensation .....	135	140	140
11.7 Military personnel .....	10,423	10,658	10,989
11.9 Total personnel compensation .....	16,638	17,883	18,524
<b>Personnel benefits:</b>			
12.1 Civilian .....	721	833	1,263
12.2 Military personnel .....	468	479	493
21.0 Travel and transportation of persons .....	3,069	2,740	2,860
22.0 Transportation of things .....	1,332	1,188	1,241
23.3 Communications, utilities, and miscellaneous charges .....	1,562	1,393	1,454
24.0 Printing and reproduction .....	67	58	60
25.0 Other services .....	58,155	51,942	54,222
26.0 Supplies and materials .....	37,921	33,868	35,355
31.0 Equipment .....	154,548	138,141	144,203
32.0 Lands and structures .....	85,381	76,175	79,518
99.0 Subtotal, direct obligations .....	359,862	324,700	339,193
99.0 Reimbursable obligations .....	9,294	25,300	11,200
99.9 Total obligations .....	369,156	350,000	350,393

**Personnel Summary**

<b>Military:</b>			
Total number of full-time permanent positions .....	297	297	331
Total compensable workyears: Full-time equivalent employment .....	297	297	330
<b>Civilian:</b>			
Total number of full-time permanent positions .....	224	224	238
Total compensable workyears:			
Full-time equivalent employment .....	194	219	227
Full-time equivalent of overtime and holiday hours .....	4	4	4

**ALTERATION OF BRIDGES**

**Program and Financing (in thousands of dollars)**

Identification code 69-0244-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	6,799	9,900	5,595
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-17,318	-15,495	-5,595
24.40 Unobligated balance available, end of year .....	15,495	5,595	
40.00 Budget authority (appropriation) .....	4,976		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	6,799	9,900	5,595
72.40 Obligated balance, start of year .....	9,682	13,516	20,916
74.40 Obligated balance, end of year .....	-13,516	-20,916	-14,011
90.00 Outlays .....	2,965	2,500	12,500

This appropriation provides the Government's share of the costs for altering or removing bridges determined

to be obstructions to navigation. Generally, bridges to be altered were built with what are now insufficient vertical and/or horizontal clearances for free navigation on navigable waters of the United States. No funds are requested in 1988.

**RETIRED PAY**

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55), **[\$364,000,000]** *\$386,700,000. (Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0241-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Regular military personnel .....	292,742	313,800	330,771
00.02 Former Lighthouse Service personnel .....	1,494	1,100	994
00.03 Reserve personnel .....	12,020	13,000	13,735
00.04 Survivor benefit programs .....	2,625	3,100	3,600
00.05 Medical care .....	30,038	33,000	37,600
10.00 Total obligations .....	338,919	364,000	386,700
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	570		
39.00 Budget authority .....	339,489	364,000	386,700
<b>Budget authority:</b>			
40.00 Appropriation .....	341,489	364,000	386,700
41.00 Transferred to other accounts .....	-2,000		
43.00 Appropriation (adjusted) .....	339,489	364,000	386,700
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	338,919	364,000	386,700
72.40 Obligated balance, start of year .....	36,092	40,730	42,208
74.40 Obligated balance, end of year .....	-40,730	-42,208	-43,908
77.00 Adjustments in expired accounts .....	2,216		
90.00 Outlays .....	336,496	362,522	385,000

This appropriation provides for retired pay of military personnel of the Coast Guard and Coast Guard Reserve, members of the former Lighthouse Service, and for annuities payable to beneficiaries of retired military personnel under the retired serviceman's family protection plan (10 U.S.C. 1431-46) and survivor benefits plans (10 U.S.C. 1447-55); and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55).

The following tabulation shows the average number of personnel on the rolls during 1986 compared with estimated numbers for 1987 and 1988:

**AVERAGE NUMBER**

Category:	1986 actual	1987 est.	1988 est.
Commissioned officers .....	4,031	4,138	4,235
Warrant officers .....	3,336	3,432	3,516
Enlisted personnel .....	14,872	15,054	15,231
Former Lighthouse Service personnel .....	91	79	69
Reserve personnel .....	1,924	2,025	2,088
Total .....	24,254	24,728	25,139

General and special funds—Continued

RETIRED PAY—Continued

Object Classification (in thousands of dollars)

Identification code 69-0241-0-1-403	1986 actual	1987 est.	1988 est.
13.0 Benefits for former personnel.....	308,880	331,000	349,100
25.0 Other services.....	29,975	33,000	37,600
26.0 Supplies and materials.....	64		
99.9 Total obligations.....	338,919	364,000	386,700

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services, **[\$64,400,000] \$69,142,000.** (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-0242-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Initial training.....	2,495	3,600	5,014
00.02 Continuing training.....	34,561	38,641	41,160
00.03 Operation and maintenance of training facilities.....	11,890	11,778	12,075
00.04 Administration.....	9,652	11,612	10,893
00.91 Total direct program.....	58,598	65,631	69,142
01.01 Reimbursable program.....	37	91	91
10.00 Total obligations.....	58,635	65,722	69,233
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-37	-91	-91
22.40 Unobligated balance transferred, net.....		-1,231	
25.00 Unobligated balance lapsing.....	259		
40.00 Budget authority (appropriation).....	58,857	64,400	69,142
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	58,598	65,631	69,142
72.40 Obligated balance, start of year.....	7,918	6,910	6,996
74.40 Obligated balance, end of year.....	-6,910	-6,996	-7,339
77.00 Adjustments in expired accounts.....	-679		
90.00 Outlays.....	58,927	65,545	68,799

The Coast Guard Reserve Forces provide qualified individuals and trained units for active duty in event of war, national emergency or domestic disaster. These forces keep ready through realistic, coordinated training in wartime skills, formal training in military skills, and performing peace time duties with the Regular Forces during normal and emergency operations. The 1988 program will be expanded to provide a Ready Reserve of 18,500 including a Selected Reserve of 13,500.

**Initial training**—Direct costs of initial training for non-prior service recruits are programmed under this activity.

**Continuing training**—Direct costs of officer and enlisted drills and annual active duty for training are programmed under this activity.

**Operation and maintenance of training facilities**—Reserve training facilities for operation and maintenance are programmed under this activity.

**Administration**—All administrative costs for the Reserve Forces program are programmed under this category.

Miscellaneous services for other accounts—Coast Guard mobilization-related activities for the Selected Service System are reimbursed under this activity.

DAYS OF TRAINING

	1986 actual	1987 est.	1988 est.
Initial training: Initial active duty for training.....	79,513	119,150	127,700
Continuing training: Selected Reserve (with pay):			
Active duty training.....	115,964	115,950	120,180
Drills (12-48 per year).....	519,160	530,770	549,350
Other Ready Reserve (without pay):			
Active duty for training.....	800	800	800
Drill training.....	15,000	15,000	15,000

Object Classification (in thousands of dollars)

Identification code 69-0242-0-1-403	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	1,720	2,025	2,278
11.3 Other than full-time permanent.....	49	8	8
11.5 Other personnel compensation.....	92	122	120
11.7 Military personnel.....	45,563	49,735	52,942
11.9 Total personnel compensation.....	47,424	51,890	55,348
Personnel benefits:			
12.1 Civilian personnel.....	228	319	312
12.2 Military personnel.....	1,248	2,332	2,580
21.0 Travel and transportation of persons.....	1,863	2,355	2,655
22.0 Transportation of things.....	578	431	431
23.1 Rental payments to GSA.....	456	515	606
23.3 Communications, utilities, and miscellaneous charges..	720	559	559
24.0 Printing and reproduction.....	172	99	99
25.0 Other services.....	2,598	3,014	2,435
26.0 Supplies and materials.....	3,065	3,743	3,743
31.0 Equipment.....	191	344	344
42.0 Insurance claims and indemnities.....	55	30	30
99.0 Subtotal, direct obligations.....	58,598	65,631	69,142
99.0 Reimbursable obligations.....	37	91	91
99.9 Total obligations.....	58,635	65,722	69,233

Personnel Summary

<b>Military:</b>			
Total number of full-time permanent positions.....	599	599	599
Total compensable workyears: Full-time equivalent employment.....	599	599	599
<b>Civilian:</b>			
Total number of full-time permanent positions.....	123	123	112
Total compensable workyears:			
Full-time equivalent employment.....	98	106	106
Full-time equivalent of overtime and holiday hours.....	5	5	5

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for basic and applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, **[\$20,000,000] \$20,119,000,** to remain available until expended: *Provided,* That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources and foreign countries, for expenses incurred for research, development, testing, and evaluation. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-0243-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Search and rescue.....	3,192	4,067	3,973
00.02 Aids to navigation.....	3,212	4,094	3,963
00.03 Marine safety.....	1,628	2,075	2,027

00.04	Marine environmental protection .....	1,712	2,182	2,167
00.05	Enforcement of laws and treaties .....	5,729	7,301	7,250
00.06	Ice operations .....	422	519	507
00.07	Defense readiness .....	976	1,262	1,232
00.91	Total direct program .....	16,871	21,500	21,119
01.01	Reimbursable program .....	895	1,200	1,200
10.00	Total obligations .....	17,766	22,700	22,319
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,137	-1,200	-1,200
17.00	Recovery of prior year obligations .....	-431		
21.40	Unobligated balance available, start of year .....	-8,745	-10,394	-3,894
22.40	Unobligated balance transferred, net .....		5,000	
24.40	Unobligated balance available, end of year .....	10,394	3,894	2,894
39.00	Budget authority .....	17,847	20,000	20,119
Budget authority:				
40.00	Appropriation .....	20,097	20,000	20,119
41.00	Transferred to other accounts .....	-2,250		
43.00	Appropriation (adjusted) .....	17,847	20,000	20,119
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	16,629	21,500	21,119
72.40	Obligated balance, start of year .....	8,820	8,352	9,852
74.40	Obligated balance, end of year .....	-8,352	-9,852	-10,971
78.00	Adjustments in unexpired accounts .....	-431		
90.00	Outlays .....	16,667	20,000	20,000

The Coast Guard's Research and Development program seeks to maintain the technological base in areas crucial to the successful execution of the Coast Guard's operational and regulatory missions. The R&D program includes the development of techniques, methods, hardware, and systems which directly contribute to increasing the productivity and effectiveness of operating forces. Tests and evaluations are carried out in conjunction with research and development. The 1988 request will provide for: development of improved search and rescue capability; support for replacement of patrol boat (WPB) and buoy tender (WLB/WLM) capabilities; development of improved aid to navigation performance techniques; development of improved commercial vessel safety and recreational boating safety knowledge bases to support establishment, modification, or discontinuance of various regulations and standards; development of systems and procedures for control and cleanup of pollutant spills; development of techniques to support law enforcement efforts; and research, development, test, and evaluation in multi-mission project areas.

**Object Classification (in thousands of dollars)**

Identification code 69-0243-0-1-403	1986 actual	1987 est.	1988 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	3,408	3,585	2,983
11.3	Other than full-time permanent .....	41	208	208
11.5	Other personnel compensation .....	24	25	25
11.7	Military personnel .....	3,146	3,349	2,869
11.9	Total personnel compensation .....	6,619	7,167	6,085
Personnel benefits:				
12.1	Civilian personnel .....	392	425	470
12.2	Military personnel .....	120	126	92
21.0	Travel and transportation of persons .....	514	550	550
22.0	Transportation of things .....	101	125	160
23.1	Rental payments to GSA .....	235	208	208
23.3	Communications, utilities, and miscellaneous charges .....	697	1,200	1,200
24.0	Printing and reproduction .....	23	16	16
25.0	Other services .....	6,115	9,383	10,038
26.0	Supplies and materials .....	972	1,100	1,200
31.0	Equipment .....	1,083	1,200	1,100
99.0	Subtotal, direct obligations .....	16,871	21,500	21,119

99.0	Reimbursable obligations .....	895	1,200	1,200
99.9	Total obligations .....	17,766	22,700	22,319

**Personnel Summary**

<b>Military:</b>				
	Total number of full-time permanent positions .....	79	79	52
	Total compensable workyears: Full-time equivalent employment .....	79	79	52
<b>Civilian:</b>				
	Total number of full-time permanent positions .....	104	104	80
	Total compensable workyears:			
	Full-time equivalent employment .....	94	103	79
	Full-time equivalent of overtime and holiday hours .....	1	1	1

**POLLUTION FUND**

**Program and Financing (in thousands of dollars)**

Identification code 69-5168-0-2-304	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
10.00	Total obligations .....	9,422	10,000	5,300
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-24,765	-9,327	-4,627
22.40	Unobligated balance transferred, net .....	10,000		
24.40	Unobligated balance available, end of year .....	9,327	4,627	4,627
60.00	Budget authority (appropriation) (permanent, indefinite) .....	3,984	5,300	5,300
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	9,422	10,000	5,300
72.40	Obligated balance, start of year .....	5,282	6,212	6,212
74.40	Obligated balance, end of year .....	-6,212	-6,212	-6,212
90.00	Outlays .....	8,491	10,000	5,300

This fund insures immediate cleanup of oil or other hazardous polluting substances spilled into the navigable waters of the United States, adjoining shorelines or waters of the contiguous zone. The fund is used when a spill occurs and the responsible owners or operators of a vessel, onshore facility, or offshore facility do not accomplish immediate cleanup with their own resources. Expenditures from the fund are later reimbursed by the responsible owners or operators.

**Object Classification (in thousands of dollars)**

Identification code 69-5168-0-2-304	1986 actual	1987 est.	1988 est.	
21.0	Travel and transportation of persons .....	80	80	42
25.0	Other services .....	9,238	9,816	5,203
26.0	Supplies and materials .....	104	104	55
99.9	Total obligations .....	9,422	10,000	5,300

**OFFSHORE OIL POLLUTION COMPENSATION FUND**

For necessary expenses to carry out the provisions of title III of the Outer Continental Shelf Lands Act Amendments of 1978 (Public Law 95-372), \$1,000,000, to be derived from the Offshore Oil Pollution Compensation Fund and to remain available until expended. In addition, to the extent that available appropriations are not adequate to meet the obligations of the Fund, the Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations in such amounts and at such times as may be necessary to the extent that appropriations are not adequate to meet the obligations of the Fund. Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of \$60,000,000 in fiscal year 1987 1988 for the "Offshore Oil Pollution Compensation Fund".

General and special funds—Continued

OFFSHORE OIL POLLUTION COMPENSATION FUND—Continued

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance brought forward: U.S. securities (par).....	70,692	84,998	102,748
Balance of fund, start of year.....	70,692	84,998	102,748
Collections.....	9,942	12,000	12,000
Interest on investments.....	5,321	6,750	6,830
Total available for appropriation.....	85,955	103,748	121,578
Appropriation (adjusted).....	-957	-1,000	
Unappropriated balance carried forward: U.S. securities (par).....	84,998	102,748	121,578
Balance of fund, end of year.....	84,998	102,748	121,578

Program and Financing (in thousands of dollars)

Identification code 69-5167-0-2-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	370		
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-1,254	-1,567	
21.40 U.S. securities (par).....	-1,172	-1,446	-1,859
22.40 Unobligated balance transferred, net.....		2,154	
Unobligated balance available, end of year:			
24.40 Treasury balance.....	1,567		
24.40 U.S. securities (par).....	1,446	1,859	1,859
40.00 Budget authority (appropriation).....	957	1,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	370		
72.40 Obligated balance, start of year.....	248	281	281
74.40 Obligated balance, end of year.....	-281	-281	-281
90.00 Outlays.....	336		

The Outer Continental Shelf Lands Act Amendments of 1978 require the Coast Guard to perform additional Marine Safety and Environmental Protection missions on the Outer Continental Shelf. Title III of the law provides for an oil pollution compensation fund to pay compensation for damages, including cleanup, resulting from oil spills. Additional funds are not requested for fiscal year 1988.

Object Classification (in thousands of dollars)

Identification code 69-5167-0-2-304	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	248		
11.5 Other personnel compensation.....	10		
11.9 Total personnel compensation.....	258		
12.1 Personnel benefits: Civilian.....	14		
21.0 Travel and transportation of persons.....	2		
22.0 Transportation of things.....	1		
23.3 Communications, utilities, and miscellaneous charges.....	39		
25.0 Other services.....	55		
26.0 Supplies and materials.....	1		
99.9 Total obligations.....	370		

Personnel Summary

Total number of full-time permanent positions.....	7		
Total compensable workyears: Full-time equivalent employment.....	7		

DEEPWATER PORT LIABILITY FUND

For necessary expenses to carry out the provisions of section 18 of the Deepwater Port Act of 1974 (Public Law 93-627), \$1,000,000, to be derived from the Deepwater Port Liability Fund and to remain available until expended. In addition, to the extent that available appropriations are not adequate to meet the obligations of the Fund, the Secretary of Transportation is authorized to issue, and the Secretary of the Treasury is authorized to purchase, without fiscal year limitation, notes or other obligations in such amounts and at such times as may be necessary to the extent that available appropriations are not adequate to meet the obligations of the Fund: Provided, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of \$50,000,000 in fiscal year [1987] 1988 for the "Deepwater Port Liability Fund".

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance brought forward: U.S. securities (par).....	3,840	3,727	2,987
Balance of fund, start of year.....	3,840	3,727	2,987
Interest on investments.....	844	260	270
Total available for appropriation.....	4,684	3,987	3,257
Appropriation (adjusted).....	-957	-1,000	
Unappropriated balance carried forward: U.S. securities (par).....	3,727	2,987	3,257
Balance of fund, end of year.....	3,727	2,987	3,257

Program and Financing (in thousands of dollars)

Identification code 69-5170-0-2-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-30	-28	-28
21.40 U.S. securities (par).....	-4,619	-5,577	-1,401
22.40 Unobligated balance transferred, net.....		5,176	
Unobligated balance available, end of year:			
24.40 Treasury balance.....	28	28	28
24.40 U.S. securities (par).....	5,577	1,401	1,401
40.00 Budget authority (appropriation).....	957	1,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	1	1	1
74.40 Obligated balance, end of year.....	-1	-1	-1
90.00 Outlays.....			

The Deepwater Port Act of 1974 provided a system for determination and settlement, without fault, of claims for all cleanup costs and damages incurred, but not otherwise compensated, as a result of discharges of oil into the marine environment from deepwater port activities. The Deepwater Port Act Amendments of 1984 (Public Law 98-419) suspended, as of September 25, 1984, the 2-cent-per barrel fee to be assessed against all oil delivered at deepwater ports and to be deposited in this fund. The collection of this fee may not resume unless the fund balance falls below \$4,000,000. Additional funds are not requested for fiscal year 1988.

**Intragovernmental funds:**

**COAST GUARD SUPPLY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 69-4535-0-4-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 26.0)	67,222	69,750	71,379
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-61,105	-63,463	-64,885
14.00 Non-Federal sources	-6,034	-6,195	-6,402
21.98 Unobligated balance available, start of year: Fund balance	-371	-288	-196
24.98 Unobligated balance available, end of year: Fund balance	288	196	104
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	84	92	92
72.98 Obligated balance, start of year: Fund balance	9,922	7,723	7,754
74.98 Obligated balance, end of year: Fund balance	-7,723	-7,754	-7,446
90.00 Outlays	2,283	61	400

The Coast Guard supply fund, in accordance with 14 U.S.C. 650, finances the procurement of uniform clothing; commissary provisions; general stores; technical material; and fuel for vessels over 180 feet in length. The fund is normally financed by reimbursements from sale of goods.

**COAST GUARD YARD FUND**

**Program and Financing (in thousands of dollars)**

Identification code 69-4743-0-4-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Cost of goods sold	7,356	10,160	12,377
00.02 Other	24,176	17,305	27,557
00.91 Total operating expenses	31,532	27,465	39,934
01.01 Capital investment: Purchase of equipment	704	1,200	1,250
10.00 Total obligations	32,236	28,665	41,184
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-55,269	-31,141	-26,774
14.00 Non-Federal sources	-19	-50	-50
21.98 Unobligated balance available, start of year: Fund balance	-45,164	-68,216	-70,742
24.98 Unobligated balance available, end of year: Fund balance	68,216	70,742	56,382
39.00 <b>Budget authority</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	-23,053	-2,526	14,360
72.98 Obligated balance, start of year: Fund balance	10,313	3,494	2,269
74.98 Obligated balance, end of year: Fund balance	-3,494	-2,269	-1,803
90.00 Outlays	-16,234	-1,301	14,826

This fund finances industrial operation of the Coast Guard Yard, Curtis Bay, MD (14 U.S.C.). The yard finances its operations out of advances received from Coast Guard appropriations and other agencies for all direct and indirect costs.

**ANALYSIS BY TYPE OF WORK**

	[Percent]		
	1986 actual	1987 est.	1988 est.
Vessel repairs and alterations	65	72	72
Boat repairs and construction	1	4	8
Buoy fabrication	20	9	9

Fabrication of special and miscellaneous items	14	15	11
Total	100	100	100

**Object Classification (in thousands of dollars)**

Identification code 69-4743-0-4-403	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent	16,249	15,296	15,394
11.3 Other than full-time permanent	499	564	564
11.5 Other personnel compensation	1,862	1,557	1,572
11.7 Military personnel	689	476	477
11.9 Total personnel compensation	19,299	17,893	18,007
<b>Personnel benefits:</b>			
12.1 Civilian personnel	2,105	2,137	2,297
12.2 Military personnel	36	25	35
21.0 Travel and transportation of persons	34	184	184
22.0 Transportation of things	58	52	52
23.3 Communications, utilities, and miscellaneous charges	1,740	1,827	1,827
24.0 Printing and reproduction	8	14	14
25.0 Other services	2,543	1,837	1,837
26.0 Supplies and materials	5,715	3,496	15,681
31.0 Equipment	696	1,200	1,250
43.0 Interest and dividends	2		
99.9 Total obligations	32,236	28,665	41,184

**Personnel Summary**

<b>Military:</b>			
Total number of full-time permanent positions	24	24	24
Total compensable workyears: Full-time equivalent employment	24	24	24
<b>Civilian:</b>			
Total number of full-time permanent positions	654	654	654
Total compensable workyears:			
Full-time equivalent employment	637	632	632
Full-time equivalent of overtime and holiday hours	83	73	73

**Trust Funds**

**AQUATIC RESOURCES TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year	127,632	152,751	185,735
<b>Collections (receipts):</b>			
Motorboat fuels tax	70,301	105,000	110,000
Excise taxes on sport fishing equipment	67,979	77,000	69,000
Import duties on tackle and yachts	31,294	20,000	24,000
Interest on investments	16,198	18,000	18,000
Total available for appropriation	313,404	372,751	406,735
<b>Appropriation:</b>			
National Park Service (Department of the Interior):			
Land and Water Conservation Fund (Motorboat fuels tax)	1,000	1,000	1,000
U.S. Coast Guard (Department of Transportation):			
Boat safety (motorboat fuels tax)	22,486	30,000	15,000
Operating expenses (motorboat fuels tax)	15,000	15,000	15,000
Operating expenses (proposed legislation) (motorboat fuels tax)			15,000
United States Fish and Wildlife Service (Department of the Interior):			
Sport fish restoration account	122,167	141,016	174,000
(Motorboat fuels tax)	(50,352)	(28,165)	(59,000)
(Excise taxes on sport fishing equipment)	(45,442)	(67,979)	(77,000)
(Import duties on tackle and yachts)	(22,495)	(31,294)	(20,000)
(Interest)	(3,878)	(13,578)	(18,000)
Unappropriated balance, end of year	152,751	185,735	186,735

The Internal Revenue Code of 1954, as amended, and the Federal Boat Safety Act of 1971 (Public Law 92-75), as amended, provide for the transfer of Highway Trust Fund revenue derived from the motor boat fuel tax and certain other taxes to the Aquatic Resources Trust

AQUATIC RESOURCES TRUST FUND—Continued

Fund. The Secretary of the Treasury estimates the amounts to be so transferred. In turn, appropriations are authorized from this fund to meet expenditures for recreational boating safety assistance and other programs specified by law.

BOAT SAFETY

LIQUIDATION OF CONTRACT AUTHORIZATION

For payment of obligations incurred for recreational boating safety assistance under Public Law 92-75, as amended [**\$30,000,000**] **\$15,000,000**, to be derived from the Boat Safety Account and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of [**\$30,000,000**] **\$15,000,000** in fiscal year [1987] 1988 for recreational boating safety assistance: *Provided further*, That no obligations may be incurred for the improvement of recreational boating facilities.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-8149-0-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 State recreational boating safety programs .....	32,823	30,000	15,000
00.02 Operating expenses: Coast Guard .....	15,000	15,000	15,000
10.00 Total obligations .....	47,823	45,000	30,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-165	-419	-419
24.40 Unobligated balance available, end of year .....	419	419	419
40.00 Budget authority (appropriation) .....	48,077	45,000	30,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	47,823	45,000	30,000
72.40 Obligated balance, start of year .....	10,755	20,926	11,598
74.40 Obligated balance, end of year .....	-20,926	-11,598	-11,598
90.00 Outlays .....	37,652	54,328	30,000

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	48,077	45,000	30,000
Outlays .....	37,652	54,328	30,000
Proposed for later transmittal under proposed legislation:			
Budget authority .....			15,000
Outlays .....			15,000
Total:			
Budget authority .....	48,077	45,000	45,000
Outlays .....	37,652	54,328	45,000

This account provides financial assistance for the development and implementation of a coordinated national recreational boating safety program, as provided for in Public Law 92-75, as amended, and Public Law 98-369. In addition, under current law, \$15 million will be transferred in 1988 to Operating Expenses. Legislation will be proposed to increase the amount authorized for transfer to Operating Expenses to \$30 million.

Object Classification (in thousands of dollars)

Identification code 69-8149-0-7-403	1986 actual	1987 est.	1988 est.
25.0 Other services .....	19,532	15,000	15,000
41.0 Grants, subsidies, and contributions .....	28,291	30,000	15,000
99.9 Total obligations .....	47,823	45,000	30,000

BOAT SAFETY

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 69-8149-2-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			15,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			15,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			15,000
90.00 Outlays .....			15,000

Legislation will be proposed for the Boat Safety Account to authorize expenditure of an additional \$15 million from the Boat Safety Account to be used to offset Coast Guard Operating Expenses in 1988 for a total of \$30 million.

COAST GUARD GENERAL GIFT FUND

Program and Financing (in thousands of dollars)

Identification code 69-8533-0-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	31	80	80
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance .....	-13	-8	-8
21.40 U.S. securities (par) .....	-140	-130	-130
Unobligated balance available, end of year:			
24.40 Treasury balance .....	8	8	8
24.40 U.S. securities (par) .....	130	130	130
60.00 Budget authority (appropriation) (permanent, indefinite) .....	16	80	80
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	31	80	80
72.40 Obligated balance, start of year .....	4	22	52
74.40 Obligated balance, end of year .....	-22	-52	-82
90.00 Outlays .....	13	50	50

This trust fund, maintained from gifts and bequests, is used for purposes as specified by the donor in connection with the Coast Guard training program (10 U.S.C. 2601).

Object Classification (in thousands of dollars)

Identification code 69-8533-0-7-403	1986 actual	1987 est.	1988 est.
25.0 Other services .....	24	62	62
26.01 Supplies and materials .....	4	10	10
31.0 Equipment .....	3	8	8
99.9 Total obligations .....	31	80	80

MISCELLANEOUS TRUST REVOLVING FUNDS

Program and Financing (in thousands of dollars)

Identification code 69-9981-0-8-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Cadet activities .....	4,098	4,169	4,224
00.02 Surcharge collections, sales of commissary stores .....	350	350	350
10.00 Total obligations .....	4,448	4,519	4,574

<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-4,098	-4,231	-4,277
14.00	Non-Federal sources.....	-485	-236	-245
21.98	Unobligated balance available, start of year: Fund balance.....	-252	-387	-335
24.98	Unobligated balance available, end of year: Fund balance.....	387	335	283
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-136	52	52
72.98	Obligated balance, start of year: Fund balance.....	213	217	244
74.98	Obligated balance, end of year: Fund balance.....	-217	-244	-271
90.00	<b>Outlays</b> .....	-140	25	25
Distribution of outlays by account:				
	Cadet activities.....	-4		
	Surcharge collections, sales of commissary stores.....	-135	25	25

The Coast Guard cadet fund is utilized by the Superintendent of the Coast Guard Academy to receive, plan, control, and expend funds for personal expenses and obligations of Coast Guard cadets.

The Coast Guard surcharge collections, sales of commissary stores fund is used to finance expenses incurred in connection with the operation of the Coast Guard commissary stores. Revenue is derived from a surcharge placed on sales (14 U.S.C. 487).

**Object Classification** (in thousands of dollars)

Identification code 69-9981-0-8-403	1986 actual	1987 est.	1988 est.	
23.3	Communications, utilities, and miscellaneous charges.....	16	16	17
25.0	Other services.....	2,988	2,963	3,023
26.0	Supplies and materials.....	1,416	1,520	1,510
31.0	Equipment.....	28	20	24
99.9	<b>Total obligations</b> .....	4,448	4,519	4,574

**MARITIME ADMINISTRATION**

The programs administered by the Maritime Administration (MarAd) are authorized by the Merchant Marine Act, 1936, and other related acts. The Agency promotes the development and maintenance of an American merchant marine for commercial and defense needs; grants subsidy aid for operation of vessels by American flag operators; administers the outstanding Federal Ship Financing Fund portfolio; pays the increased cost associated with the expanded cargo preference requirement in the Food Security Act of 1985; maintains in a standby condition Government-owned fleets; and trains cadets to become licensed merchant ship officers.

The following table shows the funding for the MarAd programs, including proposed supplementals, for which detail is furnished in the budget schedules:

(In thousands of dollars)			
Budget authority:	1986 actual	1987 est.	1988 est.
Operating-differential subsidies.....	270,888		
(Appropriation to liquidate contract authority).....	299,500	320,000	250,300
Ocean freight differential.....		29,000	49,455
Research and development.....	9,474	3,500	
Operations and training.....	66,703	64,000	66,797
Federal ship financing fund.....	1,245,000	620,360	3,250
Special studies, services, and projects.....	29	385	385
Gifts and bequests.....	3	15	15
<b>Total budget authority</b> .....	<b>1,592,097</b>	<b>717,260</b>	<b>119,902</b>

<b>Program level (obligations):</b>			
Ship construction.....	1,161	2,435	
Operating-differential subsidies.....	270,888		
Ocean freight differential.....		29,000	49,455
Research and development.....	8,544	5,138	
Operations and training.....	62,695	80,247	68,103
<b>Federal ship financing fund:</b>			
Revolving fund.....	1,250,621	624,700	3,250
New loan guarantee commitments.....	47,651		
Vessel operations revolving fund.....	-36,794		
War risk insurance revolving fund.....	-1,224	-1,177	-1,177
Special studies, services, and projects.....	141	385	385
Gifts and bequests.....	1	15	15
<b>Total program level</b> .....	<b>1,603,684</b>	<b>740,743</b>	<b>120,031</b>
<b>Outlays:</b>			
Ship construction.....	-417	5,310	
Operating-differential subsidies.....	287,761	247,100	250,300
Ocean freight differential.....		29,000	49,455
Research and development.....	12,850	9,652	7,073
Operations and training.....	70,909	71,283	68,615
Federal ship financing fund.....	1,191,899	676,207	-5,050
Vessel operations revolving fund.....	-68,886		
War risk insurance revolving fund.....	-642	-900	-900
Special studies, services, and projects.....		385	385
Gifts and bequests.....	1	15	15
<b>Total outlays</b> .....	<b>1,493,475</b>	<b>1,038,052</b>	<b>369,893</b>

**Federal Funds**

**General and special funds:**

**SHIP CONSTRUCTION**

**Program and Financing** (in thousands of dollars)

Identification code 69-1708-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	708	2,435
<b>Financing:</b>			
14.00	Offsetting collections from: Non-Federal sources.....	453	
21.40	Unobligated balance available, start of year.....	-3,596	-2,435
24.40	Unobligated balance available, end of year.....	2,435	
39.00	<b>Budget authority</b> .....		
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	1,161	2,435
72.40	Obligated balance, start of year.....	1,298	2,875
74.40	Obligated balance, end of year.....	-2,875	
90.00	<b>Outlays</b> .....	-417	5,310

The remaining unobligated balances in Ship Construction are being reserved for settlement of outstanding claims. No funds are requested for 1988.

**OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)**

[For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, \$320,000,000, to remain available until expended.]

Such sums as may be necessary for fiscal year 1988 and thereafter are hereby appropriated to make payments required under contracts made under section 603, Merchant Marine Act, 1936, as amended (46 U.S.C. 1173). (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing** (in thousands of dollars)

Identification code 69-1709-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	270,888	

General and special funds—Continued

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 69-1709-0-1-403	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
39.00 Budget authority.....	270,888		
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation.....	299,500	320,000	250,300
40.49 Portion applied to liquidate contract authority.....	-270,888	-247,100	-250,300
40.50 Balance of appropriation to liquidate contract authority withdrawn.....	-28,612	-72,900	
43.00 <b>Appropriation (adjusted).....</b>			
<b>Permanent:</b>			
69.10 Contract authority (Public Law 91-469) (indefinite).....	270,888		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	270,888		
<b>Obligated balance, start of year:</b>			
72.40 Appropriation.....	12,001	32,913	32,913
72.49 Contract authority.....		2,858,512	2,611,412
<b>Obligated balance, end of year:</b>			
74.40 Appropriation.....	-32,913	-32,913	-32,913
74.49 Contract authority.....	-2,858,512	-2,611,412	-2,361,112
77.00 Adjustments in expired accounts.....	2,896,296		
90.00 Outlays.....	287,761	247,100	250,300

Status of Unfunded Contract Authority (in thousands of dollars)

Unfunded balance, start of year.....	2,858,512	2,611,412
Adjustment in expired accounts.....	2,858,512	
Contract authority (permanent, indefinite).....	270,888	
Appropriation to liquidate contract authority.....	-270,888	-250,300
Unfunded balance, end of year.....	2,858,512	2,361,112

The Merchant Marine Act of 1936, as amended, provides that operating subsidies shall be paid to qualified operators of U.S.-flag vessels in order to promote the maintenance of a U.S. Merchant Marine capable of providing essential ocean-shipping services. A strong U.S. Merchant Marine is important to national security and to the development of foreign commerce. Subsidies are designed to achieve a parity between certain U.S. and foreign ship operating costs. The 1988 request provides funds for existing operating-differential subsidy contracts. No new contracts are included.

The budget reflects no new contract authority on the basis that the obligations under the existing contracts were incurred when the contracts were signed. This technical accounting change is shown as an adjustment to expired accounts in the totals above. The budget also requests liquidating cash appropriations on a permanent, indefinite basis.

OCEAN FREIGHT DIFFERENTIAL

Such sums as may be necessary for fiscal year 1988 and thereafter are hereby appropriated to liquidate debt and pay interest due to the Secretary of the Treasury, as required by section 901d, Merchant Marine Act, 1936 (46 App. U.S.C. 1241h).

Program and Financing (in thousands of dollars)

Identification code 69-1751-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....		29,000	49,455
<b>Financing:</b>			
39.00 Budget authority.....		29,000	49,455
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation.....			78,455
40.47 Portion applied to debt reduction.....			-77,513
43.00 <b>Appropriation (adjusted).....</b>			<b>942</b>
<b>Permanent:</b>			
67.10 Authority to borrow (P.L. 98-78) (46 U.S.C. 1241h).....		29,000	48,513
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		29,000	49,455
90.00 Outlays.....		29,000	49,455

Public Law 99-198 amends section 901 of the Merchant Marine Act to increase from 50 to 75 percent the amount of agricultural commodities under specified programs that must be carried on U.S.-flag vessels. The increased cost associated with this expanded U.S.-flag shipping requirement stems from higher rates charged by U.S.-flag carriers compared with foreign-flag carriers. The Maritime Administration is required to reimburse the Department of Agriculture for ocean freight differential costs for the added tonnage above 50 percent. These reimbursements are funded through borrowings from the Treasury. Public Law 99-198 also requires the Maritime Administration to reimburse the Department of Agriculture for the amount which their ocean freight and ocean freight differential costs in any fiscal year exceeds 20 percent of the cost of the commodities shipped plus ocean freight and ocean freight differentials. The 1987 and 1988 budget estimates do not anticipate payments for the excess 20-percent rule. The 1988 estimate reflects savings from the implementation of administrative reforms designed to reduce the cost of cargo preference.

Object Classification (in thousands of dollars)

Identification code 69-1751-0-1-403	1986 actual	1987 est.	1988 est.
22.0 Transportation of things.....		29,000	48,513
43.0 Interest and dividends.....			942
99.9 Total obligations.....		29,000	49,455

RESEARCH AND DEVELOPMENT

For necessary expenses for research and development activities, as authorized by law, \$3,500,000, to remain available until expended. (Department of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 69-1716-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Advanced ship development.....	1,475	186	
00.02 Advanced ship operations.....	2,313	1,328	
00.03 Research facilities.....	3,333	3,249	

00.04	Advanced maritime technology .....	1,423	375	.....
00.91	Total direct program .....	8,544	5,138	.....
01.01	Reimbursable program .....	1,637	2,300	.....
10.00	Total obligations .....	10,181	7,438	.....
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-1,637	-2,300	.....
17.00	Recovery of prior year obligations .....	-530		.....
21.40	Unobligated balance available, start of year .....	-178	-1,638	.....
24.40	Unobligated balance available, end of year .....	1,638		.....
40.00	Budget authority (appropriation) .....	9,474	3,500	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	8,544	5,138	.....
72.40	Obligated balance, start of year .....	16,423	11,587	7,073
74.40	Obligated balance, end of year .....	-11,587	-7,073	.....
78.00	Adjustments in unexpired accounts .....	-530		.....
90.00	Outlays .....	12,850	9,652	7,073

24.40	Unobligated balance available, end of year .....	17,553	1,306	.....
40.00	Budget authority (appropriation) .....	66,703	64,000	66,797
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	62,695	80,247	68,103
72.40	Obligated balance, start of year .....	16,570	7,759	16,723
74.40	Obligated balance, end of year .....	-7,759	-16,723	-16,211
78.00	Adjustments in unexpired accounts .....	-597		.....
90.00	Outlays .....	70,909	71,283	68,615

Fiscal year 1987 is the final year of funding for the maritime research and development appropriation. Emphasis is being placed on movement toward greater private sector initiative in maritime research and development.

Object Classification (in thousands of dollars)

Identification code	69-1716-0-1-403	1986 actual	1987 est.	1988 est.
Direct obligations:				
25.0	Other services .....	6,977	2,908	.....
26.0	Supplies and materials .....	83	200	.....
31.0	Equipment .....		30	.....
41.0	Grants, subsidies, and contributions .....	1,484	2,000	.....
99.0	Subtotal, direct obligations .....	8,544	5,138	.....
99.0	Reimbursable obligations .....	1,637	2,300	.....
99.9	Total obligations .....	10,181	7,438	.....

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, **[\$64,000,000]** \$66,797,000, to remain available until expended: *Provided*, That reimbursements may be made to this appropriation from receipts to the "Federal Ship Financing Fund" for administrative expenses in support of that program. (46 U.S.C. 867, 1111, 1114, 1119, 1151, 1161, 1171, 1177, 1241; 50 U.S.C. App. 1744; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	69-1750-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Maritime education and training:				
00.01	Merchant Marine Academy .....	19,505	21,315	22,767
00.02	State marine schools .....	8,363	21,103	1,306
00.03	Additional training .....	1,143	1,192	1,231
00.10	National security support capability .....	8,391	10,459	13,812
Operating programs:				
00.20	Development of waterborne transportation systems .....	1,328	1,368	1,915
00.21	Use of waterborne transportation systems .....	6,520	6,653	9,130
00.22	General administration .....	17,445	18,157	17,942
00.91	Total direct program .....	62,695	80,247	68,103
01.01	Reimbursable program .....	17,038	24,000	20,000
10.00	Total obligations .....	79,733	104,247	88,103
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-17,038	-24,000	-20,000
17.00	Recovery of prior year obligations .....	-597		.....
21.40	Unobligated balance available, start of year .....	-12,948	-17,553	-1,306

The specific activities funded by the operations and training appropriation are as follows:

Maritime education and training—

**Merchant Marine Academy.**—This activity provides for operating the Merchant Marine Academy at Kings Point, NY. The objective of the Academy is to instruct and prepare selected personnel for service as officers in the merchant marine. Approximately 190 officers will graduate in 1988. Additional funds are provided in 1988 for resumption of the facilities modernization program.

**State marine schools.**—Due to projections of a continuing oversupply of merchant marine officers, Federal support for this program will be limited in 1988 and subsequent years to providing student incentive payments to cadets currently receiving such payments. An estimated 650 merchant marine officers will graduate from the State marine schools in 1988.

**Additional training.**—This activity provides for costs of administration of the Merchant Marine Academy program at the bureau level, and for the conduct of supplementary training courses required for merchant marine personnel.

**National security support capability.**—This activity provides for maintaining U.S. merchant ships in the National Defense Reserve Fleet for service as naval and military transport auxiliaries in time of war and national emergency and for emergency preparedness activities. Additional funds are provided in 1988 for a multi-year program for capital investment needs including facility alterations and maintenance, and replacement of support craft.

Operating programs—

**Development of waterborne transportation systems.**—This activity provides for direct technical and administrative costs of programs for development and construction of cost-competitive U.S. merchant ships in sufficient quantity to meet national maritime objectives. Increased funds are provided in 1988 for technical studies.

**Use of waterborne transportation systems.**—This activity provides for the direct technical and administrative costs of promoting the effective development and use of merchant ships and ship systems. Program objectives involve increasing U.S.-flag participation in U.S. foreign trade and reducing or eliminating operating subsidies when no longer required to sustain a viable shipping operation. Increased funds are provided in 1988 for technical as well as policy and program studies.

**General administration.**—This activity provides for overall executive direction and general administrative functions of the Maritime Administration.

General and special funds—Continued

OPERATIONS AND TRAINING—Continued

Object Classification (in thousands of dollars)

Identification code 69-1750-0-1-403	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	24,082	23,698	23,586
11.3 Other than full-time permanent .....	2,303	2,403	2,420
11.5 Other personnel compensation .....	675	678	685
11.8 Special personal services payments .....	524	570	573
11.9 Total personnel compensation .....	27,584	27,349	27,264
12.1 Personnel benefits: Civilian .....	3,729	4,272	5,547
13.0 Benefits for former personnel .....	26	70	70
21.0 Travel and transportation of persons .....	817	856	841
22.0 Transportation of things .....	245	45	45
23.1 Rental payments to GSA .....	1,802	2,268	2,268
23.3 Communications, utilities, and miscellaneous charges .....	3,879	4,600	4,743
24.0 Printing and reproduction .....	200	349	349
25.0 Other services .....	16,282	31,002	18,810
26.0 Supplies and materials .....	3,114	3,423	3,534
31.0 Equipment .....	1,795	1,556	1,556
32.0 Lands and structures .....	77	1,750	1,750
41.0 Grants, subsidies, and contributions .....	3,139	2,687	1,306
42.0 Insurance claims and indemnities .....	6	20	20
99.0 Subtotal, direct obligations .....	62,695	80,247	68,103
99.0 Reimbursable obligations .....	17,038	24,000	20,000
99.9 Total obligations .....	79,733	104,247	88,103

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	728	691	675
Total compensable workyears:			
Full-time equivalent employment .....	755	755	728
Full-time equivalent of overtime and holiday hours .....	9	9	9
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	288	308	315
Total compensable workyears:			
Full-time equivalent employment .....	269	306	313
Full-time equivalent of overtime and holiday hours .....	3	4	4

Public enterprise funds:

FEDERAL SHIP FINANCING FUND\*

\*See Part II for additional information.

During fiscal year 1988, no new commitments for guaranteed loans will be made.

Program and Financing (in thousands of dollars)

Identification code 69-4301-0-3-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses .....	8,214	18,600	22,250
00.02 Payments to Treasury: Interest .....	72,417	17,100	33,700
01.01 Capital investment .....	1,260,225	610,000	105,000
10.00 Total obligations .....	1,340,856	645,700	160,950
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources:			
14.00 Insurance premiums and fees .....	-30,856	-30,000	-24,300
14.00 Sale of assets .....	-9,420	-40,000	-119,400
14.00 Interest and other income .....	-47,677	-20,000	-10,000
14.00 Repayment of loans .....	-2,282	-4,000	-4,000
21.98 Unobligated balance available, start of year: Fund balance: U.S. securities (par) .....	-9,961	-4,340	
24.98 Unobligated balance available, end of year: Fund balance: U.S. securities (par) .....	4,340		
67.10 Budget authority (authority to borrow) .....	1,245,000	547,360	3,250
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,250,621	551,700	3,250

72.98 Obligated balance, start of year: Fund balance .....	1,336	60,057	8,550
74.98 Obligated balance, end of year: Fund balance .....	-60,057	-8,550	-16,850
90.00 Outlays .....	1,191,899	603,207	-5,050

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	1,245,000	547,360	3,250
Outlays .....	1,191,899	603,207	-5,050
<b>Supplemental under existing legislation:</b>			
Budget authority .....		73,000	
Outlays .....		73,000	
<b>Total:</b>			
Budget authority .....	1,245,000	620,360	3,250
Outlays .....	1,191,899	676,207	-5,050

Status of Direct Loans (in thousands of dollars)

Identification code 69-4301-0-3-403	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			
<b>Obligations exempt from limitation:</b>			
1131 Direct loans to the public .....	17,233	10,000	5,000
1132 Defaulted guaranteed loan claims .....	1,242,992	600,000	100,000
1150 Total direct loan obligations .....	1,260,225	610,000	105,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	597,271	1,474,817	2,082,417
<b>Disbursements:</b>			
1231 Direct loan disbursements .....	17,233	10,000	5,000
1232 Disbursements for guarantee loan claims .....	1,242,992	600,000	100,000
1252 Repayments: Repayments of defaulted guaranteed loans .....	-35,492	-2,400	-2,400
<b>Adjustments:</b>			
1262 Write-offs for defaults .....	-5,675		
1264 Other adjustments, net .....	-341,512		
1290 Outstanding, end of year .....	1,474,817	2,082,417	2,185,017

Status of Guaranteed Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			
2131 Guaranteed loan commitments exempt from limitation .....	47,561		
2150 Total guaranteed loan commitments .....	47,561		
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	6,443,617	4,995,362	4,245,362
2231 Disbursements of new guaranteed loans .....	82,299	50,000	
2251 Repayments and prepayments .....	-287,562	-200,000	-200,000
2261 Adjustments: Terminations for default that result in direct loans .....	-1,242,992	-600,000	-100,000
2290 Outstanding, end of year .....	4,995,362	4,245,362	3,945,362

MEMORANDUM

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	4,995,362	4,245,362	3,945,362
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The Merchant Marine Act of 1936, as amended, established the Federal ship financing fund to assist in the development of the U.S. merchant marine by guaranteeing construction loans and mortgages on U.S.-flag vessels built in the United States.

The budget proposes appropriations language to prohibit new loan guarantee commitments in 1987 and thereafter. Legislation will also be proposed to terminate permanently the Secretary's authority to guarantee loans. The budget also proposes a supplemental appropriation to repay the Treasury debt incurred

through 1986 by the Federal Ship Financing Fund and related interest.

#### COMMITMENTS FOR CONSTRUCTION LOAN AND MORTGAGE GUARANTEES

	[In millions of dollars]			
	1985 actual	1986 actual	1987 est.	1988 est.
New commitments (net).....	20	48		
Outstanding commitments and guaran- tees, start of year.....	7,303	6,534	5,030	4,230
Less amortization of guarantees, termina- tions, et cetera.....	-789	-1,552	-800	-300
Total outstanding commitments and guarantees, end of year...	6,534	5,030	4,230	3,930

**Budget program.**—Administrative expenses incurred in the operation of the Federal ship financing fund are paid from income to the fund. Direct loans in the form of advances to operators to forestall possible defaults are estimated at \$5 million in 1988. In 1988 the estimate includes \$100 million as a contingency against possible defaults.

**Financing.**—The fund receives income from insurance premiums on construction loans and mortgages, fees, and interest on mortgages held directly.

#### Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	110,529	1,590,740	113,300
Expense.....	-865,493	-347,300	-809,209
Net operating income or loss (-).....	-754,964	1,243,440	-695,909

#### Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	11,296	64,397	8,550	16,850
Accounts receivable (net).....	1,644	3,052	3,000	3,000
Loans receivable (net).....	217,045	413,865	641,997	106,228
Vessels.....	21,368	316,148	457,148	341,008
Other assets (net).....	4,336	8,219	15,600	19,250
Total assets.....	255,689	805,681	1,126,295	486,336
<b>Liabilities:</b>				
Selected liabilities: Accounts payable including funded accrued liabilities.....	2,880	10,416	3,500	3,500
Debt issued under borrowing authority: Borrow- ing from Treasury.....	130,000	1,375,000	502,960	550,610
Other liabilities.....		52,420	8,550	16,850
Total liabilities.....	132,880	1,437,836	515,010	570,960
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	9,961	4,340		
Undelivered orders.....	100	273	100	100
Invested capital.....	112,748	-636,768	611,185	-84,724
Total Government equity.....	122,809	-632,155	611,285	-84,624
<b>Analysis of changes in Government equity:</b>				
Retained income: Opening balance.....		122,809	-632,155	611,285
Transactions: Net operating income or loss (-).....		-754,964	1,243,440	-695,909
Closing balance.....		-632,155	611,285	-84,624
Total Government equity (end of year).....		-632,155	611,285	-84,624

Note.—The status of contingent liabilities for guarantees, insured mortgages, and commitments to guarantee as of the end of the fiscal periods are as follows: 1985, \$6,534 million; 1986, \$5,030 million; 1987, \$4,230 million; 1988, \$3,930 million.

#### Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4301-0-3-403			
25.0 Other services.....	8,214	18,600	22,250
33.0 Investments and loans.....	1,332,642	627,100	138,700
99.9 Total obligations.....	1,340,856	645,700	160,950

#### VESSEL OPERATIONS REVOLVING FUND

##### Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4303-0-3-403			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	339,069	203,247	197,200
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-375,863	-203,247	-197,200
21.98 Unobligated balance available, start of year: Fund bal- ance.....	-15,684	-52,477	-52,477
24.98 Unobligated balance available, end of year: Fund balance.....	52,477	52,477	52,477
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-36,794		
72.98 Obligated balance, start of year: Fund balance.....	35,704	67,796	67,796
74.98 Obligated balance, end of year: Fund balance.....	-67,796	-67,796	-67,796
90.00 Outlays.....	-68,886		

The Maritime Administration is authorized to reactivate, operate, deactivate, and charter merchant vessels. These operations are financed by the Vessel operations revolving fund. In addition, the fund is available to finance the necessary expenses to protect, maintain, preserve, acquire, and use vessels involved in mortgage foreclosure or forfeiture proceedings instituted by the United States; and to process advances received from Federal agencies.

**Budget program.**—The 1988 program anticipates a constant level of maintenance and upgrading of the Ready Reserve Fleet and activation and operation of ships as directed by the Navy.

**Financing.**—Expenses are principally financed by reimbursements from Federal agencies.

#### Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income: Vessel operations:			
Revenue.....	339,069	203,247	197,200
Expense.....	-210,312	-203,247	-197,200
Net income or loss (-).....	128,758		

#### Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	51,387	120,273	120,273	120,273
Accounts receivable (net).....	48,383	106,570	101,001	101,001
Other assets (net).....	44,503	52,308	52,308	52,308
Total assets.....	144,273	279,151	273,582	273,582
<b>Liabilities:</b>				
Total liabilities: Accounts payable including funded accrued liabilities.....	6,449	12,569	7,000	7,000
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	15,683	52,477	52,477	52,477

## Public enterprise funds—Continued

## VESSEL OPERATIONS REVOLVING FUND—Continued

## Financial Condition (in thousands of dollars)—Continued

	1985 actual	1986 actual	1987 est.	1988 est.
Undelivered orders.....	97,613	218,566	161,797	161,797
Unfinanced budget authority:				
Unfilled customer orders.....	-19,975	-56,769		
Invested capital.....	44,503	52,308	52,308	52,308
Total Government equity.....	137,824	266,582	266,582	266,582

## Analysis of changes in Government equity:

Retained income:				
Opening balance.....		137,824	266,582	266,582
Transactions: Net income or loss (-).....		128,758		
Closing balance.....		266,582	266,582	266,582
Total Government equity (end of year).....		266,582	266,582	266,582

## WAR RISK INSURANCE REVOLVING FUND

## Program and Financing (in thousands of dollars)

Identification code 69-4302-0-3-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Underwriting agents' fees.....	38	38	38
00.02 Appraisal contractors' fees.....	166	200	200
10.00 Total obligations (object class 25.0).....	204	238	238
<b>Financing:</b>			
Offsetting collections from:			
Federal funds.....	-1,428	-1,400	-1,400
Non-Federal sources.....		-15	-15
21.98 Unobligated balance available, start of year: Fund balance.....	-13,546	-14,770	-15,947
24.98 Unobligated balance available, end of year: Fund balance.....	14,770	15,947	17,124
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-1,224	-1,177	-1,177
72.10 Receivables in excess of obligations, start of year.....	-322	-904	-1,181
74.10 Receivables in excess of obligations, end of year.....	904	1,181	1,458
90.00 Outlays.....	-642	-900	-900

The Maritime Administration is authorized to insure against loss or damage from marine war risks until commercial insurance can be obtained on reasonable terms and conditions. This insurance includes war risk hull and disbursements interim insurance, war risk protection and indemnity interim insurance, second seamen's war risk interim insurance, and war risk cargo insurance standby program. Authority to underwrite insurance was extended to June 30, 1990, under Public Law 99-59.

**Budget program.**—It is estimated that during 1988 insurance coverage will be provided for approximately 538 U.S.-flag ships and 15 foreign-flag ships owned by U.S. citizens. The program also includes provision for second seamen's war risk insurance covering the crews of 10 vessels under contract with the Military Sealift Command.

**Financing.**—The War risk insurance revolving fund was established under 46 U.S.C. 1288. It receives income from binder fees, insurance premiums, interest from investments and claim reimbursements from other Federal agencies. Underwriting agents' fees and expenses, appraisal contractors' fees, and insurance claims are paid from this income.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Revenue.....		15	15
Expense.....	-204	-238	-238
Net operating loss.....	-204	-223	-223
Nonoperating income: Interest from U.S. securities.....	1,428	1,400	1,400
Net income for the year.....	1,224	1,177	1,177

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	54	136	140	140
U.S. securities (par).....	13,170	13,730	14,807	15,984
Accounts receivable (net).....	322	974	1,000	1,000
Total assets.....	13,546	14,840	15,947	17,124

**Liabilities:**

Selected liabilities: Accounts payable including funded accrued liabilities.....		70		
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance.....	13,546	14,770	15,947	17,124
Total Government equity.....	13,546	14,770	15,947	17,124

## Analysis of changes in Government equity:

Retained income:			
Opening balance.....		13,546	14,770
Transactions: Net nonoperating income.....		1,224	1,177
Closing balance.....		14,770	15,947
Total Government equity (end of year).....		14,770	15,947

## Trust Funds

## SPECIAL STUDIES, SERVICES AND PROJECTS

## Program and Financing (in thousands of dollars)

Identification code 69-8547-0-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Advanced ship operation systems.....	141	285	285
00.02 Port and intermodal systems.....		100	100
10.00 Total obligations (object class 25.0).....	141	385	385
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-156	-44	-44
24.40 Unobligated balance available, end of year.....	44	44	44
60.00 Budget authority (appropriation) (permanent, indefinite).....	29	385	385
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	141	385	385
72.40 Obligated balance, start of year.....	458	599	599
74.40 Obligated balance, end of year.....	-599	-599	-599
90.00 Outlays.....		385	385

This trust fund is maintained to finance joint projects with non-Federal organizations.

GIFTS AND BEQUESTS

Program and Financing (in thousands of dollars)

Identification code 69-8503-0-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)	1	15	15
<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance	-6	-14	-14
21.40 U.S. securities (par)	-40	-35	-35
Unobligated balance available, end of year:			
24.40 Treasury balance	14	14	14
24.40 U.S. securities (par)	35	35	35
60.00 Budget authority (appropriation) (permanent, indefinite)	3	15	15
Relation of obligations to outlays:			
71.00 Obligation incurred, net	1	15	15
72.40 Obligated balance, start of year	2	1	1
74.40 Obligated balance, end of year	-1	-1	-1
90.00 Outlays	1	15	15

The Secretary of Transportation is authorized to accept, hold, administer, and utilize gifts and bequests of property. Proceeds are used in accordance with the terms of the gift or bequest.

**[GENERAL] ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION**

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts. (*Department of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**

*Federal Funds*

**Public enterprise funds:**

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION\***

\*See Part II for additional information.

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year except as hereinafter provided.

**[EISENHOWER LOCK REPAIR]**

**[For necessary expenses to repair and rehabilitate Eisenhower Lock located near Massena, New York, \$2,000,000, to remain available until expended.]**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 69-4089-0-3-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administrative expenses (limitation)	1,723	1,989	2,136
00.02 Other operations and maintenance	10,719	12,687	10,329
10.00 Total obligations	12,442	14,676	12,465
<b>Financing:</b>			
Offsetting collections from:			
13.00 Trust funds			-11,665
14.00 Non-Federal sources: Revenue	-10,145	-4,600	-800
Unobligated balance available, start of year:			
21.47 Authority to borrow	-3,200	-3,200	-3,200
21.98 Fund balance	-11,862	-8,924	-848
Unobligated balance available, end of year:			
24.47 Authority to borrow	3,200	3,200	3,200
24.98 Fund balance	8,924	848	848
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	641		
40.00 Budget authority (appropriation)		2,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	2,297	10,076	
72.98 Obligated balance, start of year: Fund balance	782	1,155	2,155
74.98 Obligated balance, end of year: Fund balance	-1,155	-2,155	-1,155
90.00 Outlays	1,924	9,076	1,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority		2,000	
Outlays	1,924	9,076	1,000
Supplemental under existing legislation:			
Budget authority			
Outlays		-6,000	
Proposed for later transmittal under proposed legislation:			
Budget authority			
Outlays			465
Total:			
Budget authority		2,000	
Outlays	1,924	3,076	1,465

The Saint Lawrence Seaway Development Corporation is a wholly owned Government Corporation responsible for the operation, maintenance and development of the United States portion of the St. Lawrence Seaway between Montreal and Lake Erie. Major priorities are to control Seaway Corporation costs and to encourage increased use of the Seaway system. The Seaway Corporation is focusing on ways to promote and market the Seaway system. The Corporation's 1988 budget reflects the activities to accomplish these objectives as follows:

**Administrative expenses (limitation).**—This program provides for management and administration of the Corporation.

**Other operations and maintenance.**—The program provides for normal operations and maintenance of all facilities, trade and traffic development, as well as continuing improvements in lock operations and navigation systems, and replacing worn-out equipment, machinery and tools. Operations are conducted on a 24-hour day, 7-day week with maintenance functions being performed throughout the year.

For fiscal year 1988, the Corporation estimates it will collect toll revenues and other income of \$11.2 million on the basis of traffic projections agreed to by the U.S.

Public enterprise funds—Continued

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—Continued

and Canadian Seaway agencies. Effective April 1, 1987, the Water Resources Development Act of 1986 provides for the deposit of toll revenues in the Harbor Maintenance Trust Fund. Appropriations from the Fund are intended to finance the operation and maintenance of the portion of the Seaway for which the Corporation is responsible. The budget includes a proposal to return the Corporation to direct revenue financing, consistent with its organization and mission.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Operating program:			
Revenue:			
Shipping tolls .....	9,300	10,000	10,400
Other .....	845	600	800
Total revenue .....	10,145	10,600	11,200
Expense:			
Administrative .....	1,723	1,989	2,136
Operations .....	9,209	9,187	9,329
Total expense .....	10,932	11,176	11,465
Net operating income .....	-787	-576	-265
Nonoperating income or loss:			
Provision for depreciation and losses .....	2,000	2,000	2,025
Net nonoperating loss .....	-2,000	-2,000	-2,025
Net income or loss (-) for the year .....	-2,787	-2,576	-2,290

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury .....	12,644	10,720	8,644	8,644
Accounts receivable, net .....	718	552	552	552
Accrued tolls, receivable unbilled .....	328	305	305	305
Selected assets, supplies .....	601	606	606	606
Fixed assets, net .....	96,996	95,969	95,469	93,179
Total assets .....	111,287	108,152	105,576	103,286
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities .....	1,379	1,031	1,031	1,031
<b>Government equity:</b>				
Selected equities:				
Unexpended budget authority:				
Unobligated balance:				
Regular .....	9,361	7,065	4,989	4,989
Reserve .....	5,700	5,700	5,700	5,700
Undelivered orders .....	449	981	981	981
Unfinanced budget authority:				
Borrowing authority .....	-3,200	-3,200	-3,200	-3,200
Invested capital .....	97,598	96,575	96,075	93,785
Total Government equity .....	109,908	107,121	104,545	102,255
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance .....	109,976	109,976	109,976	109,976
Closing balance .....	109,976	109,976	109,976	109,976
Deficit:				
Opening balance .....	-68	-2,855	-5,431	-5,431
Net income or loss (-) .....	-2,787	-2,576	-2,290	-2,290
Closing balance .....	-2,855	-5,431	-7,721	-7,721
Total Government equity (end of year) .....	107,121	104,545	102,255	102,255

Object Classification (in thousands of dollars)

Identification code	69-4089-0-3-403	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent .....	3,789	4,459	4,645
11.3	Other than full-time permanent .....	210	261	272
11.5	Other personnel compensation .....	206	260	271
11.8	Special personal services payments .....	16	20	21
11.9	Total personnel compensation .....	4,221	5,000	5,209
12.1	Personnel benefits: Civilian .....	601	864	1,103
21.0	Travel and transportation of persons .....	101	230	241
23.1	Rental payments to GSA .....	50	61	72
23.2	Rental payments to others .....	30	28	20
23.3	Communications, utilities, and miscellaneous charges .....	263	245	258
24.0	Printing and reproduction .....	87	40	62
25.0	Other services .....	3,071	3,758	1,363
26.0	Supplies and materials .....	786	961	1,001
31.0	Equipment .....	254	523	165
32.0	Lands and structures .....	1,256	977	835
93.0	Administrative expenses (see separate schedule) .....	1,723	1,989	2,136
99.9	Total obligations .....	12,442	14,676	12,465

Personnel Summary

Total number of full-time permanent positions .....	155	155	155
Total compensable workyears:			
Full-time equivalent employment .....	142	157	157
Full-time equivalent of overtime and holiday hours .....	6	12	12

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed **[\$1,925,000]** \$2,136,000 shall be available for administrative expenses, which shall be computed on an accrual basis, including not to exceed \$3,000 for official entertainment expenses to be expended upon the approval or authority of the Secretary of Transportation: *Provided*, That Corporation funds shall be available for the hire of passenger motor vehicles and aircraft, operation and maintenance of aircraft, uniforms or allowances therefor for operation and maintenance personnel, as authorized by law (5 U.S.C. 5901-5902), and \$15,000 shall be available for services as authorized by 5 U.S.C. 3109.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Administration (total obligations) .....	1,723	1,925	2,000
<b>Financing:</b>			
Unobligated balance lapsing .....	193		
<b>Limitation .....</b>	<b>1,916</b>	<b>1,925</b>	<b>2,000</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	1,723	1,925	2,000
Obligated balance, start of year .....	53	55	57
Obligated balance, end of year .....	-55	-57	-59
Outlays from limitation .....	1,721	1,923	1,998

Object Classification (in thousands of dollars)

Identification code	69-4089-0-3-403	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent .....	1,120	1,230	1,292
11.3	Other than full-time permanent .....	8	10	10
11.8	Special personal services payments .....	2	3	3
11.9	Total personnel compensation .....	1,130	1,243	1,305
12.1	Personnel benefits: Civilian .....	152	190	252
21.0	Travel and transportation of persons .....	155	175	180
23.1	Rental payments to GSA .....	50	61	72
23.3	Communications, utilities, and miscellaneous charges .....	67	80	82
24.0	Printing and reproduction .....	5	35	36

25.0	Other services .....	126	115	117
26.0	Supplies and materials .....	38	90	92
93.0	Administrative expenses included in schedule for fund as a whole .....	-1,723	-1,989	-2,136
99.0	Total obligations .....			

**Personnel Summary**

Total number of full-time permanent positions .....	37	37	37
Total compensable workyears: Full-time equivalent employment .....	39	39	39

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 69-4089-2-3-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			
<b>Financing:</b>			
Offsetting collections from:			
13.00 Trust funds .....			11,665
14.00 Non-Federal sources .....			-11,200
24.98 Unobligated balance available, end of year: fund balance .....			-465
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			465
90.00 <b>Outlays</b> .....			465

Legislation will be proposed to return the Corporation to direct revenue financing for 1988.

**Trust Funds**

**OPERATIONS AND MAINTENANCE\***

\*See Part II for additional information.

For necessary expenses for operation and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, \$11,665,000, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662.

**Program and Financing** (in thousands of dollars)

Identification code 69-8003-0-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			11,665
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....			11,665
Relation obligations to outlays:			
71.00 Obligations incurred, net .....			11,665
90.00 <b>Outlays</b> .....			11,665

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....			11,665
Outlays .....			11,665
Supplemental under existing legislation:			
Budget authority .....		6,000	
Outlays .....		6,000	
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-11,665
Outlays .....			-11,665
Total:			
Budget authority .....		6,000	
Outlays .....		6,000	

The Water Resources Development Act of 1986 authorizes use of the Harbor Maintenance Trust Fund as

the source of funding for the Corporation's operations and maintenance activities.

**OPERATIONS AND MAINTENANCE**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 69-8003-2-7-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....			-11,665
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b> .....			-11,665
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-11,665
90.00 <b>Outlays</b> .....			-11,665

Legislation will be proposed to replace Harbor Maintenance Trust Fund financing of the Corporation's activities with direct financing from toll and other revenues for 1988.

**OFFICE OF THE INSPECTOR GENERAL**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, [\$27,200,000] \$30,100,000.

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 69-0130-0-1-407	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	26,254	28,090	30,100
<b>Financing:</b>			
22.40 Unobligated balance transferred, net .....		-890	
25.00 Unobligated balance lapsing .....	159		
40.00 <b>Budget authority (appropriation)</b> .....	26,413	27,200	30,100
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	26,254	28,090	30,100
72.40 Obligated balance, start of year .....	3,679	3,593	4,583
74.40 Obligated balance, end of year .....	-3,593	-4,583	-4,997
77.00 Adjustments in expired accounts .....	-764		
90.00 <b>Outlays</b> .....	25,576	27,100	29,686

This appropriation finances the cost of conducting and supervising audits and investigations relating to the programs and operations of the Department to promote economy, efficiency and effectiveness and to prevent and detect fraud and abuse in such programs and operations. It covers Headquarters and field operations, general management and administration.

**Object Classification** (in thousands of dollars)

Identification code 69-0130-0-1-407	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	16,811	17,686	18,071
11.3 Other than full-time permanent .....	218	235	242

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code 69-0130-0-1-407	1986 actual	1987 est.	1988 est.
11.5 Other personnel compensation .....	429	198	302
11.9 Total personnel compensation .....	17,458	18,119	18,615
12.1 Personnel benefits: Civilian .....	2,104	2,704	3,833
13.0 Benefits for former personnel .....	18	20	20
21.0 Travel and transportation of persons .....	1,654	1,800	1,800
22.0 Transportation of things .....	38	50	50
23.1 Rental payments to GSA .....	1,300	1,529	1,873
23.2 Rental payments to others .....	59	71	77
23.3 Communications, utilities, and miscellaneous charges .....	455	469	491
24.0 Printing and reproduction .....	118	96	100
25.0 Other services .....	2,815	2,858	3,000
26.0 Supplies and materials .....	158	181	188
31.0 Equipment .....	76	190	50
42.0 Insurance claims and indemnities .....	1	3	3
99.9 Total obligations .....	26,254	28,090	30,100

**Personnel Summary**

Total number of full-time permanent positions .....	471	471	471
Total compensable workyears:			
Full-time equivalent employment .....	457	466	466
Full-time equivalent of overtime and holiday hours .....	1	3	3

**RESEARCH AND SPECIAL PROGRAMS  
ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**RESEARCH AND SPECIAL PROGRAMS**

For expenses necessary to discharge the functions of the Research and Special Programs Administration, and for expenses for conducting research and development, [and for grants-in-aid to carry out a pipeline safety program, as authorized by the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, \$19,950,000, of which \$4,500,000 shall be available only for natural gas and hazardous liquid pipeline safety grants-in-aid, and] \$13,039,000, of which [\$6,550,000] \$1,525,000 shall remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training: *Provided further*, That of the funds made available for natural gas and hazardous liquid pipeline safety grants-in-aid, the sum provided over and above the amount made available for this purpose in fiscal year 1986 shall be used only to support additional enforcement personnel beyond the personnel level in each State as of September 30, 1986]. (Additional authorizing legislation to be proposed for \$8,783,000.)

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 69-0104-0-1-407	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Operations .....	12,084	13,722	11,514
00.02 Research and development .....	1,986	2,128	1,525
00.03 Grants .....	4,304	4,883	
00.91 Total direct program .....	18,374	20,733	13,039
01.01 Reimbursable program .....	100	600	500
10.00 Total obligations .....	18,474	21,333	13,539
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-100	-400	-300
14.00 Non-Federal sources .....		-200	-200
17.00 Recovery of prior year obligations .....	-315		
21.40 Unobligated balance available, start of year .....	-70	-461	

22.40 Unobligated balance transferred, net .....		-322	
24.40 Unobligated balance available, end of year .....	461		
25.00 Unobligated balance lapsing .....	20		
40.00 <b>Budget authority (appropriation) .....</b>	<b>18,470</b>	<b>19,950</b>	<b>13,039</b>

**Relation of obligations to outlays:**

71.00 Obligations incurred, net .....	18,373	20,732	13,039
72.40 Obligated balance, start of year .....	7,655	6,276	6,954
74.40 Obligated balance, end of year .....	-6,276	-6,954	-6,994
77.00 Adjustments in expired accounts .....	982		
78.00 Adjustments in unexpired accounts .....	-315		
90.00 <b>Outlays .....</b>	<b>20,419</b>	<b>20,056</b>	<b>12,999</b>

Note.—Excludes budget authority of \$9,604 thousand in activities proposed to be funded under the Pipeline safety program in 1988.

The Research and Special Programs Administration serves as a research, analytical, and technical development arm of the Department for multimodal research and development, as well as special programs. Particular emphasis is given to transportation of hazardous cargo by all modes of transportation. Responsibilities of the Administration are carried out under the following activities:

**Operations.**—Provides for salaries and expenses and for central supervisory and management functions, including a management information system necessary for overall planning and direction. Provides for management and execution of transportation programs involving aviation data management, national emergency plans/preparedness, and management of the Transportation Safety Institute and the Transportation Systems Center. Provides for hazardous materials regulatory and enforcement programs.

**Research and development.**—Provides for research to support the hazardous materials program and to complement research programs of other operating administrations.

**Object Classification (in thousands of dollars)**

Identification code 69-0104-0-1-407	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	6,868	7,030	5,282
11.3 Other than full-time permanent .....	352	300	200
11.5 Other personnel compensation .....	10	40	30
11.9 Total personnel compensation .....	7,230	7,370	5,512
12.1 Personnel benefits: Civilian .....	812	862	930
21.0 Travel and transportation of persons .....	436	376	213
22.0 Transportation of things .....	7	8	6
23.1 Rental payments to GSA .....	705	1,068	959
23.3 Communications, utilities, and miscellaneous charges .....	334	220	222
24.0 Printing and reproduction .....	148	186	148
25.0 Other services .....	4,290	5,530	4,941
26.0 Supplies and materials .....	34	50	38
31.0 Equipment .....	27	30	22
41.0 Grants, subsidies, and contributions .....	4,037	4,883	
42.0 Insurance claims and indemnities .....		150	48
99.0 Subtotal, direct obligations .....	18,060	20,733	13,039
99.0 Reimbursable obligations .....	414	600	500
99.9 Total obligations .....	18,474	21,333	13,539

**Personnel Summary**

Total number of full-time permanent positions .....	171	173	132
Total compensable workyears:			
Full-time equivalent employment .....	186	192	148
Full-time equivalent of overtime and holiday hours .....	1	1	1

COOPERATIVE AUTOMOTIVE RESEARCH

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-0107-0-1-401			
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-1		
21.40 Unobligated balance available, start of year	-1		
25.00 Unobligated balance lapsing	2		
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year	1		
78.00 Adjustments in unexpired accounts	-1		
90.00 <b>Outlays</b>			

This program has been discontinued.

PIPELINE SAFETY

For expenses necessary to conduct the functions of the pipeline safety program and for grants-in-aid to carry out a pipeline safety program, as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, \$9,604,000 of which \$5,649,000 shall remain available until expended. (Additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-5172-0-2-407			
<b>Program by activities:</b>			
00.01 Operations			3,955
00.02 Research and development			649
00.03 Grants			5,000
10.00 <b>Total obligations</b>			9,604
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b>			9,604
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			9,604
74.40 Obligated balance, end of year			-69
90.00 <b>Outlays</b>			9,535

Note.—Includes \$9,604 thousand in 1988 budget authority for activities previously financed from:

	1986	1987
Research and special programs:		
Operations	2,929	3,398
Research and development	537	625
Grants	4,307	4,500
<b>Total</b>	7,773	8,523

The Research and Special Programs Administration is also responsible for the Department's pipeline safety program.

**Operations.**—Provides salaries and expenses and for supervisory and management functions for pipeline safety regulatory and enforcement programs.

**Research and Development.**—Provides for research to support the pipeline safety programs.

**Grants.**—Provides for grants-in-aid to State agencies that conduct a pipeline safety program.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-5172-0-2-407			
<b>Personnel compensation:</b>			
11.1 Full-time permanent			1,895
11.3 Other than full-time permanent			75
11.5 Other personnel compensation			10
11.9 <b>Total personnel compensation</b>			1,980
12.1 Personnel benefits: Civilian			319
21.0 Travel and transportation			262

22.0 Transportation of things			2
23.1 Rental payments to GSA			282
23.3 Communications, utilities, and miscellaneous charges			78
24.0 Printing and reproduction			35
25.0 Other services			1,624
26.0 Supplies and materials			14
31.0 Equipment			8
41.0 Grants, subsidies, and contributions			5,000
99.9 <b>Total obligations</b>			9,604

Personnel Summary

Total number of full-time permanent positions			47
Total compensable workyears:			
Full-time equivalent employment			47
Full-time equivalent of overtime and holiday hours			1

Intragovernmental funds:

WORKING CAPITAL FUND, TRANSPORTATION SYSTEMS CENTER

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4522-0-4-407			
<b>Program by activities:</b>			
10.00 <b>Total obligations</b>	75,073	79,000	82,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-47,526	-69,867	-71,000
13.00 Trust funds	-7,379	-10,003	-11,000
17.00 Recovery of prior year obligations	-1,118		
21.98 Unobligated balance available, start of year: Fund balance	-27,873	-8,823	-9,693
24.98 Unobligated balance available, end of year: Fund balance	8,823	9,693	9,693
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	20,169	-870	
72.98 Obligated balance, start of year: Fund balance	27,565	28,834	22,964
74.98 Obligated balance, end of year: Fund balance	-28,834	-22,964	-22,964
78.00 Adjustments in unexpired accounts	-1,118		
90.00 <b>Outlays</b>	17,782	5,000	

The Working Capital Fund finances multidisciplinary research, evaluation, and analysis activities undertaken at the Transportation Systems Center (TSC) in Cambridge, MA. The fund is financed through negotiated agreements with the Office of the Secretary, Departmental operating administrations, and other governmental elements requiring the Center's capabilities. These agreements also define the activities undertaken at TSC. The Department will propose legislation to allow the sale of TSC by 1989.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4522-0-4-407			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	19,804	20,028	20,609
11.3 Other than full-time permanent	609	624	627
11.5 Other personnel compensation	257	273	288
11.9 <b>Total personnel compensation</b>	20,670	20,925	21,524
12.1 Personnel benefits: Civilian	2,425	3,071	4,169
13.0 Benefits for former personnel	15		
21.0 Travel and transportation of persons	1,039	1,190	1,295
22.0 Transportation of things	31	35	40
23.3 Communications, utilities, and miscellaneous charges	2,730	2,890	3,050
24.0 Printing and reproduction	205	215	225
25.0 Other services	43,256	44,674	45,547
26.0 Supplies and materials	1,474	1,550	1,600
31.0 Equipment	3,114	3,250	3,350

**Intragovernmental funds—Continued**

**WORKING CAPITAL FUND, TRANSPORTATION SYSTEMS CENTER—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code	1986 actual	1987 est.	1988 est.
69-4522-0-4-407			
32.0 Lands and structures.....	114	1,200	1,200
99.9 Total obligations.....	75,073	79,000	82,000

**Personnel Summary**

Total number of full-time permanent positions.....	527	527	527
Total compensable workyears:			
Full-time equivalent employment.....	535	530	530
Full-time equivalent of overtime and holiday hours.....	4	4	4

**OFFICE OF THE SECRETARY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Office of the Secretary of Transportation, including not to exceed \$30,000 for allocation within the Department of official reception and representation expenses as the Secretary may determine; \$950,000 for the Immediate Office of the Secretary, \$470,000 for the Immediate Office of the Deputy Secretary, \$5,300,000 for the Office of the General Counsel, \$7,462,000 for the Office of the Assistant Secretary for Policy and International Affairs, \$2,090,000 for the Office of the Assistant Secretary for Budget and Programs, \$2,475,000 for the Office of the Assistant Secretary for Governmental Affairs, \$21,930,000 for the Office of the Assistant Secretary for Administration, \$1,400,000 for the Office of the Assistant Secretary for Public Affairs, \$750,000 for the Executive Secretariat, \$390,000 for the Contract Appeals Board, \$1,260,000 for the Office of Civil Rights, \$478,000 for the Office of Commercial Space Transportation, \$1,750,000 for the Office of Essential Air Service, \$565,000 for Regional Representatives, and \$3,730,000 for the Office of Small and Disadvantaged Business Utilization, \$56,991,000, of which \$3,000,000 shall remain available until expended and shall be available for the purposes of the Minority Business Resource Center as authorized by 49 U.S.C. 332: *Provided*, That, notwithstanding any other provision of law, funds available for the purposes of the Minority Business Resource Center in this or any other Act may be used for business opportunities related to any mode of transportation.

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
69-0102-0-1-407			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 General administration.....	45,637	49,298	53,991
00.02 Minority Business Resource Center.....	4,953	3,541	3,500
00.91 Total direct program.....	50,590	52,839	57,491
01.01 Reimbursable program.....	3,012	4,000	4,000
10.00 Total obligations.....	53,602	56,839	61,491
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-3,012	-4,000	-4,000
17.00 Recovery of prior year obligations.....	-203		
21.40 Unobligated balance available, start of year.....	-3,571	-1,691	-500
22.40 Unobligated balance transferred, net.....		-648	
24.40 Unobligated balance available, end of year.....	1,691	500	
25.00 Unobligated balance lapsing.....	587		
40.00 Budget authority (appropriation).....	49,094	51,000	56,991
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	50,590	52,839	57,491
72.40 Obligated balance, start of year.....	17,012	9,160	8,199

74.40 Obligated balance, end of year.....	-9,160	-8,199	-9,048
77.00 Adjustments in expired accounts.....	-2,306		
78.00 Adjustments in unexpired accounts.....	-203		
90.00 Outlays.....	55,933	53,800	56,642

**Status of Direct Loans (in thousands of dollars)**

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	11,002	11,002	11,002
1290 Outstanding, end of year.....	11,002	11,002	11,002

**General administration.**—This appropriation finances the costs of policy development and central supervisory and coordinating functions necessary for the overall planning and direction of the Department. It covers the immediate secretarial offices as well as those of the assistant secretaries and the general counsel. The Office of the Secretary provides services on a reimbursable basis for technical assistance to transportation projects, and participation in intergovernmental planning groups. Increases in funding are offset in 1988 by proposed reductions associated with the termination of the Essential Air Service program and various administrative reductions.

**The Minority Business Resource Center.**—This activity provides contractual support for the Center, which now operates in the Office of the Secretary to assist minority business firms, entrepreneurs, and venture groups in securing contracts and subcontracts arising out of projects that involve Federal funding.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
69-0102-0-1-407			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	28,824	29,224	30,392
11.3 Other than full-time permanent.....	1,173	1,051	1,064
11.5 Other personnel compensation.....	606	531	558
11.8 Special personal services payments.....	134	146	147
11.9 Total personnel compensation.....	30,737	30,952	32,161
12.1 Personnel benefits: Civilian.....	3,364	4,070	5,562
21.0 Travel and transportation of persons.....	417	544	558
22.0 Transportation of things.....	3	5	5
23.1 Rental payments to GSA.....	3,683	5,584	6,057
23.3 Communications, utilities, and miscellaneous charges.....	1,235	1,170	1,400
24.0 Printing and reproduction.....	958	916	1,130
25.0 Other services.....	9,786	9,298	10,247
26.0 Supplies and materials.....	243	250	271
31.0 Equipment.....	64	50	100
41.0 Grants, subsidies, and contributions.....	100		
99.0 Subtotal, direct obligations.....	50,590	52,839	57,491
99.0 Reimbursable obligations.....	3,012	4,000	4,000
99.9 Total obligations.....	53,602	56,839	61,491

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	724	715	681
Total compensable workyears:			
Full-time equivalent employment.....	719	721	697
Full-time equivalent of overtime and holiday hours.....	4	5	5
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	4	4	4
Total compensable workyears: Full-time equivalent employment.....	22	37	37

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

[(INCLUDING TRANSFER OF FUNDS)]

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, and university research and internships, to remain available until expended, [\$3,999,000, of which \$650,000 shall be derived from unobligated balances of "Salaries and expenses"] \$7,500,000.

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01	4,010	3,072	3,235
00.02	182	350	265
00.03	898	750	4,000
00.91	5,090	4,172	7,500
01.01	474	500	500
10.00	5,564	4,672	8,000
<b>Financing:</b>			
11.00	-474	-500	-500
17.00	-452		
21.40	-1,462	-173	
22.40		-650	
24.40	173		
40.00	3,349	3,349	7,500
<b>Relation of obligations to outlays:</b>			
71.00	5,090	4,172	7,500
72.40	4,771	4,228	3,800
74.40	-4,228	-3,800	-3,400
78.00	-452		
90.00	5,181	4,600	7,900

This appropriation finances those research activities and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policies.

The program is carried out primarily through contracts with other Federal agencies, educational institutions, nonprofit research organizations, and private firms.

1. *Transportation policy and planning.*—This research provides the foundation for development of transportation policy, for coordination of national level transportation planning, and for dealing with such difficult issues as regulatory modernization, energy conservation, environmental and safety impacts of transportation.

Projects provide technical studies and other data in support of the Secretary's decisions involving State and local level planning, consumer affairs, technology sharing, and evaluation of departmental programs.

2. *University research and internships.*—This activity provides assistance to colleges, universities and their students to conduct research in the field of transportation. Special emphasis is placed on assisting historically Black colleges and universities in taking part in transportation research and aiding minority students in preparing for careers in transportation.

3. *Commercial space transportation.*—This activity supports the mission of licensing and promoting Expendable Launch Vehicles (ELVs).

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-0142-0-1-407			
Direct obligations:			
Personnel compensation:			
11.1	2,067	1,348	1,407
11.3	315	154	254
11.5	29	30	30
11.8	79		
11.9	2,490	1,532	1,691
12.1	240	168	275
21.0	30	50	34
23.3	20	40	100
24.0	62	25	35
25.0	2,238	2,310	5,265
26.0	3	12	5
31.0	7	35	95
99.0	5,090	4,172	7,500
99.0	474	500	500
99.9	5,564	4,672	8,000

Personnel Summary

Direct:			
Total number of full-time permanent positions	26	25	26
Total compensable workyears: Full-time equivalent employment	51	33	33

ACTIVITIES TRANSFERRED FROM SALARIES AND EXPENSES, INTERSTATE COMMERCE COMMISSION

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-0110-2-1-401			
<b>Program by activities:</b>			
10.00			16,763
<b>Financing:</b>			
40.00			16,763
<b>Relation of obligations to outlays:</b>			
71.00			16,763
74.40			-335
90.00			16,428

Legislation will be proposed to sunset the Interstate Commerce Commission at the end of 1987 and transfer residual rail functions to the Department of Transportation including the Directed Rail Service Program. The Directed Rail Service Program reimburses railroads for the cost of services provided over the track of a railroad which ceased operations, at the direction of the Federal Government. It is anticipated that no funds will be needed for this purpose in 1988. Rail antitrust functions will be administered by the Department of Justice, and handling consumer complaints regarding household goods movers would transfer to the Federal Trade Commission.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-0110-2-1-401			
Personnel compensation:			
11.1			12,970
11.3			202
11.5			174
11.9			13,346
12.1			1,373
13.0			230
21.0			265

General and special funds—Continued

ACTIVITIES TRANSFERRED FROM SALARIES AND EXPENSES, INTERSTATE  
COMMERCE COMMISSION—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
69-0110-2-1-401			
23.1 Rental payments to GSA .....			730
23.3 Communications, utilities, and miscellaneous charges .....			284
24.0 Printing and reproduction .....			85
25.0 Other services .....			320
26.0 Supplies and materials .....			60
31.0 Equipment .....			70
99.9 Total obligations .....			16,763

Personnel Summary

Total number of full-time permanent positions .....	249
Total compensable workyears: Full-time equivalent employment .....	249

【PAYMENTS TO AIR CARRIERS】

【For payments to air carriers of so much of the compensation fixed and determined under section 419 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1389), as is payable by the Department of Transportation, \$30,000,000, to remain available until expended.】 (49 U.S.C. 1551.)

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-0150-0-1-402			
<b>Program by activities:</b>			
10.00 Section 419 subsidy (total obligations) (object class 41.0) .....	24,291	35,000	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-5,419		
21.40 Unobligated balance available, start of year .....	-16,074	-23,997	-3,250
22.40 Unobligated balance transferred, net .....		15,748	
24.40 Unobligated balance available, end of year .....	23,997	3,250	3,250
40.00 Budget authority (appropriation) .....	26,796	30,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	24,291	35,000	
72.40 Obligated balance, start of year .....	4,947	-411	1,625
74.40 Obligated balance, end of year .....	411	-1,625	
78.00 Adjustments in unexpired accounts .....	-5,419		
90.00 Outlays .....	24,231	32,964	1,625

The Secretary of Transportation, through powers of delegation and review, now administers the section 419 subsidy program, which was added as part of the Airline Deregulation Act of 1978. Subsidies under this program are paid to airlines—primarily commuter carriers. No funds are requested for this program in 1988 and legislation will be proposed to affect earlier termination before the scheduled termination in October 1988.

TRANSPORTATION RESEARCH ACTIVITIES OVERSEAS

(SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-0105-0-1-407			
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-18		

25.00 Unobligated balance lapsing .....	18		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
72.40 Obligated balance, start of year .....	19		
78.00 Adjustments in unexpired accounts .....	-18		
90.00 Outlays .....	1		

Foreign currencies in excess of the normal requirements of the United States have been made available in prior years for research in foreign countries.

Intragovernmental funds:

WORKING CAPITAL FUND

Necessary expenses for operating costs and capital outlays of the Department of Transportation Working Capital Fund not to exceed [\$65,500,000] \$149,469,000 shall be paid, in accordance with law, from appropriations made available by this Act and prior appropriation Acts to the Department of Transportation, together with advances and reimbursements received by the Department of Transportation; for necessary expenses associated with the development of the Department-wide Accounting and Information System, \$3,500,000, to remain available until expended; and for the Department of Transportation space reduction initiative, \$415,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4520-0-4-407			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Publishing and graphics activities:</b>			
00.01 Direct operating expenses .....	11,352	12,519	13,840
00.02 Overhead expenses .....	718	773	830
<b>Support services activities:</b>			
00.10 Direct operating expenses .....	9,780	14,590	82,442
00.11 Overhead expenses .....	288	310	332
<b>Library services:</b>			
00.20 Direct operating expenses .....	2,696	2,688	3,296
00.21 Overhead expenses .....	118	127	136
<b>Transportation computer activities:</b>			
00.30 Direct operating expenses .....	31,226	30,762	38,671
00.31 Overhead expenses .....	1,142	1,229	1,320
00.91 Total operating expenses .....	57,320	62,998	140,867
<b>Capital investment: Purchase of equipment:</b>			
01.01 Publishing and graphics activities .....	162	322	291
01.02 Support services activities .....	222	236	131
01.03 Library services .....	8	11	2
01.04 Transportation computer activities .....	2,849	1,933	8,178
01.91 Total capital investment .....	3,241	2,502	8,602
10.00 Total obligations .....	60,561	65,500	149,469
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-59,985	-65,280	-145,554
17.00 Recovery of prior year obligations .....	-265		
21.98 Unobligated balance available, start of year: Fund balance .....	-632	-320	-100
24.98 Unobligated balance available, end of year: Fund balance .....	320	100	100
40.00 Budget authority (appropriation) .....			3,915
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	576	220	3,915
72.10 Receivables in excess of obligations, start of year .....	-2,295	-2,979	-4,759
74.10 Receivables in excess of obligations, end of year .....	2,979	4,759	6,259
78.00 Adjustments in unexpired accounts .....	-265		
90.00 Outlays .....	996	2,000	5,415

The working capital fund finances common administrative services that are centrally performed in the interest of economy and efficiency in the Department.

Services rendered are charged at rates that return in full all operating expenses, including a normal reserve for accrued annual leave and depreciation of equipment. The fund is reimbursed by the operating administrations and offices being served.

The activities of the working capital fund have been consolidated as follows:

*Publishing and graphics activities* include publishing and graphic programs; still photographic services; and visuals services.

*Support services activities* include imprest fund; central employment information; warehouse management; parking management; chauffeur services; mail and messenger service; management information center; facilities and space management; and security service.

To provide improved accounting and tracking, the following functions previously funded through reimbursable agreements are included in this activity for 1988: DOT Headquarters rental payments, building maintenance services, DOT unemployment compensation payments, and employee parking payments. Also included is funding for building alterations to support the DOT Headquarters space reduction initiative.

*Library services* include information retrieval.

*Transportation computer activities* include computer time-sharing services, the transportation computer center, and development of the department-wide accounting and financial information system.

**Object Classification (in thousands of dollars)**

Identification code 69-4520-0-4-407	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	8,617	8,715	9,603
11.3 Other than full-time permanent.....	404	404	416
11.5 Other personnel compensation.....	103	105	105
11.9 Total personnel compensation.....	9,124	9,224	10,124
12.1 Personnel benefits: Civilian.....	1,041	1,051	1,785
21.0 Travel and transportation of persons.....	136	148	148
22.0 Transportation of things.....	29	49	53
23.1 Rental payments to GSA.....	3,561	5,132	6,107
23.3 Communications, utilities, and miscellaneous charges.....	4,962	8,227	9,530
24.0 Printing and reproduction.....	78	44	44
25.0 Other services.....	35,812	36,563	110,516
26.0 Supplies and materials.....	2,577	2,560	2,560
31.0 Equipment.....	3,241	2,502	8,602
99.9 Total obligations.....	60,561	65,500	149,469

**Personnel Summary**

Total number of full-time permanent positions.....	318	309	318
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	312	316	325
Full-time equivalent of overtime and holiday hours.....	2	2	2

**Trust Funds**

**GIFTS AND BEQUESTS**

**Program and Financing (in thousands of dollars)**

Identification code 69-8548-0-7-407	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	4,134	62	.....

<b>Financing:</b>			
Unobligated balance available, start of year:			
21.40 Treasury balance.....	-27	-24	-24
21.40 U.S. securities (par).....	.....	-62	.....
21.40 Unrealized discounts.....	-1	-4	-4
Unobligated balance available, end of year:			
24.40 Treasury balance.....	24	24	24
24.40 U.S. securities (par).....	62	.....	.....
24.40 Unrealized discounts.....	4	4	4
60.00 Budget authority (appropriation) (permanent, indefinite).....	4,196	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	4,134	62	.....
72.40 Obligated balance, start of year: U.S. securities (par).....	.....	4,134	.....
74.40 Obligated balance, end of year: U.S. securities (par).....	-4,134	.....	.....
90.00 Outlays.....	.....	4,196	.....

Donations received are available for transportation activities.

**TITLE III—GENERAL PROVISIONS**

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 302. Funds [appropriated] for the Panama Canal Commission may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law that are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

SEC. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and (2) for transportation of said dependents between schools serving the area which they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

SEC. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18.

SEC. 305. None of the funds [appropriated] provided in this Act for the Panama Canal Commission may be expended unless in conformance with the Panama Canal Treaties of 1977 and any law implementing those treaties.

SEC. 306. None of the funds provided in this Act may be used for planning or construction of rail-highway crossings under section 322(a) of title 23, United States Code, or under section 701(a)(5) or section 703(1)(A) of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended, at the—

- (1) School Street crossing in Groton, Connecticut; and
- (2) Broadway Extension crossing in Stonington, Connecticut.]

SEC. 307. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.]

SEC. 308. None of the funds in this Act shall be used to assist, directly or indirectly, any State in imposing mandatory State inspection fees or sticker requirements on vehicles that are lawfully registered in another State, including vehicles engaged in interstate commercial transportation that are in compliance with Part 396—Inspection

tion and Maintenance of the Federal Motor Carrier Safety Regulations of the United States Department of Transportation.]

SEC. [309] 306. None of the funds appropriated by this Act shall remain available for obligation beyond the current fiscal year [or may be transferred to other appropriations] unless expressly so provided herein.

SEC. [310] 307. Notwithstanding any other provision of law, total amounts of contract authority authorized in section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended, shall be available for obligation until expended.

[SEC. 311. None of the funds in this or any previous or subsequent Act shall be available for the planning or implementation of any change in the current Federal status of the Transportation Systems Center; and none of the funds in this Act shall be available for the implementation of any change in the current Federal status of the Turner-Fairbank Highway Research Center.]

SEC. [312] 308. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. [313] 309. (a) For fiscal year [1987] 1988 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction which are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, [1986] 1987, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction which have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, [1987] 1988; revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, [and] the Federal lands highway program, the block grant program, and the Strategic Highway Research program.

(d) The limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year [1987] 1988 shall not apply to obligations for emergency relief under section 125 of title 23, United States Code, and obligations under section 157 of title 23, United States Code[, projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, subsections 131 (b) and (j) of Public Law 97-424, section 118 of the National Visitors Center Facilities Act of 1968, or section 320 of title 23, United States Code].

[(e) Notwithstanding any other provision of law, funds previously made available and unobligated for the "Auto Pedestrian Separation Demonstration Project" shall be available to the State of North Dakota for use on the 45th Street interchange in Fargo, North Dakota, and such funds transferred shall remain available until expended.]

(e) On or after October 1, 1987 and prior to distribution, the Secretary shall adjust the obligation limitation by the amount of change in the average annual net highway tax receipts into the Highway Account of the Highway Trust Fund for the 1987 through 1990 period,

from the estimate in the President's Budget transmitted on January 5, 1987, to that estimated by the Secretary of the Treasury in the most recent midsession review.

[SEC. 314. None of the funds in this Act shall be available for salaries and expenses of more than one hundred thirty-eight political and Presidential appointees in the Department of Transportation.]

[SEC. 315. Not to exceed \$750,000 of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.]

SEC. [316] 310. None of the funds in this or any other Act shall be made available for the proposed Woodward light rail line in the Detroit, Michigan, area until a source of operating funds has been approved in accordance with Michigan law: *Provided*, That this limitation shall not apply to alternatives analysis studies under section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended.

SEC. 311. On or after October 1, 1987 and prior to distribution, the Secretary shall adjust the obligation limitation by the amount of change in the average annual net highway tax receipts into the Mass Transit Account of the Highway Trust Fund for the 1987 through 1990 period, from the estimate in the President's Budget transmitted on January 5, 1987, to that estimated by the Secretary of the Treasury in the most recent midsession review.

[SEC. 317. The limitation on obligations for the Discretionary Grants program of the Urban Mass Transportation Administration shall not apply to any authority under section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended, previously made available for obligation.]

SEC. [318] 312. Notwithstanding any other provision of law, none of the funds in this Act shall be available for the construction of, or any other costs related to, the Central Automated Transit System (Downtown People Mover) in Detroit, Michigan: *Provided*, That the immediately preceding provision shall not apply to \$5,000,000 apportioned to the Detroit Department of Transportation.

[SEC. 319. The City of Linden, New Jersey, and its successors and assigns are hereby released from all the terms, conditions, reservations, and restrictions contained in the deed dated February 27, 1947, by which the United States conveyed certain real property to the City of Linden, New Jersey, for airport purposes.]

SEC. [320] 313. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

[SEC. 321. (a) SAFETY ENFORCEMENT PROGRAM PERFORMANCE.—The Secretary of Transportation shall on or before February 1, 1987, transmit to the Congress a comprehensive report on the fiscal year 1986 activities of the Federal Aviation Administration's operation and maintenance inspection and certification programs. The report shall include:

(1) a comparison of end-of-year staffing levels by inspector category to staffing goals and a statement as to the currency and validity of the staffing standards on which the goals are based;

(2) schedules showing the experience, in years, of the various inspector workforces and the extent to which inspectors have received all the mandatory or recommended training;

(3) a description of the criteria used to set annual work programs and an explanation of how these programs ensure compliance with appropriate Federal regulations and safe operating practices;

(4) a comparison of actual inspections performed during the fiscal year to the annual work programs disaggregated to the field locations;

(5) a statement of the adequacy of the internal management controls available to ensure that field managers are complying with inspection priorities and minimum inspection standards, and to collect and analyze inspection data;

(6) the status of the Department's efforts to update inspector guidance documents and Federal regulations to include technology, management, and structural changes taking place within the various transportation modes, including a listing of the backlog of proposed regulatory changes identified as being critical to safety;

(7) a list of the operational measures of effectiveness—"best proxies" standing between the ultimate goal of accident prevention and ongoing program activities—that are being used to evaluate progress in meeting program objectives, the quality of program delivery, and the nature of emerging safety problems;

(8) a listing of all enforcement actions taken, including all civil penalties, during the fiscal year by program, including the name and address of each organization against which an enforcement

action was taken, the reason for the action, and the type of action taken;

(9) a listing of the total amount of civil penalties assessed and closed by fiscal year beginning with fiscal year 1977; and

(10) a set of safety statistics covering each of the last ten years that best depict the safety record of each transportation sector regulated by departmental inspectors.

(b) **LONG-RANGE NATIONAL TRANSPORTATION STRATEGIC PLANNING STUDY.**—The Department of Transportation shall undertake a long-range, multi-modal national transportation strategic planning study. This study shall forecast long-term needs and costs for developing and maintaining facilities and services to achieve a desired national transportation program for moving people and goods in the year 2015. The modes to be included are interstate and other priority highways and roads, mass transportation, rail, pipelines, and aviation. The study shall include detailed analyses of transportation needs within six to nine metropolitan areas that have diverse population, development, and demographic patterns, including at least one interstate metropolitan area. The strategic transportation planning study shall address such issues as:

(1) the need to continue a national transportation policy and program to further social, environmental, and mobility goals and objectives of the Nation;

(2) public and private fiscal support, growth patterns, the demographic character of population, geographic differences, and projected development or decline in specific regions;

(3) the current and future material and human resource needs that include facilities and equipment, employee requirements, and training and educational needs for the necessary manpower;

(4) the market potential—including future travel demands—and future community developments and configurations that may affect transportation needs;

(5) the degree to which existing transportation networks can be further developed to meet future travel and goods movement demands in view of cost, land use, environmental, social, economic, and technological considerations; and

(6) the Federal program strategies and costs by mode of transportation necessary to achieve and maintain a desired transportation system in the year 2015.

This study shall be submitted to Congress on or before December 31, 1987.

(c) **ESSENTIAL AIR SERVICE OPTIONS STUDY.**—The Secretary of Transportation shall conduct a study of the impact to small and remote communities of the discontinuation of essential air service subsidies. The study shall, first, identify those communities which are likely to realize a transportation dislocation without some level of air service support. Having identified such communities, the Secretary shall identify various methods of continued air transportation support. In presenting these methods, the Secretary shall identify various financial support options for each. The study shall be conducted with appropriate consultation with affected communities. The Secretary shall transmit the study to the Congress by February 1, 1987. ]

[Sec. 322. Within seven calendar days of the obligation date, the Urban Mass Transportation Administration shall publish in the Federal Register an announcement of each grant obligated pursuant to sections 3 and 9 of the Urban Mass Transportation Act of 1964, as amended, including the grant number, the grant amount, and the transit property receiving each grant. ]

[Sec. 323. The Secretary of Transportation shall enter into negotiations with the City of Philadelphia, Pennsylvania, for an amendment to the full funding contract in effect with regard to the Center City Commuter Connection (UMTA Project No. PA-03-0013): *Provided*, That the Secretary shall commence negotiations with the appropriate local authorities to enter into such agreement no later than 30 days after enactment of this section and shall conclude an agreement no later than 90 days after enactment of this section: *Provided further*, That the agreement shall provide for the reimbursement of the Federal share of extraordinary costs incurred by the City on the project, including, but not limited to, existing eminent domain damages, a reasonable estimate of anticipated eminent domain damages, and costs that the City incurred pursuant to the Northeast Corridor Improvement Project and the Northeast Rail Service Act of 1981. ]

[Sec. 324. (a) Section 411(f) of the Surface Transportation Assistance Act of 1982 is amended by inserting "(1)" before "For the purposes" and by adding at the end of such action the following:

"(2) **MAXI-CUBE VEHICLE DEFINED.**—For purposes of this section, 'maxi-cube vehicle' means a truck tractor combined with a semi-trailer and a separable cargo-carrying unit which is designed to

be loaded and unloaded through the semi-trailer, except that the entire combination shall not exceed 65 feet in length and the separable cargo-carrying unit shall not exceed 34 feet in length."

(b) Section 411(c) of such Act is amended by inserting after "prohibit" the following: "maxi-cube vehicles or". ]

[Sec. 325. None of the funds in this Act shall be used for any study project involving access by a causeway or bridge across wetlands of the San Francisco Bay to U.S. Highway 880 in Alameda County, California. ]

[Sec. 326. None of the funds appropriated in this Act may be used to prescribe, implement, or enforce a national policy specifying that only a single type of visual glideslope indicator can be funded under the facilities and equipment account or through the airport improvement program: *Provided, however*, That this prohibition shall not apply in the case of airports that are certified under Part 139 of the Federal Aviation Regulations. ]

[Sec. 327. None of the funds in this Act shall be used to enforce any rules, policies, or guidelines which in any way condition, establish preference for, or otherwise base the granting or withholding of Federal assistance under this Act on the nature of the local transit planning or decision making process, or the decisions made as to the choice of public or private providers for the provision of mass transit services or functions: *Provided*, That it is not the intent of this section to supercede the existing statutory requirements of sections 3(e), 8(e), and 9(f) of the Urban Mass Transportation Act of 1964, as amended. ]

[Sec. 329. The Secretary of Transportation is authorized to transfer appropriated funds under "Office of the Secretary, Salaries and expenses": *Provided*, That no appropriation shall be increased or decreased by more than 3 per centum by all such transfers: *Provided further*, That any such transfer shall be reported to the Committees on Appropriations. ]

[Sec. 330. **PROHIBITION ON LANDING RIGHTS OF SOUTH AFRICAN AIRCRAFT.**—

(a) **PROHIBITION.**—The Secretary of Transportation shall prohibit the takeoff and landing of any aircraft by a foreign air carrier owned, directly or indirectly, by the Government of South Africa or by South African nationals.

(b) **EXCEPTIONS FOR EMERGENCIES.**—The Secretary of Transportation may provide for such exceptions from the prohibition set forth in subsection (a) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers are threatened.

(c) **REGULATORY AUTHORITY.**—The Secretary of Transportation shall issue such regulations, licenses, and orders as are necessary to carry out this section.

(d) **PENALTIES.**—

(1) **FOR PERSONS OTHER THAN INDIVIDUALS.**—Any person, other than an individual, that knowingly violates the provisions of this section or any regulation, license, or order issued to carry out this section shall be fined not more than \$500,000.

(2) **FOR INDIVIDUALS.**—Any individual who knowingly violates the provisions of this section or any regulation, license, or order issued to carry out this section shall be fined not more than \$250,000, or imprisoned not more than 5 years, or both.

(3) **ADDITIONAL PENALTIES FOR CERTAIN INDIVIDUALS.**—

(A) **IN GENERAL.**—Whenever a person commits a violation under paragraph (1) or (2)—

(i) any officer, director, or employee of such person, or any natural person in control of such person, who willfully ordered, authorized, acquiesced in, or carried out the act or practice constituting the violation, and

(ii) any agent of such person who willfully carried out such act or practice,

shall be fined not more than \$250,000, or imprisoned not more than 5 years, or both.

(B) **RESTRICTION ON PAYMENT OF FINES.**—A fine imposed under subparagraph (A) on an individual for an act or practice constituting a violation may not be paid, directly or indirectly, by the person committing the violation itself.

(4) **SEIZURE AND FORFEITURE OF AIRCRAFT.**—Any aircraft used in connection with a violation of this section or any regulation, license, or order issued to carry out this section shall be subject to seizure by and forfeiture to the United States. All provisions of law relating to the seizure, forfeiture, and condemnation of articles for violations of the customs laws, the disposition of such articles or the proceeds from the sale thereof, and the remission or mitigation of such forfeitures shall apply to the seizures and

forfeitures incurred, or alleged to have been incurred, under this paragraph, insofar as such provisions of law are applicable and not inconsistent with the provisions of this section; except that all powers, rights, and duties conferred or imposed by the customs laws upon any officer or employee of the Department of the Treasury shall, for purposes of this paragraph, be exercised or performed by the Secretary of Transportation or by such persons as the Secretary may designate.

(e) DEFINITIONS.—

(1) AIRCRAFT AND FOREIGN AIR CARRIER.—The terms “aircraft” and “foreign air carrier” have the meanings given those terms in section 101 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301).

(2) SOUTH AFRICA.—The term “South Africa” includes—

- (A) the Republic of South Africa;
- (B) any territory under the administration, legal or illegal, of South Africa; and
- (C) the “bantustans” or “homelands”, to which South African blacks are assigned on the basis of ethnic origin, including the Transkei, Bophuthatswana, Ciskei, and Venda.

(3) SOUTH AFRICAN NATIONAL.—The term “South African national” means—

- (A) a citizen of South Africa; and
- (B) any partnership, corporation, or other entity organized under the laws of South Africa.

(f) APPLICABILITY TO EVASIONS.—This section and the regulations issued to carry out this section shall apply to any person who undertakes or causes to be undertaken any transaction or activity with the intent to evade this section or such regulations.]

[SEC. 332. Notwithstanding any other provision of law, funds appropriated under any heading in this Act or in Appropriations Acts for prior years and intended for studies, reports, or research, and related costs thereof including necessary capital expenses, are available for such purposes to be conducted through contracts or financial assistance agreements with the educational institutions which are specified in such Acts or in any report accompanying such Acts.]

Sec. [333] 314. (a) Notwithstanding any other provision of law, the Secretary of Transportation may use [not to exceed one-half of 1 percent of—

(1) the funds made available for fiscal year 1987 by section 21(a)(2)(B) of the Urban Mass Transportation Act of 1964, as amended, to carry out section 3 of such Act to contract with any person to oversee the construction of any major project under such section;

(2) any of:

(1) the funds appropriated for fiscal year [1987] 1988 pursuant to [section 21(a)(1) of] the Urban Mass Transportation Act of 1964, as amended, to carry out [section 9] sections 9 and 18 of such Act to contract with any person to oversee the construction of any major project under [such section;] the Act; and

[ (3) the funds appropriated for fiscal year 1987 pursuant to section 21(a)(1) of the Urban Mass Transportation Act of 1964, as amended, to carry out section 18 of such Act to contract with any person to oversee the construction of any major project under such section;]

[ (4) the funds appropriated for fiscal year 1987 pursuant to section 4(g) of the Urban Mass Transportation Act of 1964, as amended, to contract with any person to oversee the construction of any major public transportation project substituted for an Interstate segment withdrawn under section 103(e)(4) of title 23, United States Code; and]

[ (5) (2) the funds appropriated for fiscal year [1987] 1988 pursuant to the National Capital Transportation Act of 1969 to contract with any person to oversee the construction of any major project under such Act.

(b) Any contract entered into under subsection (a) shall provide for the payment by the Secretary of Transportation of 100 percent of the cost of carrying out the contract.

[ (c) This section shall take effect on October 1, 1986, and shall cease to be in effect at the close of September 30, 1987.]

[SEC. 334. The Secretary of Transportation shall permit the obligation of not to exceed \$4,000,000, apportioned under title 23, United States Code, section 104(b)(5)(B) for the State of Florida for operating expenses of the Tri-County Commuter Rail Project in the area of Dade, Broward, and Palm Beach Counties, Florida during the period Interstate 95 is under reconstruction in such area.]

Note.—Public Laws 99-500 and 99-591, section 101(l), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

[SEC. 331. AIR TRAFFIC CONTROLLER WORK FORCE REQUIREMENTS.—The Federal Aviation Administration shall satisfy the following criteria by September 30, 1987:

“(a) total air traffic controller work force level of 15,000;

“(b) with respect to the air traffic controller work force, of those individuals eligible to be Full Performance Level controllers, 70 percent shall have achieved Full Performance Level status;

“(c) with respect to staffing at particular air traffic control facilities, of those individuals eligible to be Full Performance Level controllers, at least 60 percent at all centers and level 3 and above terminals shall have achieved Full Performance Level status.” (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(l).)

[SEC. 112. Notwithstanding any other provision of law, none of the funds in this or any other Act shall be used by the Coast Guard to participate in any demonstration project or to implement in any way the extension of the navigation season on the Great Lakes or the St. Lawrence River without written notification and prior approval of the House and Senate Committees on Appropriations: *Provided*, that nothing in this section shall preclude the Coast Guard from performing routine search and rescue operations.] (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 112.)

## DEPARTMENT OF THE TREASURY

### [OFFICE OF THE SECRETARY] DEPARTMENTAL OFFICES

#### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the [Office of the Secretary] Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs and improvements of, and purchase of commercial insurance policies for real properties leased or owned overseas, when necessary for the performance of official business; not to exceed [\$22,000] \$95,000 for official reception and representation expenses; not to exceed \$200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed [\$650,000] \$573,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex, [\$52,642,000] \$81,041,000.

#### [INTERNATIONAL AFFAIRS]

[For necessary expenses of the international affairs function of the Office of the Secretary, hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,000,000 for official travel expenses; and not to exceed \$73,000 for official reception and representation expenses; \$22,442,000.] (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

#### Program and Financing (in thousands of dollars)

Identification code 20-0101-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Secretarial policy and program development.....	20,168	21,063	22,931
00.02 Inspector General.....	5,029	5,125	5,436
00.03 International affairs.....	13,068	13,338	14,224
00.04 Departmental management and administration.....	24,940	26,006	26,607
00.05 Buildings maintenance and operations.....	9,411	11,118	11,270
00.06 Repairs and improvements.....	2,569	1,650	1,573
00.91 Total direct program.....	75,185	78,300	82,041
01.01 Reimbursable program.....	23,246	24,744	22,414
10.00 Total obligations.....	98,431	103,044	104,455
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-19,112	-20,573	-17,524
14.00 Non-Federal sources.....	-4,134	-4,171	-4,890
21.40 Unobligated balance available, start of year.....	-5,804	-3,919	-2,919
24.40 Unobligated balance available, end of year.....	3,919	2,919	1,919
25.00 Unobligated balance lapsing.....	118	.....	.....
39.00 Budget authority.....	73,417	77,300	81,041
<b>Budget authority:</b>			
40.00 Appropriation.....	73,417	75,084	81,041
44.20 Supplemental for civilian pay raises.....	.....	1,353	.....
44.40 Supplemental for retirement contributions (P.L. 99-335).....	.....	863	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	75,185	78,300	82,041
72.40 Obligated balance, start of year.....	12,021	16,628	17,214
74.40 Obligated balance, end of year.....	-16,628	-17,214	-18,245

77.00 Adjustments in expired accounts.....	-200	.....	.....
89.00 Outlays.....	70,377	77,714	81,010

Outlays:			
90.00 Outlays, excluding pay and retirement supplementals.....	70,377	75,565	80,943
91.20 Outlays from civilian pay raise supplemental.....	.....	1,312	41
91.40 Outlays from retirement contribution supplemental.....	.....	837	26

Distribution of budget authority by account:			
Departmental Offices—Salaries and expenses.....	51,940	54,136	81,041
International affairs.....	21,477	23,164	.....

Distribution of outlays by account:			
Departmental Offices—Salaries and expenses.....	50,423	55,013	80,547
International affairs.....	19,954	22,701	463

Note.—The activities financed under Department of the Treasury, Departmental Offices, International affairs in 1986 and 1987 are presented in these schedules in 1988. Budget authority and outlays are distributed by account above.

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	73,417	77,300	81,041
Outlays.....	70,377	77,714	81,010
Supplemental under existing legislation:			
Budget authority.....	.....	5,650	.....
Outlays.....	.....	5,400	250
Total:			
Budget authority.....	73,417	82,950	81,041
Outlays.....	70,377	83,114	81,260

The Departmental Offices function serves as the principal policy formulation and management arm of the Secretary of the Treasury.

**Secretarial policy and program development.**—The Secretary has primary responsibility for formulating and recommending domestic and international financial policy, economic policy, and tax policy; managing the public debt; and participating in the formulation of broad fiscal policies that have general significance for the economy.

**Inspector General.**—This activity is responsible for maintaining a comprehensive audit and internal investigation program. It is organizationally independent and reports directly to the Secretary and the Deputy Secretary.

**International affairs.**—The programs conducted within this activity are designed to analyze and implement international monetary and development financing policy. Additional staff support is provided in areas concerned with international investment, trade, and balance of payments issues.

**Departmental management and administration.**—This activity provides central administrative policies and guidance to the entire Department; the direct administrative support required for the Departmental Offices operations; oversight and management of departmental information technology development; and computer support and services.

**Buildings maintenance and operations.**—This activity provides for maintenance and operation of the main Treasury Building and the Annex, including utilities, and custodial and craftsmen services. In addition, this activity provides for all telecommunications facilities

General and special funds—Continued

SALARIES AND EXPENSES—Continued

and services and the Federal buildings fund payment for all space occupied by the Departmental Offices outside of the Treasury Building and the Annex.

*Repairs and improvements.*—This activity provides the funding for major repairs and improvements to the Treasury Building and Annex.

Object Classification (in thousands of dollars)

Identification code 20-0101-0-1-803	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	43,305	45,953	47,089
11.3 Other than full-time permanent .....	871	864	887
11.5 Other personnel compensation .....	1,282	1,079	1,100
11.8 Special personal services payments .....	369	307	311
11.9 Total personnel compensation .....	45,827	48,203	49,387
12.1 Personnel benefits: Civilian .....	5,794	7,129	9,330
13.0 Benefits for former personnel .....	45		
21.0 Travel and transportation of persons .....	893	1,050	1,050
22.0 Transportation of things .....	378	354	354
23.1 Rental payments to GSA .....	1,451	1,913	2,066
23.2 Rental payments to others .....	42	96	104
23.3 Communications, utilities, and miscellaneous charges .....	6,102	6,775	6,881
24.0 Printing and reproduction .....	967	883	903
25.0 Other services .....	5,726	7,417	7,472
26.0 Supplies and materials .....	1,745	1,532	1,553
31.0 Equipment .....	3,646	1,298	1,368
32.0 Lands and structures .....	2,569	1,650	1,573
99.0 Subtotal, direct obligations .....	75,185	78,300	82,041
99.0 Reimbursable obligations .....	23,246	24,744	22,414
99.9 Total obligations .....	98,431	103,044	104,455

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	1,245	1,245	1,246
Total compensable workyears:			
Full-time equivalent employment .....	1,170	1,209	1,210
Full-time equivalent of overtime and holiday hours .....	21	16	25
Reimbursable:			
Total number of full-time permanent positions .....	153	153	153
Total compensable workyears:			
Full-time equivalent employment .....	157	153	153
Full-time equivalent of overtime and holiday hours .....	3	2	2

FFB ADMINISTRATIVE EXPENSES

(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 20-0118-2-1-803	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations (object class 25.0) .....			2,000
Financing:			
40.00 Budget authority (appropriation) .....			2,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			2,000
74.40 Obligated balance, end of year .....			-60
90.00 Outlays .....			1,940

The Federal Financing Bank (FFB) assures the coordination of Federal and federally assisted borrowing from the public and also assures that such borrowings are financed in a manner least disruptive of private financial markets and institutions. In prior years, the FFB was financed on a reimbursable basis.

PRESIDENTIAL ELECTION CAMPAIGN FUND

Program and Financing (in thousands of dollars)

Identification code 20-5081-0-2-806	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Matching funds in primaries .....	5		58,336
00.02 Nominating conventions of parties .....		18,224	728
00.03 Candidates for general elections .....			94,360
10.00 Total obligations (object class 41.0) .....	5	18,224	153,424
Financing:			
17.00 Recovery of prior year obligations .....	-23		
21.40 Unobligated balance available, start of year .....	-125,236	-161,187	-179,963
24.40 Unobligated balance available, end of year .....	161,187	179,963	63,539
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund) .....	35,933	37,000	37,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	5	18,224	153,424
78.00 Adjustments in unexpired accounts .....	-23		
90.00 Outlays .....	-18	18,224	153,424

*Matching funds in primaries.*—Upon certification by the Federal Election Commission, every candidate entitled to receive payments is entitled to an amount equal to the contributions each has received on or after the beginning of the calendar year immediately preceding the election year.

*Nominating conventions of parties.*—Upon certification by the Commission, payments may be made to the national committee of a major party or a minor party which elects to receive its entitlement. The total of such payments will be limited to the amount in the account at the time of payment. The national committee of each party may receive payments beginning on July 1 of the year immediately preceding the calendar year in which a presidential nominating convention of the political party is held. The two major parties will receive \$3 million each, plus a cost-of-living increase.

*Candidates for general elections.*—The eligible candidates of each major party in a presidential election will be entitled to equal payments in an amount which, in the aggregate, shall not exceed \$20 million each, plus a cost-of-living increase.

Also, provision is made for new parties, minor parties and candidates, who may receive in excess of 5 percent of the popular vote and, therefore, be entitled to reimbursement of qualified campaign expenditures.

Public enterprise funds:

EXCHANGE STABILIZATION FUND

Program and Financing (in thousands of dollars)

Identification code 20-4444-0-3-155	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations (object class 25.0) .....	392,416		
Financing:			
Offsetting collections from:			
Federal funds:			
11.00 Interest on U.S. securities .....	-25,609	-32,343	-30,582
11.00 Interest on U.S. securities, prior year adjustment .....	-4,138		
Non-Federal sources:			
14.00 Special drawing rights holdings .....	-827,481		
14.00 Net gain on exchange transactions .....	-307,060		
21.98 Unobligated balance available, start of year: Special drawing rights .....	-6,846,933	-8,294,826	-8,294,826

21.98	Fund balance.....	-5,133,287	-7,203,593	-7,203,593
21.98	U.S. securities (par).....	-2,072,762	-481,094	-513,437
	Unobligated balance available, end of year:			
24.98	Special drawing rights.....	8,294,826	8,294,826	8,294,826
24.98	Fund balance.....	7,203,593	7,203,593	7,203,593
24.98	U.S. securities (par).....	481,094	513,437	544,019
25.00	Unobligated balance lapsing: Net increase in SDR allocations.....	-1,154,659		
39.00	<b>Budget authority</b> .....			
	Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	-771,873	-32,343	-30,582
90.00	Outlays.....	-771,873	-32,343	-30,582

The Secretary of the Treasury is authorized to deal in gold and foreign exchange and other instruments of credit and securities as deemed necessary, consistent with U.S. obligations in the International Monetary Fund (IMF), regarding orderly exchange arrangements. An Exchange Stabilization Fund, with a capital of \$200 million, is authorized by law for this purpose (31 U.S.C. 5302). All earnings and interest accruing to this fund are available for the purposes thereof. Transactions in special drawing rights (SDR's) and U.S. holdings of SDR's are administered by the fund. U.S. drawings from the IMF are also advanced to the fund.

The principal sources of the fund's income have been profits on foreign exchange transactions and interest on foreign exchange swap transactions and on investments held by the fund, including interest earned on fund holdings of U.S. Government securities.

Due to the impracticability of forecasting fund transactions in foreign currency and foreign investment, projections are not provided for those items. However, as an offset to actual data and projections made in the budget for interest paid on U.S. Government securities, data for the interest income on fund holdings of U.S. Government securities is provided for 1986 and projected for 1987 and 1988. Holdings of U.S. Government securities amounted to \$481 million on September 30, 1986. The interest earnings on these securities is estimated to increase these holdings to \$513 million in 1987 and \$544 million in 1988. As required by Public Law 95-612, the fund no longer is used to meet administrative expenses.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	1,168,126	32,343	30,582
Expense.....	379,260		
Net operating income or loss (-).....	788,866	32,343	30,582

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	5,133,287	7,203,593	7,203,593	7,203,593
U.S. securities (par).....	2,072,762	481,094	513,437	544,019
Accounts receivable (net).....	111,853	122,918	122,918	122,918
Special drawing rights.....	6,846,933	8,294,826	8,294,826	8,294,826
Total assets.....	14,164,835	16,102,431	16,134,774	16,165,356
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities.....	64,744	58,819	58,819	58,819

Advances from Treasury, drawings from IMF.....	1,067,000	1,067,000	1,067,000	1,067,000
Special drawing rights certificates.....	4,618,000	5,018,000	5,018,000	5,018,000
Special drawing rights allocations <sup>1</sup> .....	5,190,543	5,945,201	5,945,201	5,945,201
Total liabilities.....	10,940,287	12,089,020	12,089,020	12,089,020

Government equity:

Selected equities:				
Retained income.....	3,024,548	3,813,411	3,845,754	3,876,336
Invested capital.....	200,000	200,000	200,000	200,000
Total Governmental equity.....	3,224,548	4,013,411	4,045,754	4,076,336

Analysis of changes in Government equity:

Paid in capital:				
Opening balance.....	200,000	200,000	200,000	200,000
Closing balance.....	200,000	200,000	200,000	200,000
Retained income:				
Opening balance.....	3,024,548	3,813,411	3,845,754	3,876,336
Transactions: Net operating income or loss (-).....	788,866	32,343	30,582	
Prior year adjustment.....	-3			
Closing balance.....	3,813,411	3,845,754	3,876,336	
Total Government equity, end of year.....	4,013,411	4,045,754	4,076,336	

<sup>1</sup> Pursuant to the Special Drawing Rights Act of 1968, Special Drawing Rights (SDR) allocated to or otherwise acquired by the United States are resources of the Exchange Stabilization Fund (ESF). SDR, once allocated, are permanent resources unless cancelled (which requires an 85 percent majority decision of the total voting power of the Board of Governors of the International Monetary Fund), the Special Drawing Account is liquidated, the International Monetary Fund is liquidated, or the United States chooses to withdraw from the Fund or terminate its participation in the Special Drawing Account. Except for payment of interest and charges on SDR allocations to the United States, the payment of the Exchange Stabilization Fund liability related to SDR allocations is conditional on events listed above, in which the United States has a substantial or controlling voice. The Special Drawing Rights Act also authorizes the Secretary of the Treasury to issue Special Drawing Rights certificates to the Federal Reserve Banks in return for dollar deposits in amounts equal to the value of the SDR held. The certificates may be issued to finance the acquisition of SDR from other countries or to provide resources for financing ESF operations.

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-4501-0-4-803			
<b>Program by activities:</b>			
Printing and reproduction:			
00.01 Direct operating program.....	1,137	1,357	1,410
00.02 Administrative overhead.....	91	148	168
Telecommunications:			
00.10 Direct operating program.....	4,116	41,455	56,413
00.11 Administrative overhead.....	323	441	463
10.00 Total obligations.....	5,667	43,401	58,454
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-5,474	-43,401	-58,454
21.98 Unobligated balance available, start of year: Fund balance.....	-1,064	-871	-871
24.98 Unobligated balance available, end of year: Fund balance.....	871	871	871
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	193		
72.98 Obligated balance, start of year: Fund balance.....	1,712	3,053	3,053
74.98 Obligated balance, end of year: Fund balance.....	-3,053	-3,053	-3,053
90.00 Outlays.....	-1,148		

Certain central services in the Department of the Treasury, including telephone, telegraph, printing, reproduction, and printing procurement services, and the Treasury automated communications system are provided on a reimbursable basis. Transactions are entered into with other Treasury appropriation accounts at rates which will recover the fund's operating expenses, including accrual of annual leave and depreciation of equipment. This presentation reflects the inclusion of

**Intragovernmental funds—Continued**  
**WORKING CAPITAL FUND—Continued**

the Digital Telephone Switch and the Consolidated Data Network in 1987 and 1988.

**Object Classification (in thousands of dollars)**

Identification code	20-4501-0-4-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	1,857	2,393	2,664
11.5	Other personnel compensation	269	230	195
11.9	Total personnel compensation	2,126	2,623	2,859
12.1	Personnel benefits: Civilian	222	264	294
21.0	Travel and transportation of persons	25	51	56
22.0	Transportation of things	17	18	19
23.1	Rental payments to GSA	16	34	37
23.3	Communications, utilities, and miscellaneous charges	1,928	36,408	51,478
24.0	Printing and reproduction	35	113	116
25.0	Other services	905	2,665	2,843
26.0	Supplies and materials	208	355	354
31.0	Equipment	185	870	398
99.9	Total obligations	5,667	43,401	58,454

**Personnel Summary**

Total number of full-time permanent positions	90	90	90
<b>Total compensable workyears:</b>			
Full-time equivalent employment	70	90	90
Full-time equivalent of overtime and holiday hours	5	4	4

**Trust Funds**

**GIFTS AND BEQUESTS**

**Program and Financing (in thousands of dollars)**

Identification code	20-8790-0-7-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Unconditional gift fund	3	50	50
00.02	Conditional gift fund		950	200
10.00	Total obligations (object class 25.0)	3	1,000	250
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	-2	-3	-3
21.40	U.S. securities (par)	-8	-34	-34
Unobligated balance available, end of year:				
24.40	Treasury balance	3	3	3
24.40	U.S. securities (par)	34	34	34
60.00	Appropriation (permanent, indefinite)	30	1,000	250
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	3	1,000	250
72.40	Obligated balance, start of year		-2	
74.40	Obligated balance, end of year	2		
90.00	Outlays	5	998	250

The Secretary of the Treasury is authorized to accept, hold, administer and utilize gifts and bequests of property, both real and personal for the purpose of aiding or facilitating the work of the Department of the Treasury. Property and proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

**OFFICE OF REVENUE SHARING**

**Federal Funds**

**General and special funds:**

**[SALARIES AND EXPENSES]**

[For necessary expenses of the Office of Revenue Sharing, including hire of passenger motor vehicles, \$5,560,000.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5913, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	20-0107-0-1-851	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Legal and support services	1,430	912	
00.02	Operations and technical assistance	2,254	1,606	
00.03	Monitoring and enforcement	2,809	3,042	
10.00	Total obligations	6,493	5,560	
<b>Financing:</b>				
25.00	Unobligated balance lapsing	889		
40.00	Budget authority (appropriation)	7,382	5,560	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	6,493	5,560	
72.40	Obligated balance, start of year	977	718	228
74.40	Obligated balance, end of year	-718	-228	
77.00	Adjustments in expired accounts	-207		
90.00	Outlays	6,546	6,050	228

The Office of Revenue Sharing was established to implement the State and Local Fiscal Assistance Act of 1972, as amended. It is responsible for correctly computing and distributing revenue sharing payments and maintaining adequate controls to insure integrity of the trust funds; supplying adequate information, data, and technical assistance to all recipients to assure compliance with the Act; improving the quality of State and local audits to eliminate noncompliance with audit requirements; insuring compliance with the nondiscrimination and public participation provisions of the Act; and at regular intervals, reporting to Congress, recipient governments, and the general public.

The Revenue Sharing Act was not reauthorized upon its expiration at the end of 1986. This budget does not include any request for the salaries and expenses appropriation for 1988.

**Object Classification (in thousands of dollars)**

Identification code	20-0107-0-1-851	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent	3,858	3,021	
11.3	Other than full-time permanent	64		
11.5	Other personnel compensation	72	47	
11.9	Total personnel compensation	3,994	3,068	
12.1	Personnel benefits: Civilian	471	393	
13.0	Benefits to former personnel		644	
21.0	Travel and transportation of persons	51	78	
23.1	Rental payments to GSA	670	374	
23.2	Rental payments to others	1	2	
23.3	Communications, utilities, and miscellaneous charges	218	155	
24.0	Printing and reproduction	55		
25.0	Other services	959	818	
26.0	Supplies and materials	41	25	
31.0	Equipment	33	3	
99.9	Total obligations	6,493	5,560	

**Personnel Summary**

Total number of full-time permanent positions.....	135	135	.....
Total compensable workyears: Full-time equivalent employment .....	106	75	.....

**PAYMENTS TO LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-2111-0-1-851	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	4,185,000	.....	.....
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	4,185,000	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,185,000	.....	.....
90.00 Outlays.....	4,185,000	.....	.....

This account makes funds available to the local government fiscal assistance trust fund under the general revenue sharing program.

The Revenue Sharing Act was not reauthorized at the end of 1986. This budget request includes no funds for the program in 1988.

**Trust Funds**

**STATE AND LOCAL GOVERNMENT FISCAL ASSISTANCE TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-8111-0-7-851	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	3,980,115	76,279	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-54,349	-259,234	-3,000
24.40 Unobligated balance available, end of year.....	259,234	3,000	3,000
25.00 Unobligated balance lapsing.....	.....	179,955	.....
60.00 Budget authority (appropriation) (permanent, indefinite).....	4,185,000	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,980,115	76,279	.....
72.40 Obligated balance, start of year.....	1,134,064	.....	.....
90.00 Outlays.....	5,114,179	76,279	.....

The Revenue Sharing Act was not reauthorized at the end of 1986.

**FEDERAL LAW ENFORCEMENT TRAINING CENTER**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed eight for police-type use) without regard to the general purchase price limitation for the current fiscal year; and hire of passenger motor vehicles, for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; not to exceed \$3,000,000 for [repair, alteration, minor construction] major maintenance and facility improvements, and related equipment for

the Federal Law Enforcement Training Center facility to remain available until expended; not to exceed \$2,000 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109: *Provided*, That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; [training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation;] acceptance of gifts; [training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center; \$29,499,000] \$23,133,000. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code 20-0104-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Law enforcement training.....	7,132	18,641	12,271
00.02 Plant operations.....	6,830	7,190	7,184
00.03 State and local training.....	654	668	678
00.04 Minor construction and maintenance.....	1,719	3,523	3,000
00.05 Dormitory construction.....	298	2,852	2,852
00.91 Total direct program.....	16,633	32,874	25,983
01.01 Reimbursable program.....	12,454	10,347	11,531
10.00 Total obligations.....	29,087	43,221	37,514
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-12,454	-10,347	-11,531
21.40 Unobligated balance available, start of year.....	-142	-6,225	-2,850
24.40 Unobligated balance available, end of year.....	6,225	2,850	.....
25.00 Unobligated balance lapsing.....	6,063	.....	.....
39.00 Budget authority.....	28,779	29,499	23,133
<b>Budget authority:</b>			
40.00 Appropriation.....	22,779	29,499	23,133
50.00 Reappropriation.....	6,000	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	16,633	32,874	25,983
72.40 Obligated balance, start of year.....	1,258	915	1,505
74.40 Obligated balance, end of year.....	-915	-1,505	-463
77.00 Adjustments in expired accounts.....	-994	.....	.....
90.00 Outlays.....	15,982	32,284	27,025

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(in thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	28,779	29,499	23,133
Outlays.....	15,982	32,284	27,025
Rescission proposal:	.....	-8,450	.....
Budget authority.....	.....	-8,450	.....
Outlays.....	.....	.....	.....
Total:	.....	.....	.....
Budget authority.....	28,779	21,049	23,133
Outlays.....	15,982	23,834	27,025

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting recruit, advanced, specialized, and refresher training for Federal law enforcement personnel. Center personnel conduct the instructional programs for the basic recruit and some of the advanced training. This appropriation is for operating expenses of the Center, for research in law enforcement training methods, and curriculum content. The 1988 estimate provides for law enforcement training; maintenance and facility improvements; planning and curricula development for the Center. In addition, the Center has a reimbursable program to accommodate the training requirements of various Federal agencies and for certain State and local law enforcement personnel.

**General and special funds—Continued**  
**SALARIES AND EXPENSES—Continued**  
**Object Classification (in thousands of dollars)**

Identification code 20-0104-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	7,607	7,982	7,786
11.3 Other than full-time permanent .....	122	1,054	226
11.5 Other personnel compensation .....	254	284	274
11.8 Special personal services payments .....	543	473	473
11.9 Total personnel compensation .....	8,526	9,793	8,759
12.1 Personnel benefits: Civilian .....	1,265	1,405	1,969
21.0 Travel and transportation of persons .....	479	1,068	675
22.0 Transportation of things .....	65	68	71
23.2 Rental payments to others .....	225	212	220
23.3 Communications, utilities, and miscellaneous charges .....	1,123	2,269	1,994
24.0 Printing and reproduction .....	25	135	112
25.0 Other services .....	1,932	4,899	3,118
26.0 Supplies and materials .....	355	2,738	2,351
31.0 Equipment .....	621	2,162	864
32.0 Lands and structures .....	2,017	8,125	5,850
99.0 Subtotal, direct obligations .....	16,633	32,874	25,983
99.0 Reimbursable obligations .....	12,454	10,347	11,531
99.9 Total obligations .....	29,087	43,221	37,514

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	250	252	253
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	256	261	262
Full-time equivalent of overtime and holiday hours .....	2	2	2
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	28	8	8
Total compensable workyears: Full time equivalent employment .....	28	8	8

**CONSTRUCTION, FEDERAL LAW ENFORCEMENT TRAINING CENTER**

**Program and Financing (in thousands of dollars)**

Identification code 20-0103-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	504	189	.....
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-693	-189	.....
24.40 Unobligated balance available, end of year .....	189	.....	.....
39.00 <b>Budget authority</b> .....	.....	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	504	189	.....
72.40 Obligated balance, start of year .....	76	33	.....
74.40 Obligated balance, end of year .....	-33	.....	.....
90.00 <b>Outlays</b> .....	547	222	.....

This account provides for the costs of adapting the former Glynco Naval Air Station, near Brunswick, GA, for the permanent location of the Federal Law Enforcement Training Center. Because of the flexible nature of the facilities, the training center can accommodate in excess of 1,400 resident students.

**Object Classification (in thousands of dollars)**

Identification code 20-0103-0-1-751	1986 actual	1987 est.	1988 est.
31.0 Equipment .....	266	.....	.....
32.0 Lands and structures .....	238	189	.....
99.9 Total obligations .....	504	189	.....

**FINANCIAL MANAGEMENT SERVICE**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For necessary expenses of the Financial Management Service, **[\$240,117,000]** \$270,004,000, of which not to exceed **[\$2,137,000]** \$7,213,000 shall remain available until expended for systems modernization initiatives. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code 20-1801-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Financial operations .....	157,779	159,084	175,540
00.02 Federal finance .....	14,736	15,793	19,460
00.03 Federal tax deposit fee payments .....	33,763	37,269	39,100
00.04 Information systems .....	31,614	33,463	35,904
00.91 Total direct program .....	237,892	245,609	270,004
01.01 Reimbursable program .....	3,985	4,330	4,410
10.00 Total obligations .....	241,877	249,939	274,414
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-1,634	-1,872	-2,143
13.00 Trust funds .....	-2,351	-2,458	-2,267
21.40 Unobligated balance available, start of year .....	-6,756	-2,892	.....
24.40 Unobligated balance available, end of year .....	2,892	.....	.....
25.00 Unobligated balance lapsing .....	74	.....	.....
39.00 <b>Budget authority</b> .....	<b>234,102</b>	<b>242,717</b>	<b>270,004</b>
<b>Budget authority:</b>			
40.00 Appropriations .....	234,102	240,117	270,004
44.10 Supplemental for wage-board pay raises .....	.....	28	.....
44.20 Supplemental for civilian pay raises .....	.....	1,408	.....
44.40 Supplemental for retirement contributions (P.L. 99-335) .....	.....	1,164	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	237,892	245,609	270,004
72.40 Obligated balance, start of year .....	36,169	26,995	35,627
74.40 Obligated balance, end of year .....	-26,995	-35,627	-41,027
77.00 Adjustments in expired accounts .....	-400	.....	.....
89.00 <b>Outlays</b> .....	<b>246,664</b>	<b>236,977</b>	<b>264,604</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	246,664	234,377	264,604
91.10 Outlays from wage-board pay raise supplemental .....	.....	28	.....
91.20 Outlays from civilian pay raise supplemental .....	.....	1,408	.....
91.40 Outlays from retirement contribution supplemental .....	.....	1,164	.....

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority .....	234,102	242,717	270,004
Outlays .....	246,664	236,977	264,604
<b>Supplemental under existing legislation:</b>			
Budget authority .....	.....	1,900	.....
Outlays .....	.....	1,700	200
<b>Total:</b>			
Budget authority .....	234,102	244,617	270,004
Outlays .....	246,664	238,677	264,804

**Financial operations—Field operations.**—Payments are made through 7 regional offices for Federal civilian agencies, except the U.S. Postal Service, the U.S. Marshals Service, and certain Government corporations. These disbursing services are provided through the timely issuance of checks, letters of credit, and electronic funds transfer (EFT) payments. Field Operations is

also responsible for prescribing Federal Government payment policy, for processing EFT claims, and for providing full field representation for other functional areas of the Service.

The total checks, savings bonds, and electronic funds transfer payments, and productivity relating to this function carried out by Field Operations follow:

**WORKLOAD AND PRODUCTIVITY**

	[In thousands]		
	1986 actual	1987 est.	1988 est.
Payments.....	744,315	744,050	757,900
Payments per employee.....	893	913	930

Also under this activity, the Treasury Financial Communications System (TFCS) provides for the management and regulation of Federal funds movement resulting in savings to the Government as a whole as follows:

**GOVERNMENT-WIDE USE AND SAVINGS**

	[In millions of dollars]		
	1986 actual	1987 est.	1988 est.
Dollar value of messages processed over TFCS.....	588,400	617,820	648,711
Interest saved by using TFCS.....	308	318	327

**Headquarters operations.**—This activity is responsible for the control and financial integrity of the Federal payments and collections processes, which includes conducting reconciliation, accounting and claims activities. It adjudicates and settles claims against the United States resulting from instances in which Government checks have been forged, lost, stolen, destroyed, or mutilated, and collects monies from those parties having liability to the United States through fraudulent or otherwise improper negotiation of Government checks.

Claims inquiries and related productivity are as follows:

**WORKLOAD AND PRODUCTIVITY**

	[In thousands]		
	1986 actual	1987 est.	1988 est.
Claims and related requests processed.....	1,496	1,472	1,472
Claims processed per employee.....	4.68	4.60	4.60

**General financial services.**—This activity provides financial services for numerous accounts, including the two Social Security Trust Funds, the two Medicare Trust Funds, the Unemployment Trust Fund, the D.C. Government loan account and the Airport and Airway Trust Fund. In addition, this activity provides for payment of domestic and international claims.

**Federal finance.**—This activity is involved in the efficient and effective management of the Government's cash flow, assets, and liabilities. Its responsibilities include implementation and enhancements to a number of collection mechanisms, improvements in the Government's forecast of receipts, outlays, and balances; and credit management and debt collection efforts throughout Government. It proposes legislation and develops regulations for the implementation of cash and credit management initiatives and provides assistance to agencies.

**Federal tax deposit fee payments.**—This activity oversees fee payments made to commercial depositories for Federal Tax Deposits processed under the Tax and Loan Investment Program, and Treasury in turn earns interest on funds held on deposit.

**Information systems.**—This activity is responsible for overseeing the development, implementation, improve-

ment, and operation of information and financial management systems which support and promote sound money management in the Federal Government. It is responsible for automated data processing (ADP) operations and the associated computer support and services necessary to process the Service's internal administrative and Government-wide systems. Specific functions include operating and maintaining all central computer systems and data communications mechanisms, scheduling and processing the development and production workloads, installing software, planning and coordinating hardware installations, and acquiring ADP and telecommunications equipment, software, services and supplies. It also supports a large number of developmental efforts which will enhance the collections, payments, accounting, reporting, and resources management functions of the Service.

This activity includes the check payment and reconciliation operation with volume and related productivity as follows:

**WORKLOAD AND PRODUCTIVITY**

	[In thousands]		
	1986 actual	1987 est.	1988 est.
Checks paid and reconciled.....	563,871	561,300	561,300
Checks paid and reconciled per employee.....	2,330	2,329	2,329

**Object Classification (in thousands of dollars)**

Identification code 20-1801-0-1-803	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	55,332	58,509	60,511
11.3 Other than full-time permanent.....	1,407	822	836
11.5 Other personnel compensation.....	2,498	1,944	2,094
11.9 Total personnel compensation.....	59,237	61,275	63,441
12.1 Personnel benefits: Civilian.....	6,882	9,414	13,291
21.0 Travel and transportation of persons.....	652	1,153	1,561
22.0 Transportation of things.....	394	548	523
23.1 Rental payments to GSA.....	8,805	11,312	15,000
23.3 Communications, utilities, and miscellaneous charges...	93,739	90,408	93,256
24.0 Printing and reproduction.....	2,050	2,472	2,835
25.0 Other services.....	47,935	56,440	60,661
26.0 Supplies and materials.....	9,337	9,313	10,233
31.0 Equipment.....	8,861	3,274	9,203
99.0 Subtotal, direct obligations.....	237,892	245,609	270,004
99.0 Reimbursable obligations.....	3,985	4,330	4,410
99.9 Total obligations.....	241,877	249,939	274,414

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	2,145	2,224	2,236
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	2,256	2,294	2,306
Full-time equivalent of overtime and holiday hours.....	62	61	61
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	52	52	52
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	52	52	52
Full-time equivalent of overtime and holiday hours.....	2	2	2

**NEW YORK CITY LOAN GUARANTEE PROGRAM**

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 20-0110-0-1-852	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....	190,369		

**General and special funds—Continued**  
**NEW YORK CITY LOAN GUARANTEE PROGRAM—Continued**  
**Status of Guaranteed Loans (in thousands of dollars)—Continued**

Identification code	20-0110-0-1-852	1986 actual	1987 est.	1988 est.
2251	Repayments: Repayments and prepayments .....	-190,369		
2290	Outstanding, end of year .....			

The New York City Loan Guarantee Act of 1978 authorized the Department of Treasury to guarantee borrowings by New York City of up to \$1.65 billion against city and State pension funds. The full amount was exercised by June 30, 1982. This account was closed out in 1986.

**HUD PUBLIC HOUSING INTEREST SUBSIDY PAYMENTS**  
**Program and Financing (in thousands of dollars)**

Identification code	20-1810-0-1-604	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			
72.40	Obligated balance available, start of year .....	214,694		
77.00	Adjustments in expired accounts .....	-174,059		
90.00	Outlays .....	40,637		

In 1985, funds were appropriated to the Treasury to cover the additional interest expenses incurred on borrowings by the Secretary of Housing and Urban Development from the Treasury to extend direct loans to local public housing projects under section 5(c) of the United States Housing Act of 1937.

This appropriation was available only in connection with additional interest expenses incurred on Treasury borrowings prior to April 4, 1985.

**CLAIMS, JUDGMENTS, AND RELIEF ACTS**  
**Program and Financing (in thousands of dollars)**

Identification code	20-1895-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Claims adjudicated administratively:				
00.01	Claims for damages .....	7,766	8,000	8,000
00.02	Claims for firefighting service .....	11	20	20
00.03	Claims for contract disputes .....	6,700	10,000	10,000
00.91	Total claims adjudicated administratively .....	14,477	18,020	18,020
Judgments of the courts:				
01.01	Judgments, Court of Claims .....	24,716	60,000	50,000
01.02	Judgments, U.S. Courts .....	237,854	270,000	270,000
01.91	Total judgments of the courts .....	262,570	330,000	320,000
02.01	Relief granted by laws .....	24	1,000	1,000
10.00	Total obligations .....	277,071	349,020	339,020
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite) .....	277,071	349,020	339,020
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	277,071	349,020	339,020
72.40	Obligated balance, start of year .....	53	19	
74.40	Obligated balance, end of year .....	-19		
90.00	Outlays .....	277,105	349,039	339,020

Appropriations are made for payment of claims and interest for damages not chargeable to appropriations of individual agencies and for payment of private and

public relief acts. Public Law 95-26 authorized a permanent indefinite appropriation to pay certain judgments from the general funds of the Treasury.

**Object Classification (in thousands of dollars)**

Identification code	20-1895-0-1-806	1986 actual	1987 est.	1988 est.
42.0	Insurance claims and indemnities .....	271,443	341,931	332,134
43.0	Interest and dividends .....	5,628	7,089	6,886
99.9	Total obligations .....	277,071	349,020	339,020

**INTEREST ON UNINVESTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	20-1860-0-1-908	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 43.0) .....	20,909	20,255	20,950
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite) .....	20,909	20,255	20,950
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	20,909	20,255	20,950
72.40	Obligated balance, start of year .....	7,182	13,402	13,402
74.40	Obligated balance, end of year .....	-13,402	-13,402	-13,402
90.00	Outlays .....	14,688	20,255	20,950

Under conditions of the law creating each trust, interest accruing and payable from the general fund of the Treasury is appropriated for payment to the proper fund receipt accounts (31 U.S.C. 1321; 2 U.S.C. 158; 20 U.S.C. 74a and 101; 24 U.S.C. 46; various treaties; and 69 Stat. 533).

The following schedule details the interest paid under this account:

(In thousands of dollars)

	Annual rate of interest (percent)	1986 actual	1987 estimate	1988 estimate
Bequest of Gertrude M. Hubbard, Library of Congress <sup>1</sup> .....		1	1	1
Library of Congress trust fund <sup>1</sup> .....		222	631	639
National Gallery of Art trust fund <sup>1</sup> .....		505	550	550
Education of the blind .....	4.0	10	10	10
Soldiers' Home permanent fund <sup>2</sup> .....		12,945	17,547	17,882
Indian tribal funds <sup>3</sup> .....			109	111
Immigration bonds deposit fund .....	3.0	1,006	1,400	1,750
Oliver Wendell Holmes devise fund <sup>3</sup> .....			7	7
Total outlays .....		14,688	20,255	20,950

<sup>1</sup> Interest rates adjusted monthly.  
<sup>2</sup> 11.123% on \$75 million; 10.875% on \$25 million.  
<sup>3</sup> Interest rate is a fluctuating market rate.

**RESTITUTION OF FORGONE INTEREST**

**Program and Financing (in thousands of dollars)**

Identification code	20-1875-0-1-908	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 43.0) .....	582,668	2,455	
<b>Financing:</b>				
40.00	Budget authority (appropriation) (indefinite, P.L. 99-177) .....	582,668	2,455	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	582,668	2,455	
72.40	Obligated balance, start of year .....		6,564	

74.40	Obligated balance, end of year .....	- 6,564		
90.00	Outlays .....	576,104	9,019	

Because of Federal debt limitation ceilings, several Federal accounts, including the Federal old age and survivors insurance trust fund and the Federal disability insurance trust fund, did not earn interest which they normally would have. This appropriation will restore the interest income to the affected accounts for interest lost during this time.

**ENERGY SECURITY RESERVE**

**Program and Financing (in thousands of dollars)**

Identification code 20-0112-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00	Total obligations (object class 33.0) .....	84,900	127,400
<b>Financing:</b>			
17.00	Recovery of prior year obligations .....	- 1,160,710	
21.40	Unobligated balance available, start of year: Unreserved .....	- 7,883,485	- 2,319,295
		400,000	
22.40	Unobligated balance transferred, net: Unreserved .....	6,240,000	
23.40	Unobligated balance rescinded .....		
24.40	Unobligated balance available, end of year: Unreserved .....	2,404,195	2,191,895
39.00	<b>Budget authority</b> .....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....	84,900	127,400
72.40	Obligated balance, start of year .....	1,190,798	
78.00	Adjustments in unexpired accounts .....	- 1,160,710	
90.00	<b>Outlays</b> .....	30,088	127,400

The Energy Security Reserve was created principally to finance the activities of the U.S. Synthetic Fuels Corporation. Public Law 99-190, making continuing appropriations for 1986, rescinded the balance of unobligated funds available to the Corporation. The Act left \$10 million in the Reserve for the Corporation's liquidation and \$400 million for a Clean Coal Technology Demonstration program, which has been transferred to a new account in the Department of Energy. The Act also transferred responsibility for ongoing projects of the Corporation to the Secretary of the Treasury; these projects' activities and financing will continue to be displayed in this account.

**BIOMASS ENERGY DEVELOPMENT**

**Program and Financing (in thousands of dollars)**

Identification code 20-0114-0-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01	Biomass and alcohol fuels (Department of Agriculture) ...	35	75
00.02	Alcohol fuels (Department of Energy) .....	- 84,449	875
10.00	Total obligations (object class 25.0) .....	- 84,414	950
<b>Financing:</b>			
21.40	Unobligated balance available, start of year .....	- 159,786	- 244,200
24.40	Unobligated balance available, end of year .....	244,200	243,250
39.00	<b>Budget authority</b> .....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....	- 84,414	950
72.40	Obligated balance, start of year .....	86,694	1,413
74.40	Obligated balance, end of year .....	- 1,413	- 1,413
90.00	<b>Outlays</b> .....	867	950

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210	Outstanding, start of year .....	512,500	795,982
2231	Disbursements: Disbursements of new guaranteed loans <sup>1</sup> .....	293,600	283,100
2251	Repayments: Repayments and prepayments .....	- 10,118	- 10,390
2290	Outstanding, end of year .....	795,982	1,068,692

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	795,982	1,068,692	1,068,692
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<sup>1</sup> The commitments for these loans were made in 1981.

This account finances programs to aid commercial production of alcohol and other fuels from crops and crop waste, timber, and animal and timber waste, and other forms of biomass and urban waste activities, as authorized under Title II of the Energy Security Act.

**Public enterprise funds:**

**CHECK FORGERY INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-4109-0-3-803	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40	Unobligated balance available, start of year: Fund balance .....	- 1,832	- 1,832
24.40	Unobligated balance available, end of year: Fund balance .....	1,832	1,832
39.00	<b>Budget authority</b> .....		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....		
90.00	<b>Outlays</b> .....		

This fund is for use by the U.S. Treasury in making settlement with the payees or special endorsees in case of checks drawn on the U.S. Treasury which have been paid on forged endorsements.

To reduce hardships sustained by payees of Government checks that have been stolen and forged, settlement is made in advance of the receipt of funds from the endorsers of the checks through reclamation procedure by this office. Benefits from these early settlements are shared by claimants and the Government in that the claimants are more quickly restored financially to their proper position and the Government is spared the necessity of much unproductive correspondence. If the U.S. Treasury is unable to recover funds, the revolving account sustains the loss.

**Trust Funds**

**ST. LAWRENCE SEAWAY TOLL REBATE PROGRAM\***

\*See Part II for additional information.

For rebate of the United States' portion of tolls paid for use of the St. Lawrence Seaway, pursuant to Public Law 99-662, \$10,800,000, to remain available until expended and to be derived from the Harbor Maintenance Trust Fund, of which not to exceed \$400,000 shall be available for expenses of administering the rebates.

**ST. LAWRENCE SEAWAY TOLL REBATE PROGRAM—Continued**

**Program and Financing (in thousands of dollars)**

Identification code 20-8865-0-7-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations			10,800
<b>Financing:</b>			
40.00 Budget authority (appropriation)			10,800
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			10,800
74.40 Obligated balance, end of year			-8
90.00 Outlays			10,792

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority			10,800
Outlays			10,792
<b>Supplemental under existing legislation:</b>			
Budget authority	6,250		
Outlays	6,245	5	
<b>Total:</b>			
Budget authority	6,250		10,800
Outlays	6,245	10,792	

The Harbor Maintenance Revenue Act of 1986 (Public Law 99-662) requires the rebate of the U.S. portion of tolls paid by commercial vessels for use of the St. Lawrence Seaway. This appropriation would fund the rebates and the expenses necessary to administer them.

**Object Classification (in thousands of dollars)**

Identification code 20-8865-0-7-806	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent			246
11.5 Other personnel compensation			9
11.9 Total personnel compensation			255
12.1 Personnel benefits: Civilian			40
21.0 Travel and transportation of persons			7
23.1 Rental payments to GSA			24
23.2 Rental payments to others			11
23.3 Communications, utilities, and miscellaneous charges			6
24.0 Printing and reproduction			2
25.0 Other services			10,417
26.0 Supplies and materials			14
31.0 Equipment			24
99.9 Total obligations			10,800

**Personnel Summary**

Total number of full-time permanent positions	10
Total compensable work years: Full-time equivalent employment	10

**MISCELLANEOUS TRUST FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code 20-9971-0-7-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Esther Cattell Schmitt gift fund	44	44	44
00.03 Pershing Hall gift fund		7	7
10.00 Total obligations (object class 41.0)	44	51	51
<b>Financing:</b>			
Unobligated balance, start of year:			
Available:			
21.40 Treasury balance	-474	-121	-121

21.40 U.S. securities (par)	-211	-628	-628
21.40 Unavailable		-3	-3
Unobligated balance, end of year:			
Available:			
24.40 Treasury balance	121	121	121
24.40 U.S. securities (par)	628	628	628
24.40 Unavailable	3	3	3
25.00 Unobligated balance restored	-7		

60.00 Budget authority (appropriation) (permanent, indefinite)	105	51	51
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<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	44	51	51
72.40 Obligated balance, start of year	3	26	26
74.40 Obligated balance, end of year	-26	-26	-26
77.00 Adjustments in expired accounts	-6		
90.00 Outlays	15	51	51

<b>Distribution of budget authority by account:</b>			
Esther Cattell Schmitt gift fund	44	44	44
National defense conditional gift fund	57		
Pershing Hall memorial fund	4	7	7

<b>Distribution of outlays by account:</b>			
Esther Cattell Schmitt gift fund	18	44	44
Pershing Hall memorial fund	-3	7	7

**Esther Cattell Schmitt gift fund.**—Public Law 87-467 (76 Stat. 88) authorized the acceptance of the gift made to the United States by the will of Esther Cattell Schmitt. The income received from the gift to the United States is paid by the Secretary of the Treasury to beneficiaries named in provisions of the will.

**National defense conditional gift fund.**—The Secretary of the Treasury accepts on behalf of the United States, conditional gifts of money or other intangible property to be used for a particular defense purpose. Intangibles other than money are converted at the best terms available. The moneys held in trust are paid to those appropriation accounts which best implement the intent of the donors (68 Stat. 566).

**Pershing Hall gift fund.**—This fund is used for the maintenance of Pershing Hall in Paris, France, which honors veterans of World War I (36 U.S.C. 491).

**FEDERAL FINANCING BANK ACTIVITIES**

**Federal Funds**

**Intragovernmental funds:**

**FEDERAL FINANCING BANK**

**Program and Financing (in thousands of dollars)**

Identification code 20-4521-0-4-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administrative expenses	2,611	3,700	2,000
00.02 Interest on borrowings from Treasury	16,414,074	13,836,070	14,474,504
00.03 Interest on borrowings from civil service and disability trust fund	1,035,158	1,537,733	1,170,570
10.00 Total operating expenses	17,451,843	15,377,503	15,647,074
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest	-14,179,088	-10,279,077	-10,922,800
14.00 Non-Federal sources: Interest	-3,556,979	-5,293,451	-4,918,703
21.98 Unobligated balance available, start of year:			
Fund balance	-73,575	-73,575	-73,575
24.98 Unobligated balance available, end of year: Fund balance	73,575	73,575	73,575
27.00 Capital transfer to general fund of surplus income	284,224	195,026	194,428
39.00 Budget authority			

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	— 284,224	— 195,026	— 194,428
90.00	Outlays.....	— 284,224	— 195,026	— 194,428

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....			
Outlays.....	— 284,224	— 195,026	— 194,428
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays.....			194,428
Total:			
Budget authority .....			
Outlays.....	— 284,224	— 195,026	

The Federal Financing Bank (FFB) was created to assure the coordination of Federal and federally assisted borrowing from the public and to assure that such borrowings are financed in a manner least disruptive of private financial markets and institutions.

The Bank is the vehicle through which most Federal agencies finance their programs involving the sale or placement of credit market instruments, including agency securities, guaranteed obligations, participation agreements, and loan assets. The major exceptions are Title XI ship mortgage bonds and Government National Mortgage Association asset sales.

Transactions by the FFB on behalf of a Federal agency are treated as a means of financing the agency—i.e., lending by the FFB to the agency and borrowing by the agency from the FFB. These transactions are not reflected directly in the budget totals because borrowing and the repayment of borrowing between Federal agencies and the Treasury are not budgetary transactions. Rather, the budget authority and the outlays of the agency that are financed by such borrowing are reflected in particular agency accounts and, hence, in the budget totals.

Lending by the FFB to an agency may be accomplished in any of three forms (the form used depends on the authorizing statutes pertaining to a particular agency or program): (1) the FFB may purchase agency financial assets; (2) the FFB may originate direct loans on behalf of an agency; and (3) the FFB may acquire debt securities that the agency is otherwise authorized to issue to the public. In the case of FFB loan originations, the FFB actually disburses loans directly to private borrowers on behalf of the agency and receives repayments from the private borrower on behalf of the agency. However, consistent with the legal requirement that transactions by the FFB be treated as a means of financing agency obligations, the budget reflects the budgetary effect of those transactions, which, in succession, are a loan by the FFB to the agency, a loan by the agency to a private borrower, a repayment by a private borrower to the agency, and a repayment by the agency to the FFB. Conceptually, the budgetary treatment of interest on loans originated by the FFB should be consistent with the treatment of principal; that is, the budget would show collections of interest by the agency from loans to the public and payments of interest by the agency on its borrowing from the FFB (the amounts collected and paid would normally be equal and offsetting). However, data on collections by the FFB on behalf of agencies by agency are not available, so these

interest collections are shown in the aggregate in the FFB fund.

The following table shows by agency and program the net lending by the FFB during each year and the amount of loans outstanding at the end of the year.

(In thousands of dollars)			
Assets purchased from:	1986 actual	1987 est.	1988 est.
A. Funds Appropriated to the President:			
1. Overseas Private Investment Corporation:			
Lending, net .....	— 4,885	— 601	— 650
Loans outstanding.....	1,251	650	
B. Department of Agriculture:			
1. Agricultural credit loans:			
Lending, net .....	220,000	— 385,000	— 385,000
Loans outstanding.....	28,395,000	28,010,000	27,625,000
2. Rural housing loans:			
Lending, net .....	750,000	— 1,860,000	— 1,365,000
Loans outstanding.....	29,101,000	27,241,000	25,876,000
3. Rural development loans:			
Lending, net .....	235,000	— 1,645,000	— 720,000
Loans outstanding.....	7,878,000	6,233,000	5,513,000
4. Rural Electrification Administration:			
Lending, net .....	516,900	— 703,622	— 1,405,116
Loans outstanding.....	4,241,207	3,537,585	2,132,469
C. Department of Health and Human Services:			
1. Health maintenance organizations:			
Lending, net .....	— 6,867	— 7,637	— 23,700
Loans outstanding.....	102,385	94,748	71,048
2. Medical facility loans:			
Lending, net .....	— 15,078	— 5,503	— 35,438
Loans outstanding.....	107,744	102,241	66,803
D. Small Business Administration:			
1. Development company loans:			
Lending, net .....	— 7,120	— 6,900	— 6,700
Loans outstanding.....	25,809	18,909	12,209
Subtotal, assets purchased:			
Lending, net .....	1,687,950	— 4,614,263	— 3,941,604
Loans outstanding.....	69,852,396	65,238,133	61,296,529
Loans originated on behalf of:			
A. Funds Appropriated to the President:			
1. Foreign military sales credit:			
Lending, net .....	708,491	— 539,262	— 1,611,138
Loans outstanding.....	18,797,038	18,257,776	16,646,638
B. Department of Agriculture:			
1. Rural Electrification Administration:			
Lending, net .....	— 215,553	— 69,429	1,095,952
Loans outstanding.....	21,459,903	21,390,474	22,486,426
C. Department of Defense:			
1. Defense Production Act guarantees:			
Lending, net .....	3,236	— 9,057	
Loans outstanding.....	9,057		
2. Navy Ship Leases:			
Lending, net .....	435,409	— 166,800	— 169,200
Loans outstanding.....	1,748,475	1,581,675	1,412,475
D. Department of Education:			
1. Student Loan Marketing Association:			
Lending, net .....	— 30,000	— 30,000	— 30,000
Loans outstanding.....	4,970,000	4,940,000	4,910,000
E. Department of Housing and Urban Development:			
1. Revolving fund (liquidating programs):			
Lending, net .....	— 1,300	— 1,625	— 1,625
Loans outstanding.....	32,200	30,575	28,950
2. Section 108 guaranteed loans:			
Lending, net .....	10,996	— 8,000	— 51,000
Loans outstanding.....	300,369	292,369	241,369
3. Low-rent public housing:			
Lending, net .....	— 34,743	— 37,036	— 39,422
Loans outstanding.....	2,111,407	2,074,371	2,034,949
F. Department of the Interior:			
1. Territories of Guam and the Virgin Islands:			
Lending, net .....	— 1,441	— 1,550	— 1,655
Loans outstanding.....	61,893	60,343	58,688
G. Department of Transportation:			
1. R.R. and Revitalization Act:			
Lending, net .....	— 92,944	— 5,314	— 5,272
Loans outstanding.....	60,671	55,357	50,085
H. General Services Administration:			
1. Federal building fund:			
Lending, net .....	— 5,921	— 6,460	— 6,994
Loans outstanding.....	402,442	395,982	388,988
I. NASA:			
1. Space flight, control, and data communications:			
Lending, net .....		— 78,977	— 91,396

Intragovernmental funds—Continued

FEDERAL FINANCING BANK—Continued

Loans outstanding.....	887,583	808,606	717,210
<b>J. Small Business Administration:</b>			
1. Small Business Investment Companies:			
Lending, net.....	-57,281	-125,000	-115,000
Loans outstanding.....	966,630	841,630	726,630
2. Section 503 guaranteed loans:			
Lending, net.....	220,577	108,000	-502,000
Loans outstanding.....	816,262	924,262	422,262
<b>K. TVA—Seven States Energy Corporation:</b>			
Lending, net.....	188,344	-244,440	77,900
Loans outstanding.....	1,839,736	1,595,336	1,673,236
<b>L. Washington Metropolitan Area Transit Authority:</b>			
Loans outstanding.....	177,000	177,000	177,000
<b>M. Department of the Treasury:</b>			
1. Oregon veterans housing:			
Lending, net.....	-60,000		
Loans outstanding.....			
Subtotal, loans originated:			
Lending, net.....	1,067,870	-1,214,910	-1,450,850
Loans outstanding.....	54,640,666	53,425,756	51,974,906
<b>Debt securities acquired from:</b>			
<b>A. Export-Import Bank:</b>			
Lending, net.....	-1,140,648	-2,400,739	-1,815,295
Loans outstanding.....	14,268,398	11,867,659	10,052,364
<b>B. National Credit Union Administration:</b>			
Lending, net.....	-118,119	25,000	25,060
Loans outstanding.....	104,050	129,050	154,110
<b>C. Tennessee Valley Authority:</b>			
Lending, net.....	696,000	1,396,000	314,500
Loans outstanding.....	15,077,000	16,473,000	16,787,500
<b>D. Postal Service:</b>			
Lending, net.....	1,164,200	1,499,200	1,498,800
Loans outstanding.....	2,854,200	4,353,400	5,852,200
<b>E. Department of Transportation:</b>			
1. Regional rail reorganization program:			
Lending, net.....		-39,000	
Loans outstanding.....	73,794	34,794	34,794
Subtotal, debt securities acquired:			
Lending, net.....	601,433	480,461	23,065
Loans outstanding.....	32,377,442	32,857,903	32,880,968
<b>Total lending:</b>			
Lending, net.....	3,357,253	-5,348,712	-5,369,389
Loans outstanding.....	156,870,504	151,521,792	146,152,403

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with the Treasury.....	999	10,409	1,000	1,000
Accounts receivable (net).....	4,848,040	4,924,721	5,670,439	5,377,330
Loans receivable (net).....	153,513,253	156,870,533	151,521,791	146,197,365
<b>Total assets.....</b>	<b>158,362,292</b>	<b>161,805,663</b>	<b>157,193,230</b>	<b>151,575,695</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	4,788,269	4,640,358	5,338,151	5,191,364
Accounts payable to OPM.....		220,842	259,703	113,381
Debt issued under borrowing authority:				
Borrowing from Treasury.....	153,513,253	141,870,888	138,059,534	133,905,678
Borrowing from OPM.....		14,999,990	13,462,257	12,291,687
Borrowing from the public.....	10	10	10	10
<b>Total liabilities.....</b>	<b>158,301,532</b>	<b>161,732,088</b>	<b>157,119,655</b>	<b>151,502,120</b>
<b>Government equity:</b>				
Unexpended budget authority: Unobligated balance.....	999	10,409	1,000	1,000
Invested capital.....	59,761	63,166	72,575	72,575
<b>Total Government equity.....</b>	<b>60,760</b>	<b>73,575</b>	<b>73,575</b>	<b>73,575</b>
<b>Analysis of changes in Government equity:</b>				
Retained income: Opening balance.....		73,575	73,575	73,575
Transactions: Net operating income.....		284,224	195,026	194,428
Transactions: Capital transfers to the general fund.....		-284,224	-195,026	-194,428
<b>Total Government equity (end of year).....</b>		<b>73,575</b>	<b>73,575</b>	<b>73,575</b>

Object Classification (in thousands of dollars)

Identification code	20-4521-0-4-803	1986 actual	1987 est.	1988 est.
24.0	Printing and reproduction.....	7	7	7
25.0	Other services.....	2,604	3,693	1,993
43.0	Interest and dividends.....	17,449,232	15,373,803	15,645,074
99.9	<b>Total obligations.....</b>	<b>17,451,843</b>	<b>15,377,503</b>	<b>15,647,074</b>

FEDERAL FINANCING BANK

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	20-4521-2-4-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....			-2,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....			135,059
14.00	Non-Federal sources.....			61,369
27.00	Capital transfer to general fund.....			-194,428
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			194,428
90.00	Outlays.....			194,428

For 1988, the Administration will propose legislation to charge borrowers from the Federal Financing Bank an additional fee of 3/8 of one percent per annum on all new borrowings after September 30, 1987. The fee is based on the additional costs that borrowers would have otherwise been charged had they issued obligations of a type ordinarily financed in investment securities markets and held by the public. The legislation will provide that all additional fees to be paid to the Bank will be returned to the General Fund of the Treasury. In addition, the Administration will seek to fund the administrative expenses of the Federal Financing Bank through a direct appropriation to a new Federal Financing Bank administrative and expenses account.

Object Classification (in thousands of dollars)

Identification code	20-4521-2-4-803	1986 actual	1987 est.	1988 est.
24.0	Printing and reproduction.....			-7
25.0	Other services.....			-1,993
99.9	<b>Total obligations.....</b>			<b>-2,000</b>

OREGON VETERANS HOUSING, FFB DIRECT LOANS

Program and Financing (in thousands of dollars)

Identification code	20-7018-0-4-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Direct loans (total obligations) (object class 33.0).....			
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-60,000		
31.00	Redemption of debt.....	60,000		
39.00	<b>Budget authority.....</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-60,000		
90.00	Outlays.....	-60,000		

This account reflects activity financed by the Federal Financing Bank in support of a State-administered housing program in Oregon for the benefit of veterans.

Status of Direct Loans (in thousands of dollars)

Identification code	20-7018-0-4-371	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	60,000		
1231	Repayments	-60,000		
1290	Outstanding, end of year			

**BUREAU OF ALCOHOL, TOBACCO AND FIREARMS**

*Federal Funds*

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of three hundred vehicles for police-type use for replacement only *without regard to the general purchase price limitation for the current fiscal year*; and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed \$5,000 for official reception and representation expenses; **[\$193,463,000]** \$197,226,000, of which \$15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year [1987, and of which \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2): *Provided*, That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further*, That none of the funds appropriated herein shall be available for explosive identification or detection tagging research, development, or implementation: *Provided further*, That not to exceed \$300,000 shall be available for research and development of an explosive identification and detection device] 1988. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code	20-1000-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Compliance operations:</b>				
00.01	Alcohol	36,114	48,066	47,675
00.02	Tobacco	1,781	1,625	1,805
00.03	Firearms	11,283	6,793	7,548
00.04	Explosives	4,975	2,944	3,271
00.91	Total, compliance operations	54,153	59,428	60,299
<b>Law enforcement:</b>				
01.01	Alcohol	3,887	4,469	4,980
01.02	Tobacco	3,887	4,469	
01.03	Firearms	55,483	72,204	73,161
01.04	Explosives	48,946	52,893	58,786
01.91	Total, law enforcement	112,203	134,035	136,927
01.92	Total direct program	166,356	193,463	197,226
02.01	Reimbursable program	864	1,698	2,547
10.00	Total obligations	167,220	195,161	199,773
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-864	-1,698	-2,547
25.00	Unobligated balance lapsing	865		

40.00	Budget authority (appropriation)	167,221	193,463	197,226
Relation of obligations to outlays:				
71.00	Obligations incurred, net	166,356	193,463	197,226
72.40	Obligated balance, start of year	23,414	16,943	20,812
74.40	Obligated balance, end of year	-16,943	-20,812	-24,757
77.00	Adjustments in expired accounts	-6,583		
90.00	Outlays	166,244	189,594	193,281

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	167,221	193,463	197,226
Outlays	166,244	189,594	193,281
Rescission proposal:			
Budget authority		-15,000	
Outlays		-15,000	
<b>Total:</b>			
Budget authority	167,221	178,463	197,226
Outlays	166,244	174,594	193,281

The Bureau of Alcohol, Tobacco and Firearms is responsible for the enforcement of the laws designed to eliminate certain illicit activities and to regulate lawful activities relating to distilled spirits, beer, wine and nonbeverage products, tobacco, firearms, and explosives.

**Compliance operations.**—This activity covers the regulation of: the alcohol and tobacco industries relating to revenue protection and product and market integrity; the legal firearms industry through a system of licensing and compliance inspections; and the explosives industry through a license and permit system for manufacturers, dealers, and users of explosives.

**Law enforcement.**—This activity covers the enforcement of: Federal laws relating to the liquor industry; Federal firearms statutes and Federal laws to suppress illegal use of explosives and illegal trafficking in explosives.

SELECTED WORKLOAD DATA

[In thousands]

	1986 actual	1987 est.	1988 est.
<b>Compliance operations:</b>			
Alcohol: Inspections	12,491	6,450	5,400
Tobacco: Inspections	285	275	275
Firearms: Inspections	11,124	11,000	11,000
Explosives: Inspections	2,846	2,800	2,800
<b>Law enforcement:</b>			
<b>Alcohol:</b>			
Cases initiated	48	55	51
Suspects recommended for prosecution	40	47	42
<b>Tobacco:</b>			
Cases initiated	30	46	
Suspects recommended for prosecution	5	6	
<b>Firearms:</b>			
Cases initiated	7,567	10,442	7,819
Suspects recommended for prosecution	3,839	3,556	3,967
Firearms traces	38,624	40,000	40,000
<b>Explosives:</b>			
Cases initiated	1,678	1,542	1,675
Suspects recommended for prosecution	924	807	923
Explosives traces	400	400	400

Object Classification (in thousands of dollars)

Identification code	20-1000-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	89,928	95,696	92,875
11.3	Other than full-time permanent	1,497	1,919	808
11.5	Other personnel compensation	8,703	9,383	8,956
11.9	Total personnel compensation	100,128	106,998	102,639

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 20-1000-0-1-751	1986 actual	1987 est.	1988 est.
12.1 Personnel benefits: Civilian .....	18,485	22,447	33,748
13.0 Benefits for former personnel .....	214	170	163
21.0 Travel and transportation of persons .....	4,892	6,975	6,343
22.0 Transportation of things .....	868	1,190	1,216
23.1 Rental payments to GSA .....	13,002	14,072	15,454
23.3 Communications, utilities, and miscellaneous charges .....	9,680	10,147	10,720
24.0 Printing and reproduction .....	1,091	1,391	1,255
25.0 Other services .....	9,825	13,153	13,794
26.0 Supplies and materials .....	3,281	4,565	4,421
31.0 Equipment .....	4,858	12,324	7,442
42.0 Insurance claims and indemnities .....	32	31	31
99.0 Subtotal, direct obligations .....	166,356	193,463	197,226
99.0 Reimbursable obligations .....	864	1,698	2,547
99.9 Total obligations .....	167,220	195,161	199,773

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	3,043	3,351	3,171
Total compensable workyears:			
Full-time equivalent employment .....	2,876	3,151	2,846
Full-time equivalent of overtime and holiday hours .....	26	30	30
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	16	16	16
Total compensable workyears:			
Full-time equivalent employment .....	14	16	16
Full-time equivalent of overtime and holiday hours .....	4	4	23

UNITED STATES CUSTOMS SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the United States Customs Service, including purchase of up to five hundred motor vehicles for replacement only, including four hundred and ninety for police-type use without regard to the general purchase price limitation for the current fiscal year; hire of passenger motor vehicles; not to exceed \$10,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; [\$786,000,000, of which] \$803,090,000, of which \$499,198,000 shall be derived from the Customs User Fee Account, pursuant to Public Law 99-509; of the total, not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations, and not to exceed \$1,000,000, to remain available until expended, for research: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of \$25,000: *Provided further*, That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service[: *Provided further*, That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to reduce the number of Customs Service regions below seven during fiscal year 1987: *Provided further*, That the United States Customs Service shall hire and maintain an average of 14,891 full-time equivalent positions in fiscal year 1987: *Provided further*, That none of the funds made available in this or any other Act may be used to fund more than nine hundred and fifty positions in the Headquarters staff of the United States Customs Service in the fiscal year ending September 30, 1986 and the Customs Service shall begin planning to reduce headquarters staff to no more

than nine hundred positions by September 30, 1987: *Provided further*, That no funds appropriated by this Act may be used to implement single eight hour shifts at airports and that all current services as provided by the Customs Service shall continue through September 30, 1987]. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

[For an additional amount for "Salaries and expenses", \$44,120,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 20-0602-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Inspection and control .....	323,080	446,614	135,389
00.02 Tariff and trade .....	180,396	193,396	.....
00.03 Tactical interdiction .....	121,249	137,153	133,048
00.04 Investigations .....	105,156	126,245	108,405
00.05 Commercial activities .....	.....	.....	499,198
00.91 Total direct program .....	729,881	903,407	876,040
01.01 Reimbursable program .....	81,333	59,869	60,246
10.00 Total obligations .....	811,214	963,276	936,286
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-2,456	-23,993	-26,530
14.00 Non-Federal funds .....	-78,877	-35,876	-33,716
21.40 Unobligated balance available, start of year .....	-9,656	-1,887	.....
24.40 Unobligated balance available, end of year .....	1,887	.....	.....
25.00 Unobligated balance lapsing .....	4,144	.....	.....
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	2,911	.....	.....
39.00 Budget authority .....	729,168	901,520	876,040
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation .....	717,000	830,120	303,892
40.00 Appropriation (indefinite, special fund) .....	.....	.....	499,198
40.00 Appropriation (indefinite) .....	12,168	.....	.....
<b>Permanent:</b>			
60.00 Appropriation (permanent, indefinite) .....	.....	71,400	72,950
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	729,881	903,407	876,040
72.40 Obligated balance, start of year .....	50,771	87,744	21,672
74.40 Obligated balance, end of year .....	-87,744	-21,672	-17,954
77.00 Adjustments in expired accounts .....	-25,282	.....	.....
90.00 Outlays .....	667,627	969,479	879,758

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority .....	729,168	901,520	876,040
Outlays .....	667,627	969,479	879,758
Rescission proposal:			
Budget authority .....	.....	-38,945	.....
Outlays .....	.....	-38,166	-779
Total:			
Budget authority .....	729,168	862,575	876,040
Outlays .....	667,627	931,313	878,979

**Inspection and control.**—In enforcing the provisions of the Tariff Act of 1930, as amended, the inspection and control activity must: (1) accommodate the growth of persons and cargo entering this country; (2) open new ports of entry and expand service at existing ports to meet the needs of the traveling and importing public; (3) improve selectivity of Customs inspectional enforcement programs through improved techniques and equipment; and (4) achieve maximum utilization of Customs resources with minimum disruption of international trade and travel.

SELECTED WORKLOAD DATA

(In thousands)	1986 actual	1987 est.	1988 est.
Carriers of persons and merchandise arriving from foreign countries.....	95,812	100,602	105,632
Persons arriving from foreign countries.....	301,496	310,541	316,752

**Tariff and trade.**—The primary goals of this program are: (1) to accommodate the demands of international trade; (2) to improve the efficiency of processing through better selectivity in document review and laboratory analysis and an increased reliance on modern business techniques such as regulatory audit; (3) to continue the development of automated systems; (4) to improve the administration of post-audit techniques; and (5) to provide Customs field personnel and the public with timely, uniform, predictable, and useful rulings and interpretations and final administrative decisions.

SELECTED WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Formal entries (in millions).....	7.3	7.5	7.5
Total revenue collected (in billions of dollars).....	14.7	14.9	15.2

**Tactical interdiction.**—Operating under the authority of titles 19 and 26, U.S. Code, the tactical interdiction program is directed at combating smuggling activity along our national borders by maintaining a highly mobile interdiction force which is proficient in land, sea and certain air tactical enforcement operations.

**Investigations.**—This program is the investigative arm of the Customs Service involved in conducting criminal, civil, and fact-finding investigations of customs and related laws, including currency, fraud, neutrality, smuggling, and illegal exports of critical technology.

**Commercial Activities.**—In 1988, all of the Customs Service commercial activities will be funded from the Customs User Fee Account, pursuant to Public Law 99-509. The commercial operations to be funded within this category include the commercial activities currently provided for in the Inspection and Control, Tariff and Trade and Investigations activities.

Object Classification (in thousands of dollars)

Identification code 20-0602-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	362,922	420,321	400,417
11.3 Other than full-time permanent.....	9,754	13,212	8,682
11.5 Other personnel compensation.....	49,109	94,144	98,916
11.8 Special personal services payments.....	2,530	2,049	2,662
11.9 Total personnel compensation.....	424,315	529,726	510,678
12.1 Personnel benefits: Civilian.....	66,209	75,749	113,048
13.0 Benefits for former personnel.....	203	300	287
21.0 Travel and transportation of persons.....	17,872	29,444	21,638
22.0 Transportation of things.....	4,800	5,573	2,910
23.1 Rental payments to GSA.....	48,846	58,029	64,960
23.3 Communications, utilities, and miscellaneous charges.....	47,486	65,596	73,451
24.0 Printing and reproduction.....	2,838	3,128	2,893
25.0 Other services.....	51,282	75,818	54,646
26.0 Supplies and materials.....	11,106	19,585	14,406
31.0 Equipment.....	54,646	40,259	16,998
32.0 Lands and structures.....	28		
42.0 Insurance claims and indemnities.....	243	200	125
44.0 Refunds.....	7		
99.0 Subtotal, direct obligations.....	729,881	903,407	876,040
99.0 Reimbursable obligations.....	81,333	59,869	60,246
99.9 Total obligations.....	811,214	963,276	936,286

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions.....	14,123	15,177	13,169
Total compensable workyears:			
Full-time equivalent employment.....	13,059	15,037	13,039
Full-time equivalent of overtime and holiday hours.....	606	1,119	1,153
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	681	681	645
Total compensable workyears:			
Full-time equivalent employment.....	254	462	438
Full-time equivalent of overtime and holiday hours.....	567	72	74

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air Program; **[\$77,819,000] \$86,210,000.** (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

For an additional amount for "Operation and Maintenance, Air Interdiction Program", \$93,131,000, of which up to \$10,000,000 is available for the U.S.—Bahamas Task Force; \$25,000,000 is available for establishment of command, control, communications, and intelligence (C-31) centers under the exclusive control of the U.S. Customs Service; and \$9,131,000 for additional modification of Customs P-3 aircraft with 360 degree radar, such sums to remain available until expended. (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 20-0604-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	87,610	124,758	137,440
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-2,869		
21.40 Unobligated balance available, start of year.....	-14,965	-5,038	-51,230
24.40 Unobligated balance available, end of year.....	5,038	51,230	
25.00 Unobligated balance lapsing.....	186		
40.00 Budget authority (appropriation).....	75,000	170,950	86,210
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	87,610	124,758	137,440
72.40 Unobligated balance available, start of year.....	60,587	107,217	46,395
74.40 Obligated balance available, end of year.....	-107,217	-46,395	-36,767
77.00 Adjustments in expired accounts.....	1,365		
78.00 Adjustments in unexpired accounts.....	-2,869		
90.00 Outlays.....	39,477	185,580	147,068

The Customs Air Interdiction Program combats the illegal entry of narcotics and other goods into the United States. This appropriation provides total operations and maintenance for the Customs air program.

Object Classification (in thousands of dollars)

Identification code 20-0604-0-1-751	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	1,348	1,743	1,850
22.0 Transportation of things.....	276	609	764
23.3 Communications, utilities, and miscellaneous charges.....	1,225	1,840	2,410
25.0 Other services.....	40,770	81,021	83,502
26.0 Supplies and materials.....	12,986	19,116	32,834
31.0 Equipment.....	31,003	20,429	16,080
42.0 Insurance claims and indemnities.....	2		
99.9 Total obligations.....	87,610	124,758	137,440

【PAYMENT TO THE GOVERNMENT OF PUERTO RICO】

For payment of a grant to the Government of Puerto Rico, \$7,800,000, to remain available until expended. (Omnibus Drug Sup-

General and special funds—Continued

[PAYMENT TO THE GOVERNMENT OF PUERTO RICO]—Continued

plemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code 20-0606-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		7,800	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		7,800	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		7,800	
90.00 Outlays		7,800	

The Congress provided \$7,800,000 for a grant to the Government of Puerto Rico to assist in the interdiction of illegal narcotics into the Commonwealth of Puerto Rico.

CUSTOMS FORFEITURE FUND

(LIMITATION ON AVAILABILITY OF DEPOSITS)

For necessary expenses of the Customs Forfeiture Fund, not to exceed [\$8,000,000] \$10,000,000, as authorized by Public Law 98-473 and Public Law 98-573; to be derived from deposits in the Fund. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

[For an additional amount for the "Customs Forfeiture Fund", \$10,000,000, to be derived from deposits in the Fund.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year	4,079	36,894	43,894
Collections	40,471	25,000	25,000
Total available for appropriation	44,550	61,894	68,894
Appropriation	-7,656	-18,000	-10,000
Unappropriated balance, end of year	36,894	43,894	58,894

Program and Financing (in thousands of dollars)

Identification code 20-5693-0-2-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations	7,487	18,000	10,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-40,471		
21.40 Unobligated balance available, start of year	-7,455	-40,439	
24.40 Unobligated balance available, end of year	40,439		
25.00 Unobligated balance lapsing		40,439	
40.00 Budget authority (appropriation)		18,000	10,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-32,984	18,000	10,000
72.40 Obligated balance, start of year	2,624	5,944	519
74.40 Obligated balance, end of year	-5,944	-519	-519
90.00 Outlays	-36,305	23,425	10,000

Note.—After 1986, collections will be reported as special fund receipts and budget authority when appropriated. A 1986 appropriation permitted the use of \$7,656,000 of the \$44,550,000 collected or available and erroneously credited to this account. The balance of the collections and the unused portion of the appropriation have been returned to the special fund receipt account.

Public Law 98-573 and Public Law 98-473 authorized Customs to establish a Customs Forfeiture Fund. Seized and forfeited currency and any proceeds beyond the

expenses of seizure and forfeiture of merchandise are deposited into this account. Use of these funds is limited to the following: (1) expenses, including investigative costs, related to seizure; (2) awards to informants; (3) payments of liens related to seizures; (4) equipping any vessels, vehicles and aircraft for law enforcement purposes; (5) payment of claims of "parties of interest to property disposed"; (6) purchase of evidence; and (7) destruction of drugs; (8) reimbursement to citizens for expenses incurred in cooperating with Customs in investigative and undercover operations; and (9) cost of publicizing the availability of rewards.

Object Classification (in thousands of dollars)

Identification code 20-5693-0-2-803	1986 actual	1987 est.	1988 est.
11.8 Personnel compensation: Special personal services payments	1,104	2,654	1,480
21.0 Travel and transportation of persons	1	2	1
22.0 Transportation of things		1	1
23.1 Rental payments to GSA	91	219	130
25.0 Other services	4,109	9,873	5,490
26.0 Supplies and materials	35	84	35
31.0 Equipment	2,147	5,167	2,863
99.9 Total obligations	7,487	18,000	10,000

CUSTOMS SERVICES AT SMALL AIRPORTS

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary, not to exceed [\$365,000] \$486,000, for expenses for the provision of Customs services at certain small airports designated by the Secretary of the Treasury, including expenditures for the salaries and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports, and to remain available until expended. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 20-5694-0-2-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations		365	486
<b>Financing:</b>			
40.00 Budget authority (appropriation) (indefinite, special fund)		365	486
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		365	486
90.00 Outlays		365	486

Customs charges user fees at certain small airports where the volume or value of business is insufficient to justify the availability of Customs services. The funds generated from these user fees are applied to expenditures incurred in providing Customs services at each of these designated small airports.

Object Classification (in thousands of dollars)

Identification code 20-5694-0-2-806	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent		165	216
11.5 Other personnel compensation		27	35
11.9 Total personnel compensation		193	251
12.1 Personnel benefits: Civilian		83	114
23.2 Rental payments to others		33	44
25.0 Other services		41	56

31.0	Equipment	15	21
99.9	Total obligations	365	486

**Personnel Summary**

Total number of full-time permanent positions	6	8
Total compensable workyears:		
Full-time equivalent employment	6	8
Full-time equivalent of overtime and holiday hours	1	2

**MISCELLANEOUS PERMANENT APPROPRIATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	20-9922-0-2-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct obligations	98,669	108,000	111,343
01.01	Reimbursable obligations	2,355	2,700	3,100
10.00	Total obligations	101,024	110,700	114,443
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-2,355	-2,700	-3,100
21.40	Unobligated balance available, start of year	-10,002	-8,125	-8,125
24.40	Unobligated balance available, end of year	8,125	8,125	8,125
60.00	Budget authority (appropriation) (permanent, indefinite) (special fund)	96,792	108,000	111,343
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	98,669	108,000	111,343
72.40	Obligated balance available, start of year	2,942	1,389	1,389
74.40	Obligated balance available, end of year	-1,389	-1,389	-1,389
90.00	Outlays	100,223	108,000	111,343

Customs duties, taxes, and fees collected in Puerto Rico are deposited in this account. After providing for the expenses of administering Customs activities in Puerto Rico, the remaining amounts are transferred to the Treasurer of Puerto Rico (48 U.S.C. 740, 795).

**Object Classification (in thousands of dollars)**

Identification code	20-9922-0-2-852	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent	5,776	7,105	7,728
11.3	Other than full-time permanent	360	760	790
11.5	Other personnel compensation	612	1,229	1,658
11.8	Special personal services payments	24	34	35
11.9	Total personnel compensation	6,772	9,128	10,211
12.1	Personnel benefits: Civilian	1,491	1,962	2,148
21.0	Travel and transportation of persons	465	723	769
22.0	Transportation of things	64	130	149
23.1	Rental payments to GSA	24	53	65
23.3	Communications, utilities, and miscellaneous charges	836	967	1,017
24.0	Printing and reproduction		8	8
25.0	Other services	712	4,037	4,166
26.0	Supplies and materials	411	389	417
31.0	Equipment	226	671	764
32.0	Lands and structures	16	3	3
41.0	Grants, subsidies, and contributions: Payments to the Treasurer of Puerto Rico	87,500	88,568	90,205
42.0	Insurance claims and indemnities	69	1	1
44.0	Refunds	83	1,360	1,420
99.0	Subtotal, direct obligations	98,669	108,000	111,343
99.0	Reimbursable obligations	2,355	2,700	3,100
99.9	Total obligations	101,024	110,700	114,443

**Personnel Summary**

Total number of full-time permanent positions	265	290	290
Total compensable workyears:			
Full-time equivalent employment	246	294	294
Full-time equivalent of overtime and holiday hours	32	37	39

**Trust Funds**

**REFUNDS, TRANSFERS, AND EXPENSES; UNCLAIMED, ABANDONED, AND SEIZED GOODS**

**Program and Financing (in thousands of dollars)**

Identification code	20-8789-0-7-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	5,073	7,537	7,831
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-15,416	-13,241	-13,241
24.40	Unobligated balance available, end of year	13,241	13,241	13,241
60.00	Budget authority (appropriation) (permanent, indefinite)	2,898	7,537	7,831
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	5,073	7,537	7,831
90.00	Outlays	5,073	7,537	7,831

Unclaimed, abandoned, or seized goods are held in storage under Customs custody for one year from the date of importation or seizure. At the end of that period, all merchandise upon which duties, storage, and other charges have not been paid is appraised and sold at public auction. The net proceeds of that sale are deposited in this account (19 U.S.C. 528, 1491, 1493, 1559, 1613, 1624).

**BUREAU OF ENGRAVING AND PRINTING**

**Federal Funds**

**Intragovernmental funds:**

**BUREAU OF ENGRAVING AND PRINTING FUND**

**Program and Financing (in thousands of dollars)**

Identification code	20-4502-0-4-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	Engraving and printing	166,672	229,243	243,209
00.02	Space utilized by other agencies	1,995	2,164	2,272
00.03	Other miscellaneous services	1,487	1,644	1,726
00.91	Total operating expenses	170,154	233,051	247,207
<b>Capital investment:</b>				
01.01	Purchase of operating equipment	42,552	58,406	58,282
01.02	Plant alterations and experimental equipment	1,510	1,594	1,718
01.91	Total capital investment	44,062	60,000	60,000
10.00	Total obligations	214,216	293,051	307,207
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds	-6,064	-10,716	-11,086
14.00	Non-Federal sources	-250,748	-283,581	-296,958
21.98	Unobligated balance available, start of year: Fund balance	-62,397	-104,993	-106,239
24.98	Unobligated balance available, end of year: Fund balance	104,993	106,239	107,076
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	-42,596	-1,246	-837
72.98	Obligated balance, start of year: Fund balance	29,294	20,164	25,833
74.98	Obligated balance, end of year: Fund balance	-20,164	-25,833	-25,264
90.00	Outlays	-33,466	-6,915	-8,000

The Bureau of Engraving and Printing designs, manufactures, and supplies most of the major evidences of a financial character issued by the United States. It is the sole source of Federal Reserve notes, various public

**Intragovernmental funds—Continued**

**BUREAU OF ENGRAVING AND PRINTING FUND—Continued**

debt instruments, as well as most of the minor evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

The anticipated work volume is based on estimates of requirements submitted by agencies served. The program comprises the following activities:

*Engraving and printing—*

*Currency.*—Total deliveries of currency for 1987 and 1988 are estimated to be 6.9 and 7.3 billion notes. During 1986 the Bureau delivered 6.7 billion Federal Reserve notes.

*Stamps.*—This category of work is comprised mainly of postal and internal revenue stamps. The projected requirements for 1987 and 1988 are 35.2 and 32.2 billion stamps, respectively. In 1986, the Bureau delivered 33.6 billion stamps.

*Securities.*—This program encompasses the production of a wide variety of bonds, notes, and debentures for the Bureau of Public Debt and certain other agencies of the Government.

*Commissions, certificates, etc.*—This program is comprised primarily of Presidential and Department of Defense commissions and certificates, White House invitations, and identification cards for various Government agencies. It represents a small portion of the Bureau's total workload.

*Space utilized by other agencies.*—Other agencies are charged for services provided in the space occupied in the Bureau's buildings.

*Other miscellaneous services.*—A wide variety of miscellaneous services are performed by Bureau personnel for other agencies, which are charged on an actual cost basis.

*Purchase of operating equipment.*—This category consists of new purchases and replacement of printing equipment and other related printing items.

*Plant alterations and experimental equipment.*—This category encompasses alterations made on the Bureau's buildings and purchases of experimental equipment.

The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs. Bureau operations during 1986 resulted in an accumulated retained earnings of \$56.8 million.

**DELIVERIES, COSTS, AND PRODUCTIVITY**

(Units and costs in thousands; workyears include overtime)

	1986 actual	1987 est.	1988 est.
Engraving and printing:			
Units .....	40,386,957	42,167,905	39,527,333
Cost of production .....	192,394	241,830	256,559
Manufacturing workyears .....	1,442	1,383	1,372
Engraving workyears .....	111	111	110
Administrative and general workyears .....	1,048	1,034	1,028

Total workyears .....	2,601	2,528	2,510
Space utilized by other agencies .....	1,995	2,164	2,272
Other miscellaneous services .....	1,487	1,644	1,726
Total .....	3,482	3,808	3,998
Total bureau cost .....	195,876	245,638	260,557

**Object Classification (in thousands of dollars)**

Identification code 20-4502-0-4-803	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	65,956	68,972	71,350
11.3 Other than full-time permanent .....	5,590	6,434	6,651
11.5 Other personnel compensation .....	14,189	18,188	18,219
11.9 Total personnel compensation .....	85,735	93,594	96,220
12.1 Personnel benefits: Civilian .....	11,549	12,289	12,668
13.0 Benefits for former personnel .....	4	225	275
21.0 Travel and transportation of persons .....	719	660	660
22.0 Transportation of things .....	252	180	197
23.1 Rental payments to GSA .....	748	1,042	1,168
23.3 Communications, utilities, and miscellaneous charges .....	8,516	12,802	12,485
24.0 Printing and reproduction .....	100	107	109
25.0 Other services .....	22,700	38,691	34,928
26.0 Supplies and materials .....	39,831	73,460	88,496
31.0 Equipment .....	44,062	60,000	60,000
42.0 Insurance claims and indemnities .....		1	1
99.9 Total obligations .....	214,216	293,051	307,207

**Personnel Summary**

Total number of full-time permanent positions .....	2,150	2,218	2,195
Total compensable workyears:			
Full-time equivalent employment .....	2,293	2,203	2,190
Full-time equivalent of overtime and holiday hours .....	310	325	310

**UNITED STATES MINT**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the United States Mint; **[\$42,508,000]** \$46,511,000, of which **[\$1,325,000]** \$965,000 shall remain available until expended for research and development projects [.] and of which \$100,000 may be used to host the International Mint Directors' Conference in the United States in 1988, including but not limited to reception and representation expenses: Provided, That such fees as are collected from participants at the International Mint Directors' Conference shall be merged with and credited to this account, notwithstanding the provisions of 31 U.S.C. 3302. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 20-1616-0-1-803	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
Operating expenses:			
00.01 Manufacture of coins (domestic) .....	32,607	34,623	38,037
00.03 Protection of monetary metals and coins .....	4,602	4,862	5,165
00.04 Research and development .....	316	1,025	965
00.91 Total operating expenses .....	37,525	40,510	44,167
01.01 Capital investment .....	3,566	1,998	2,344
01.92 Total direct program .....	41,091	42,508	46,511
02.01 Reimbursable program .....	39,022	111,982	107,110
10.00 Total obligations .....	80,113	154,490	153,621
Financing:			
Offsetting collections from:			
11.00 Federal funds .....	-150	-189	-196
14.00 Non-Federal sources .....	-43,202	-111,793	-106,914
21.40 Unobligated balance available, start of year .....	-337	-689	-689

24.40	Unobligated balance available, end of year.....	689	689	689
25.00	Unobligated balance lapsing.....	3,057		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	4,330		
40.00	<b>Budget authority (appropriation).....</b>	<b>44,500</b>	<b>42,508</b>	<b>46,511</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	36,761	42,508	46,511
72.40	Obligated balance, start of year.....	4,413	2,246	3,096
74.40	Obligated balance, end of year.....	-2,246	-3,096	-4,027
77.00	Adjustments in expired accounts.....	-2,972		
90.00	Outlays.....	35,955	41,658	45,580

The United States Mint manufactures coins, receives deposits of gold and silver bullion, and safeguards the Government's holdings of monetary metals.

**Manufacture of coins (domestic).**—Production of coins is the major Mint activity. Funds requested for 1988 will permit production of approximately 13.3 billion coins. This activity also funds the deposits and issues of monetary metals and coins.

**DOMESTIC COINAGE WORKLOAD**

[In millions of pieces]

Denomination:	1985 actual	1986 actual	1987 est.	1988 est.
1 cent.....	11,330	9,430	9,436	9,960
5 cents.....	1,136	978	700	860
10 cents.....	1,427	1,122	1,137	1,210
25 cents.....	1,370	1,034	1,327	1,250
50 cents.....	44	29		20
<b>Total.....</b>	<b>15,307</b>	<b>12,593</b>	<b>12,600</b>	<b>13,300</b>

**UNIT COSTS—PER 1,000—BY DENOMINATION**

[Funded by appropriations]

Denomination:	1985 actual	1986 actual	1987 est.	1988 est.
1 cent.....	1.65	1.97	1.88	1.88
5 cent.....	4.16	5.28	4.76	4.77
10 cents.....	3.40	4.00	3.85	3.86
25 cents.....	5.09	6.36	5.58	5.59
50 cents.....	11.83	14.80		13.10

**Protection of monetary metals and coins.**—Protection of the Government's holdings of gold and silver bullion and coin is maintained by armed guards and modern protective devices.

**Research and development.**—Funds to explore the application of technological improvements to the coining process.

**Object Classification (in thousands of dollars)**

Identification code 20-1616-0-1-803	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	22,396	23,771	24,165
11.3 Other than full-time permanent.....	997	449	456
11.5 Other personnel compensation.....	852	768	795
11.8 Special personal services payments.....	13		
11.9 Total personnel compensation.....	24,258	24,988	25,416
12.1 Personnel benefits: Civilian.....	3,648	4,253	5,883
13.0 Benefits for former personnel.....	186		
21.0 Travel and transportation of persons.....	213	225	225
22.0 Transportation of things.....	328	282	282
23.1 Rental payments to GSA.....	512	545	609
23.3 Communications, utilities, and miscellaneous charges... ..	2,754	2,977	3,050
24.0 Printing and reproduction.....	74	135	135
25.0 Other services.....	2,163	2,858	4,458
26.0 Supplies and materials.....	2,806	3,045	3,045
31.0 Equipment.....	3,828	2,798	2,984
32.0 Lands and structures.....	313	400	422
42.0 Insurance claims and indemnities.....	8	2	2
99.0 Subtotal, direct obligations.....	41,091	42,508	46,511

99.0	Reimbursable obligations.....	39,022	111,982	107,110
99.9	Total obligations.....	80,113	154,490	153,621

**Personnel Summary**

<b>Direct:</b>				
Total number of full-time permanent positions.....				
	1,072	1,035	1,021	
Total compensable workyears:				
Full-time equivalent employment.....				
	907	921	901	
Full-time equivalent of overtime and holiday hours.....				
	49	49	49	
<b>Reimbursable:</b>				
Total number of full-time permanent positions.....				
	686	1,177	1,177	
Total compensable workyears:				
Full-time equivalent employment.....				
	1,030	1,266	1,266	
Full-time equivalent of overtime and holiday hours.....				
	90	90	90	

**[EXPANSION AND IMPROVEMENTS]**

[For expansion and improvements to existing Mint facilities, \$694,000, to remain available until expended.] (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code 20-9911-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	1,134	2,368	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,808	-1,674	
24.40 Unobligated balance available, end of year.....	1,674		
40.00 <b>Budget authority (appropriation).....</b>			<b>694</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,134	2,368	
72.40 Obligated balance, start of year.....	5,613	2,095	1,275
74.40 Obligated balance, end of year.....	-2,095	-1,275	
90.00 Outlays.....	4,652	3,188	1,275
Distribution of outlays by account:			
Expansion and improvements.....	4,242	1,612	1,275
Construction of mint facilities.....	410	1,576	

This appropriation will be used for the expansion of and improvements to existing Mint facilities in order to increase production capacity and alleviate production problems concerning health, noise, and congestion.

**COINAGE PROFIT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 20-5811-0-2-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Distribution of coins.....	2,854	3,058	3,279
00.02 Coinage wastage and recoinage losses.....		5	5
00.03 Statue of Liberty-Ellis Island.....	142,392	58,011	1,026
10.00 Total obligations.....	145,246	61,074	4,310
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-4,960	-1,230	-1,230
24.40 Unobligated balance available, end of year.....	1,230	1,230	1,230
60.00 <b>Budget authority (appropriation):</b> (permanent, indefinite) (special fund).....	<b>141,516</b>	<b>61,074</b>	<b>4,310</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	145,246	61,074	4,310
72.40 Obligated balance, start of year.....	152	20,867	152
74.40 Obligated balance, end of year.....	-20,867	-152	-152
90.00 Outlays.....	124,531	81,789	4,310

General and special funds—Continued

COINAGE PROFIT FUND—Continued

Public Law 99-61 authorizes the use of the coinage profit fund for all activities relating to the Statue of Liberty-Ellis Island Commemorative Coin Act.

A portion of the gains resulting from manufacturing coins is available to cover wastage and recoinage losses incurred in coinage, and the cost of distributing coins (31 U.S.C. 5111, 5112 and 5120).

Object Classification (in thousands of dollars)

Identification code	20-5811-0-2-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	6,357		
11.3	Other than full-time permanent.....	3,350	1,833	616
11.5	Other personnel compensation.....	1,785		
11.8	Special personal services payments.....	692		
11.9	Total personnel compensation.....	12,184	1,833	616
12.1	Personnel benefits: Civilian.....	1,277	211	71
21.0	Travel and transportation of persons.....	252	59	11
22.0	Transportation of things.....	9,666	6,422	3,279
23.3	Communications, utilities, and miscellaneous charges.....	3,236	387	47
24.0	Printing and reproduction.....	242	331	
25.0	Other services.....	71,811	33,808	281
26.0	Supplies and materials.....	46,166	18,000	
31.0	Equipment.....	412	18	
42.0	Insurance claims and indemnities.....		5	5
99.9	Total obligations.....	145,246	61,074	4,310

BUREAU OF THE PUBLIC DEBT

Federal Funds

General and special funds:

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; **[\$198,564,000] \$241,426,000.** (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code	20-0560-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
Processing and accounting for:				
00.01	Savings and retirement securities.....	106,678	119,937	132,322
00.02	Marketable and special securities.....	61,646	60,424	89,205
00.10	Promoting the sale of savings bonds.....	16,459	18,158	19,854
00.91	Total operating expenses.....	184,783	198,519	241,381
01.01	Capital investment.....	522	45	45
10.00	Total obligations.....	185,305	198,564	241,426
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	1,525		
40.00	Budget authority (appropriation).....	186,830	198,564	241,426
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	185,305	198,564	241,426
72.40	Obligated balance, start of year.....	39,251	39,415	43,535
74.40	Obligated balance, end of year.....	-39,415	-43,535	-48,362
77.00	Adjustments in expired accounts.....	-2,702		
90.00	Outlays.....	182,440	194,444	236,599

This appropriation provides funds for the conduct of all public debt operations and the promotion of the sale of U.S. savings-type securities.

Processing and accounting for:

**Savings securities.**—This activity is concerned with the issuance, servicing, and retirement of savings

bonds and notes and retirement-type securities, including: (1) The maintenance and servicing of individual accounts of owners of series H and HH bonds and the authorization of interest payments, and (2) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. These functions are performed directly by the Bureau of the Public Debt, by the Federal Reserve Banks as fiscal agents of the United States, and by the 44,000 qualified agents which issue and redeem savings bonds and notes.

U.S. SAVINGS-TYPE SECURITIES

(Number of pieces, in thousands)

Issues:	1986 actual	1987 est.	1988 est.
Sales.....	86,020	90,000	94,500
Reissues and claims.....	4,542	7,200	7,200
Total.....	90,562	97,200	101,700
<b>Retirements:</b>			
Redemptions.....	59,230	65,000	67,000
Reissues, claims and spoils.....	6,734	7,000	7,000
Total.....	65,964	72,000	74,000

**Marketable and special securities.**—This activity is concerned with all securities of the United States, other than savings and retirement securities, including securities of Government corporations for which the Bureau of the Public Debt provides services. Functions performed relate to the issuance, servicing, and retirement of these securities, both directly by the Bureau and through the Federal Reserve Banks, as fiscal agents, including: (1) The maintenance and servicing of individual accounts of owners of registered securities and book-entry Treasury bills; (2) the authorization of interest and principal payments; and (3) the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. Budget policy supports moving toward full reimbursement of Federal Reserve Banks for their fiscal agent services. As of August 1986, the Bureau eliminated all new issues of definitive securities and began offering notes and bonds in full book-entry form only. The Bureau has developed, in conjunction with the Federal Reserve, a new Treasury Direct Access System for new issues of notes and bonds in book-entry form and will phase out the in-house Treasury Bill System to provide for a single direct access system for all Treasury marketable securities. For 1988, the Administration will propose legislation that permits the reimbursement of Federal Reserve Banks as fiscal agents for services in processing marketable book-entry United States securities out of fees collected for that purpose. The fees would be deposited in a special fund and appropriations would be made from that fund.

**Promoting the sale of savings bonds.**—This activity consists of sales promotion efforts, using press, radio, other advertising media, and organized groups, augmented by concentrated sales campaigns emphasizing payroll savings plans. These functions are performed by the U.S. Savings Bonds Division, a separate organization within the Department of the Treasury.

Object Classification (in thousands of dollars)			
Identification code 20-0560-0-1-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	51,901	52,522	51,770
11.3 Other than full-time permanent.....	945	1,211	1,234
11.5 Other personnel compensation.....	3,573	2,677	2,492
11.9 Total personnel compensation.....	56,419	56,410	55,496
12.1 Personnel benefits: Civilian.....	6,626	7,712	10,582
13.0 Benefits for former personnel.....	18	80	80
21.0 Travel and transportation of persons.....	1,141	1,255	1,254
22.0 Transportation of things.....	1,579	1,502	1,521
23.1 Rental payments to GSA.....	4,937	5,053	5,807
23.3 Communications, utilities, and miscellaneous charges.....	15,379	21,170	20,576
24.0 Printing and reproduction.....	7,759	7,057	7,022
25.0 Other services.....	82,955	92,512	132,323
26.0 Supplies and materials.....	2,393	2,522	2,453
31.0 Equipment.....	5,576	3,246	4,267
32.0 Lands and structures.....	522	45	45
42.0 Insurance claims and indemnities.....	1		
99.9 Total obligations.....	185,305	198,564	241,426

**Personnel Summary**

Total number of full-time permanent positions.....	2,454	2,340	2,277
Total compensable workyears:			
Full-time equivalent employment.....	2,379	2,303	2,199
Full-time equivalent of overtime and holiday hours.....	97	79	48

**PAYMENT OF GOVERNMENT LOSSES IN SHIPMENT**

**Program and Financing (in thousands of dollars)**

Identification code 20-1710-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0).....	150	39	3
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....		-1	-3
21.40 Unobligated balance available, start of year.....	-188	-38	
24.40 Unobligated balance available, end of year.....	38		
40.00 <b>Budget authority (appropriation)</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	150	38	
90.00 Outlays.....	150	38	

This account was created as self-insurance to cover losses in shipment of Government property such as coins, currency, securities, certain losses incurred by the Postal Service, and losses in connection with the redemption of savings bonds. There were 150 claims paid in 1986.

**INTERNAL REVENUE SERVICE**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Internal Revenue Service, not otherwise provided; for executive direction and management services, and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services, as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; **[\$95,147,000]** **\$87,165,000**, of which not to exceed \$25,000 for official reception and representation expenses and of which not to exceed \$500,000 shall remain available until expended, for research. (Title 26, United States Code; Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)			
Identification code 20-0911-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Executive direction.....	6,638	8,289	8,288
00.02 Management services.....	82,836	84,598	78,877
00.91 Total direct program.....	89,474	92,887	87,165
01.01 Reimbursable program.....	3,980	2,843	2,967
10.00 Total obligations.....	93,454	95,730	90,132
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-3,980	-2,843	-2,967
21.40 Unobligated balance available, start of year.....	-1,000	-992	
24.40 Unobligated balance available, end of year.....	992		
25.00 Unobligated balance lapsing.....	77		
39.00 <b>Budget authority</b> .....	<b>89,543</b>	<b>91,895</b>	<b>87,165</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	89,958	95,147	87,165
41.00 Transferred to other accounts.....	-415	-6,362	
43.00 <b>Appropriation (adjusted)</b> .....	<b>89,543</b>	<b>88,785</b>	<b>87,165</b>
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>3,110</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	89,474	92,887	87,165
72.40 Obligated balance, start of year.....	19,950	21,434	24,264
74.40 Obligated balance, end of year.....	-21,434	-24,264	-26,007
77.00 Adjustments in expired accounts.....	-1,215		
89.00 Outlays.....	86,776	90,057	85,422
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental... ..	86,776	86,947	85,422
91.40 Outlays from retirement contribution supplemental.....		3,110	

This appropriation provides for overall planning, direction and management of the Internal Revenue Service.

**Executive direction.**—This activity sets policies and goals, provides the research and planning necessary for sound and effective tax administration, and provides leadership and direction for the Service.

**Management services.**—This activity provides Servicewide policy guidance for managing the human, logistical, and financial resources needed to fulfill the Service's tax administration mission in a cost effective manner while complying with relevant public laws and administrative procedures.

**Object Classification (in thousands of dollars)**

Identification code 20-0911-0-1-803	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	51,924	52,878	47,251
11.3 Other than full-time permanent.....	4,275	450	452
11.5 Other personnel compensation.....	3,421	532	532
11.8 Special personal services payments.....	34	17	17
11.9 Total personnel compensation.....	59,655	53,877	48,252
12.1 Personnel benefits: Civilian.....	7,696	8,386	8,892
21.0 Travel and transportation of persons.....	1,805	2,377	2,606
22.0 Transportation of things.....	274	288	298
23.1 Rental payments to GSA.....	4,249	4,753	5,612
23.3 Communications, utilities, and miscellaneous charges.....	3,418	6,766	6,826
24.0 Printing and reproduction.....	308	271	255
25.0 Other services.....	8,583	10,731	9,529
26.0 Supplies and materials.....	891	2,394	1,873
31.0 Equipment.....	2,446	2,916	2,893
42.0 Insurance claims and indemnities.....	150	128	129
99.0 Subtotal, direct obligations.....	89,474	92,887	87,165

## General and special funds—Continued

## SALARIES AND EXPENSES—Continued

## Object Classification (in thousands of dollars)—Continued

Identification code	20-0911-0-1-803	1986 actual	1987 est.	1988 est.
99.0	Reimbursable obligations	3,980	2,843	2,967
99.9	Total obligations	93,454	95,730	90,132

## Personnel Summary

Direct:		1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions		2,338	1,960	1,680
Total compensable workyears:				
Full-time equivalent employment		2,115	1,895	1,628
Full-time equivalent of overtime and holiday hours		97	41	41
Reimbursable:		1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions		19	60	60
Total compensable workyears: Full-time equivalent employment		55	60	60

## PROCESSING TAX RETURNS\*

\*See Part II for additional information.

For necessary expenses of the Internal Revenue Service not otherwise provided for; including processing tax returns; revenue accounting; computer services; and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; **[\$1,332,902,000]** \$1,702,576,000, of which not to exceed **[\$50,000,000]** \$80,000,000 shall remain available until expended for systems modernization initiatives. (Title 26, United States Code; Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

## Program and Financing (in thousands of dollars)

Identification code	20-0912-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Returns processing and revenue accounting	917,985	1,020,453	1,188,745
00.02	Computer services	329,498	412,366	513,831
00.91	Total direct program	1,247,483	1,432,819	1,702,576
01.01	Reimbursable program	15,810	34,665	47,355
10.00	Total obligations	1,263,293	1,467,484	1,749,931
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds	-15,810	-34,665	-47,355
21.40	Unobligated balance available, start of year	-37,109	-17,771	
24.40	Unobligated balance available, end of year	17,771		
25.00	Unobligated balance lapsing	2,791		
39.00	<b>Budget authority</b>	<b>1,230,936</b>	<b>1,415,048</b>	<b>1,702,576</b>
Budget authority:				
40.00	Appropriation	1,213,769	1,332,902	1,702,576
41.00	Transferred to other accounts		-12	
42.00	Transferred from other accounts	17,167	304	
43.00	<b>Appropriation (adjusted)</b>	<b>1,230,936</b>	<b>1,333,194</b>	<b>1,702,576</b>
44.40	<b>Supplemental for retirement contributions (P.L. 99-335)</b>		<b>81,854</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,247,483	1,432,819	1,702,576
72.40	Obligated balance, start of year	191,439	230,025	276,097
74.40	Obligated balance, end of year	-230,025	-276,097	-310,149
77.00	Adjustments in expired accounts	-3,168		
89.00	Outlays	1,205,729	1,386,747	1,668,524
Outlays:				
90.00	Outlays, excluding retirement contribution supplemental	1,205,729	1,304,893	1,668,524
91.40	Outlays from retirement contribution supplemental		81,854	

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	1,230,936	1,415,048	1,702,576
Outlays	1,205,729	1,386,747	1,668,524
Supplemental under existing legislation:			
Budget authority		55,200	
Outlays		54,096	1,104
Total:			
Budget authority	1,230,936	1,470,248	1,702,576
Outlays	1,205,729	1,440,843	1,669,628

This appropriation provides for processing tax returns and related documents, and maintaining accurate, current taxpayer accounts by means of an automated system.

**Returns processing and revenue accounting.**—This activity provides for all actions associated with the mailing out of tax return forms and instructions, receipt of completed returns and payments, deposit of those payments, processing and accounting for revenue collections and Federal Tax Deposits and verification through an automated master file system of the accuracy of information provided by the taxpayer. It provides for payment of refunds, offset of refunds against delinquent accounts, issuance of notices that payments are overdue, identification of possible nonfilers for investigation, and assistance in the selection of tax returns for audit. This activity also prepares statistical information and provides for computer operations at the ten service centers and district offices.

**Computer services.**—This activity provides ADP support to process tax returns, maintain account records, and aid tax enforcement and productivity management.

## SELECTED WORKLOAD DATA

(In millions)

	1986 actual	1987 est.	1988 est.
Tax returns filed	188.0	191.8	196.9
(a) Primary	178.2	181.4	185.7
(b) Supplemental documents <sup>1</sup>	9.8	10.4	11.2
Individual income tax returns:			
(a) To be filed	102.4	105.5	108.3
(b) Refunds scheduled	74.3	81.4	83.4

<sup>1</sup> Includes amended primary returns for individuals and corporations, extensions of time to file, and information returns for trust accumulation of charitable amounts.

## SELECTED REVENUE DATA

(In millions of dollars)

	1986 actual <sup>1</sup>	1987 est.	1988 est.
Yield from math verification and validation of estimated payments:			
Underpayments	3,989.7	4,231.2	4,341.9
Overpayments	2,193.8	2,320.3	2,381.0
Offsets	1,319.2	1,433.9	1,588.1
Gross yield <sup>2</sup>	7,502.7	7,985.4	8,311.0
Net yield <sup>3</sup>	3,115.1	3,344.8	3,549.0

<sup>1</sup> Math verification data includes actual for Forms 1040, 1040A, and 1040EZ.

<sup>2</sup> Sum of underpayments, overpayments, and offsets.

<sup>3</sup> Underpayments less overpayments plus offsets.

## Object Classification (in thousands of dollars)

Identification code	20-0912-0-1-803	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	380,216	412,281	478,658
11.3	Other than full-time permanent	180,551	159,171	181,623
11.5	Other personnel compensation	45,118	16,921	17,456
11.8	Special personal services payments	26	304	304
11.9	Total personnel compensation	605,911	588,677	678,041
12.1	Personnel benefits: Civilian	81,111	173,898	262,079
13.0	Benefits to former personnel	18,256	19,897	19,897

21.0	Travel and transportation of persons .....	10,744	18,207	32,911
22.0	Transportation of things.....	21,900	21,900	24,661
23.1	Rental payments to GSA.....	63,058	82,970	99,457
23.3	Communications, utilities, and miscellaneous charges...	170,609	214,429	218,217
24.0	Printing and reproduction .....	57,234	74,409	82,775
25.0	Other services.....	148,885	164,706	187,908
26.0	Supplies and materials.....	23,501	26,976	36,818
31.0	Equipment.....	46,267	46,647	59,691
42.0	Insurance claims and indemnities .....	7	103	121
99.0	Subtotal, direct obligations.....	1,247,483	1,432,819	1,702,576
99.0	Reimbursable obligations .....	15,810	34,665	47,355
99.9	Total obligations.....	1,263,293	1,467,484	1,749,931

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions .....	17,980	21,594	23,204
	Total compensable workyears:			
	Full-time equivalent employment.....	30,507	30,629	33,300
	Full-time equivalent of overtime and holiday hours.....	1,110	308	308
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	219	622	622
	Total compensable workyears: Full-time equivalent employment.	368	622	622

**EXAMINATIONS AND APPEALS\***

\*See Part II for additional information.

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; employee plans and exempt organizations; tax litigation; hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; **[\$1,623,162,000]** \$1,856,581,000. (Title 26, United States Code; Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code 20-0913-0-1-803		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Examination .....	1,139,501	1,319,700	1,456,400
00.02	Appeals and tax litigation .....	162,639	210,871	242,349
00.03	Employee plans and exempt organizations.....	99,031	100,796	124,867
00.04	International.....		28,627	32,965
00.91	Total direct program .....	1,401,171	1,659,994	1,856,581
01.01	Reimbursable program.....	1,922	7,743	8,839
10.00	Total obligations.....	1,403,093	1,667,737	1,865,420
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-1,922	-7,743	-8,839
25.00	Unobligated balance lapsing .....	78		
39.00	<b>Budget authority</b> .....	<b>1,401,249</b>	<b>1,659,994</b>	<b>1,856,581</b>
<b>Budget authority:</b>				
40.00	Appropriation.....	1,427,121	1,623,162	1,856,581
41.00	Transferred to other accounts.....	-25,872		
42.00	Transferred from other accounts .....		13,507	
43.00	<b>Appropriation (adjusted)</b> .....	<b>1,401,249</b>	<b>1,636,669</b>	<b>1,856,581</b>
44.40	<b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>23,325</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	1,401,171	1,659,994	1,856,581
72.40	Obligated balance, start of year .....	93,734	112,427	145,627
74.40	Obligated balance, end of year .....	-112,427	-145,627	-182,759
77.00	Adjustments in expired accounts.....	-3,616		
89.00	Outlays.....	1,378,862	1,626,794	1,819,449
<b>Outlays:</b>				
90.00	Outlays, excluding retirement contribution supplemental .....	1,378,862	1,603,469	1,819,449
91.40	Outlays from retirement contribution supplemental .....		23,325	

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
Enacted/requested:		1986 actual	1987 est.	1988 est.
Budget authority .....		1,401,249	1,659,994	1,856,581
Outlays .....		1,378,862	1,626,794	1,819,449
Supplemental under existing legislation:			8,110	
Budget authority .....			7,948	162
Outlays .....				
Total:				
Budget authority .....		1,401,249	1,668,104	1,856,581
Outlays .....		1,378,862	1,634,742	1,819,611

This appropriation provides for the examination of tax returns, both domestic and international, and the administrative settlement of taxpayer appeals of examination findings. Funds are requested to continue the Service's ability to assure evenhanded application and adequate enforcement of the tax laws and to maintain a satisfactory rate of voluntary compliance with the internal revenue laws. It also provides for monitoring employee pension plans, determining qualifications of organizations seeking tax-exempt status, and examining tax returns of exempt organizations.

**Examination.**—This activity encourages voluntary compliance with the internal revenue laws through the determination of correct tax liability by the selective examination of tax returns, the correction of errors, and explanation of these corrections to taxpayers.

**Appeals and tax litigation.**—The appeals portion of this authority provides for an independent administrative review of contested tax assessments and adjustments with the objective of settling tax controversies without litigation. When settlement is not possible, the tax litigation portion of the activity provides for the handling of Tax Court litigation and for the coordination of the Service's legal position in order to assure consistency.

**International.**—This activity directs the full range of IRS enforcement and assistance programs related to U.S. taxpayers doing business or residing outside the United States as well as non-resident aliens with a U.S. tax obligation; provides technical tax training and administrative assistance to foreign governments; works with States on exchange of information and other programs of mutual benefit; provides compliance and taxpayer service support to Puerto Rico, the Virgin Islands and certain Pacific Island jurisdictions; and manages activities related to tax treaties between the United States and other governments. The International Counsel function identifies and resolves international tax issues; provides timely guidance to the field through both routine program assistance to the Assistant Commissioner (International) and to District Counsel and International Examiners with respect to specific cases and issues; and provides timely guidance to taxpayers and tax practitioners through the rulings and regulations program.

**Employee plans and exempt organizations.**—This activity monitors private pension plans to insure compliance with the Employee Retirement Income Security Act of 1974, as amended, determines whether organizations seeking tax-exempt status meet certain tests to qualify, and examines tax returns of those organizations to insure compliance with such an exemption and to insure payment of unrelated business income taxes.

General and special funds—Continued

EXAMINATIONS AND APPEALS—Continued

It also examines the returns of private foundations to insure payment of proper excise taxes.

SELECTED WORKLOAD DATA

	[In thousands]		
	1986 actual	1987 est.	1988 est.
Returns examined.....	1,310	1,689	1,948
Service center contacts.....	848	957	1,208
Non-docketed disposals.....	42	47	58
Tax court and refund case receipts (docketed).....	67	61	67
Docketed disposals.....	51	57	66
International disposals.....	926	2,275	2,275
International ending inventory.....	1,297	1,178	1,432
Employee plans determinations, examinations, and technical activities.....	396	287	324
Exempt organizations determinations, examinations, and technical activities.....	87	99	103

SELECTED REVENUE DATA

	[In millions of dollars]		
	1986 actual	1987 est.	1988 est.
Assessments and penalties.....	14,796.4	11,800.6	15,092.8
Interest on assessments.....	4,954.1	3,798.8	4,258.2
Non-docketed assessments and penalties.....	2,008	2,316	2,878
Docketed assessments and penalties.....	1,092	1,229	1,421

Object Classification (in thousands of dollars)

Identification code 20-0913-0-1-803	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	958,971	1,069,259	1,121,676
11.3 Other than full-time permanent.....	34,537	31,249	31,512
11.5 Other personnel compensation.....	13,659	9,544	9,614
11.8 Special personal services payments.....	3,133	7,457	7,959
11.9 Total personnel compensation.....	1,010,300	1,117,509	1,170,761
12.1 Personnel benefits: Civilian.....	139,625	196,866	278,668
13.0 Benefits for former personnel.....	87		
21.0 Travel and transportation of persons.....	46,016	75,059	95,545
22.0 Transportation of things.....	3,686	4,324	4,594
23.1 Rental payments to GSA.....	100,216	102,711	131,147
23.3 Communications, utilities, and miscellaneous charges.....	36,683	75,482	75,228
24.0 Printing and reproduction.....	8,510	12,184	13,125
25.0 Other services.....	29,264	39,352	44,180
26.0 Supplies and materials.....	8,587	13,639	14,853
31.0 Equipment.....	18,077	22,693	28,278
42.0 Insurance claims and indemnities.....	120	175	202
99.0 Subtotal, direct obligations.....	1,401,171	1,659,994	1,856,581
99.0 Reimbursable obligations.....	1,922	7,743	8,839
99.9 Total obligations.....	1,403,093	1,667,737	1,865,420

Personnel Summary

<b>Direct program:</b>			
Total number of full-time permanent positions.....	37,005	41,874	45,824
Total compensable workyears:			
Full-time equivalent employment.....	34,619	39,699	43,644
Full-time equivalent of overtime and holiday hours.....	237	136	136
<b>Reimbursable program:</b>			
Total number of full-time permanent positions.....	11	15	15
Total compensable workyears: Full-time equivalent employment.....	19	15	15

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE\*

\*See Part II for additional information.

For necessary expenses of the Internal Revenue Service for investigation and enforcement activities; including purchase (not to exceed four hundred and fifty-one for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); securing unfiled tax returns; collecting unpaid accounts; examining selected employment and excise tax returns; technical rulings; enforcement litigation; providing assistance to taxpayers; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the

Commissioner: *Provided*, [That notwithstanding any other provision of this Act, none of the funds made available by this Act shall be used to reduce the number of positions allocated to taxpayer service activities below fiscal year 1984 levels, or to reduce the number of positions allocated to any other direct taxpayer assistance functions below fiscal year 1984 levels, including, but not limited to Internal Revenue Service toll-free telephone tax law assistance and walk-in assistance available at Internal Revenue Service field offices: *Provided further*,] That the Internal Revenue Service shall fund the Tax Counseling for the Elderly Program at \$2,400,000. The Internal Revenue Service shall absorb within existing funds the administrative costs of the program in order that the full \$2,400,000 can be devoted to program requirements; [[\$1,196,581,000] \$1,425,528,000. (Title 26, United States Code; Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)]

Program and Financing (in thousands of dollars)

Identification code 20-0914-0-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Tax fraud investigations.....	221,304	231,727	249,192
00.02 Collection.....	606,498	679,381	842,997
00.03 Taxpayer service.....	208,212	224,280	260,468
00.04 Enforcement litigation and technical.....	67,841	65,467	72,871
00.91 Total direct program.....	1,103,855	1,200,855	1,425,528
01.01 Reimbursable program.....	3,210	7,926	8,981
10.00 Total obligations.....	1,107,065	1,208,781	1,434,509
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-3,210	-7,926	-8,981
25.00 Unobligated balance lapsing.....	554		
<b>Budget authority.....</b>	<b>1,104,409</b>	<b>1,200,855</b>	<b>1,425,528</b>
<b>Budget authority:</b>			
40.00 Appropriation.....	1,095,289	1,196,581	1,425,528
41.00 Transferred to other accounts.....		-11,374	
42.00 Transferred from other accounts.....	9,120	3,937	
43.00 <b>Appropriation (adjusted).....</b>	<b>1,104,409</b>	<b>1,189,144</b>	<b>1,425,528</b>
44.40 <b>Supplemental for retirement contributions (P.L. 99-335).....</b>		<b>11,711</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,103,855	1,200,855	1,425,528
72.40 Obligated balance, start of year.....	96,221	115,852	139,869
74.40 Obligated balance, end of year.....	-115,852	-139,869	-168,380
77.00 Adjustments in expired accounts.....	-2,846		
89.00 <b>Outlays.....</b>	<b>1,081,378</b>	<b>1,176,838</b>	<b>1,397,017</b>
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental... ..	1,081,378	1,165,127	1,397,017
91.40 Outlays from retirement contribution supplemental.....		11,711	

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	1,104,409	1,200,855	1,425,528
Outlays.....	1,081,378	1,176,838	1,397,017
<b>Supplemental under existing legislation:</b>			
Budget authority.....		16,690	
Outlays.....		16,356	334
<b>Total:</b>			
Budget authority.....	1,104,409	1,217,545	1,425,528
Outlays.....	1,081,378	1,193,194	1,397,351

This appropriation provides for enforcing statutes relating to detection and investigation of criminal violations of the Internal Revenue laws, collecting unpaid accounts, securing unfiled tax returns and payments, providing assistance to taxpayers and preparing technical rulings.

*Tax fraud investigations.*—This activity provides for enforcement of the criminal statutes relating to viola-

tions of Internal Revenue laws. It investigates cases of suspected intent to defraud, recommends prosecution as warranted, and assists in the preparation and trial of criminal tax cases.

**Collection.**—This activity has the responsibility for collecting unpaid accounts and securing delinquent returns; developing and implementing programs to prevent accounts from becoming delinquent and preventing nonfiling; and determining and analyzing the reasons for and the types of nonfiling.

**Taxpayer service.**—This activity aids voluntary compliance with Federal tax laws by informing taxpayers of their responsibilities and by providing services and information through various media which assist them in meeting their obligations. Inquiries concerning tax laws, IRS notices and procedures, and tax account problems are resolved.

**Enforcement litigation, and technical.**—This activity provides legal advice and assistance to field enforcement activities, furnishes non-tax legal services and provides legal expertise in the issuance of ruling letters; technical advice; publication of revenue rulings and revenue procedures; review of legislation; interpretation of statutes and drafting of regulations.

**SELECTED WORKLOAD DATA**

[In thousands]

	1986 actual	1987 est.	1988 est.
General enforcement program investigations.....	3	3	4
Special enforcement program investigations.....	2	3	2
Returns compliance leads disposed.....	28	16	16
Delinquent returns investigations disposed.....	1,527	1,658	1,785
Delinquent returns secured.....	3,791	4,235	4,515
Accounts receivable disposed.....	2,419	2,718	3,251
Enforcement litigation and technical:			
(1) Enforcement litigation case closings.....	42	37	38
(2) Technical case closings.....	26	31	32
Taxpayers assisted.....	60,452	55,800	58,700
(a) Directly by IRS.....	46,441	41,200	42,600
(b) Through taxpayer education.....	6,161	6,100	6,100
(c) Through automated responses.....	7,850	8,500	10,000

**SELECTED REVENUE DATA**

[In millions of dollars]

	1986 actual	1987 est.	1988 est.
Assessments on delinquent returns.....	7,323	7,925	8,215
Collections from delinquent accounts.....	5,070	5,869	7,020
Collections from notices.....	14,523	15,846	16,849
(a) First notices.....	8,998	9,817	10,444
(b) Second to fourth notices.....	5,525	6,029	6,405

**Object Classification (in thousands of dollars)**

Identification code 20-0914-0-1-803	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent.....	638,932	666,921	742,424
11.3 Other than full-time permanent.....	67,462	47,794	53,703
11.5 Other personnel compensation.....	19,527	20,171	20,299
11.8 Special personal services payments.....	1,339	1,734	1,777
11.9 Total personnel compensation.....	727,260	736,620	818,203
12.1 Personnel benefits: Civilian.....	96,926	115,547	160,497
13.0 Benefits for former personnel.....	90		
21.0 Travel and transportation of persons.....	31,587	42,147	54,633
22.0 Transportation of things.....	3,444	3,444	3,773
23.1 Rental payments to GSA.....	62,559	89,504	112,388
23.3 Communications, utilities, and miscellaneous charges... ..	84,183	123,639	161,326
24.0 Printing and reproduction.....	11,460	8,797	10,898
25.0 Other services.....	46,299	46,197	57,713
26.0 Supplies and materials.....	9,569	10,097	12,027
31.0 Equipment.....	28,185	22,331	31,513
41.0 Grants, subsidies, and contributions.....	2,168	2,400	2,400
42.0 Insurance claims and indemnities.....	125	132	157
99.0 Subtotal, direct obligations.....	1,103,855	1,200,855	1,425,528

99.0 Reimbursable obligations.....	3,210	7,926	8,981
99.9 Total obligations.....	1,107,065	1,208,781	1,434,509

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	25,322	27,190	30,324
Total compensable workyears:			
Full-time equivalent employment.....	28,639	28,975	32,089
Full-time equivalent of overtime and holiday hours.....	216	347	347
Reimbursable:			
Total number of full-time permanent positions.....	43	66	66
Total compensable workyears: Full-time equivalent employment.....	73	66	66

**PAYMENT WHERE EARNED INCOME CREDIT EXCEEDS LIABILITY FOR TAX**

**Program and Financing (in thousands of dollars)**

Identification code 20-0906-0-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 44.0).....	1,414,990	1,491,000	2,910,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite).....	1,414,990	1,491,000	2,910,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,414,990	1,491,000	2,910,000
90.00 Outlays.....	1,414,990	1,491,000	2,910,000

As provided by law, there will be instances wherein the earned income tax credit will exceed the amount of tax liability owed, resulting in an additional payment to the tax filer. The Earned Income Credit was originally authorized by the Tax Reduction Act of 1975 (Public Law 94-12) and made permanent by the Revenue Adjustment Act of 1978 (Public Law 95-600).

**REFUNDING INTERNAL REVENUE COLLECTIONS, INTEREST**

**Program and Financing (in thousands of dollars)**

Identification code 20-0904-0-1-908	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 43.0).....	1,813,836	1,668,000	1,621,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite).....	1,813,836	1,668,000	1,621,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	1,813,836	1,668,000	1,621,000
90.00 Outlays.....	1,813,836	1,668,000	1,621,000

Under certain circumstances, as provided in 26 U.S.C. 6611, interest is paid on Internal Revenue collections which must be refunded. The Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97-248) provides for daily compounding of interest. Under the Tax Reform Act of 1986 (Public Law 99-514), interest paid on Internal Revenue collections will equal the Federal short-term rate plus two percentage points, such rate to be adjusted quarterly. An 8 percent rate will be in effect from January 1, 1987, through March 31, 1987.

General and special funds—Continued

INTERNAL REVENUE COLLECTIONS FOR PUERTO RICO

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-5737-0-2-852			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	204,593	205,000	205,000
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite) (special fund)	204,593	205,000	205,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	204,593	205,000	205,000
72.40 Obligated balance, start of year	28,953	28,252	28,252
74.40 Obligated balance, end of year	-28,252	-28,252	-28,252
90.00 Outlays	205,294	205,000	205,000

Excise taxes collected under the Internal Revenue laws of the United States on articles produced in Puerto Rico and either transported to the United States or consumed on the island are paid to Puerto Rico (26 U.S.C. 7652).

Public enterprise funds:

FEDERAL TAX LIEN REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-4413-0-3-803			
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0)	4,599	7,244	8,358
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-3,749	-5,876	-6,780
21.40 Unobligated balance available, start of year	-9,425	-8,575	-7,207
24.40 Unobligated balance available, end of year	8,575	7,207	5,629
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	850	1,368	1,578
90.00 Outlays	850	1,368	1,578

This revolving fund was established pursuant to section 112(a) of the Federal Tax Lien Act of 1966, to serve as the source of financing the redemption of real property by the United States. In collecting delinquent taxes, situations arise where it is to the Government's advantage to buy property on which it has a lien when the property is sold at a foreclosure sale brought by the holder of a lien which is superior to the Government's. The advantage arises when the property is worth substantially more than the first lienholder's equity but is being sold for an amount that barely covers that equity, thereby leaving no proceeds to apply against delinquent taxes. Under these circumstances, if the Government buys the property and subsequently puts it up for sale under more advantageous conditions, it is possible to realize sufficient profit on the transaction to fully or partially collect the amount of taxes due. The revolving fund is reimbursed from the proceeds of the sale in an amount equal to the amount expended from the fund for the redemption. The balance of the proceeds are applied against the amount of the tax, interest, penalties, and additions thereto, and for the costs of sale. The remainder, if any, would revert to the parties legally entitled to it.

ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE

SECTION 1. Not to exceed [1] 5 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation.

SEC. 2. Not to exceed 15 per centum, or \$15,000,000, whichever is greater, of any appropriation made available to the Internal Revenue Service for document matching for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation for document matching. (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

UNITED STATES SECRET SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only without regard to the general purchase price limitation for the current fiscal year) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That [approval is obtained] notice thereof is transmitted in advance [from] to the House and Senate Committees on Appropriations; [including \$6,000,000 for continued construction] for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed \$7,500 for official reception and representation expenses; for the payment in advance for commercial accommodations as may be necessary to perform protective functions in fiscal year 1988; and for uniforms without regard to the general purchase price limitation for the current fiscal year; [\$318,000,000 of which \$500,000 shall remain available until expended for research.] \$363,999,000 of which \$29,911,000 shall be available for Presidential candidate protective activities pursuant to 18 U.S.C. 3056(a)(7). (Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

[For an additional amount for "Salaries and expenses", \$5,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-1408-0-1-751			
<b>Program by activities:</b>			
Direct program:			
00.01 Investigations, protection, and uniformed activities	281,128	317,348	334,088
00.02 Other security programs	3,176	839	
00.03 Presidential candidate protective activities		5,652	29,911
00.91 Total direct program	284,304	323,839	363,999
01.01 Reimbursable program	359	1,760	160
10.00 Total obligations	284,663	325,599	364,159
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-359	-1,760	-160
21.40 Unobligated balance available, start of year	-7,067	-3,891	
22.40 Unobligated balance transferred		3,052	
24.40 Unobligated balance available, end of year	3,891		
25.00 Unobligated balance lapsing	230		
40.00 Budget authority (appropriation)	281,358	323,000	363,999
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	284,304	323,839	363,999

72.40	Obligated balance, start of year.....	65,500	70,385	77,684
74.40	Obligated balance, end of year.....	-70,385	-77,684	-84,964
77.00	Adjustments in expired accounts.....	-818		
90.00	Outlays.....	278,601	316,540	356,719

The Secret Service is responsible for protection of the President and other officials, investigating counterfeiting of currency and check forgeries, protection of the White House and various other buildings within Washington, DC.

*Investigations, protection, and uniformed activities.*—The Service must provide for the protection of the President of the United States, members of his immediate family, the President-elect, the Vice President, or other officer next in the order of succession to the Office of the President, and the Vice President-elect, and the members of their immediate families unless the members decline such protection; protection of the person of a visiting head and accompanying spouse of a foreign state or foreign government and, at the direction of the President, other distinguished foreign visitors to the United States and official representatives of the United States performing special missions abroad; the protection of the person of a former President and his wife during his lifetime, the protection of the person of the widow of a former President until her death or remarriage, and minor children of a former President until they reach 16 years of age, unless such protection is declined. The Service is also responsible for investigation of counterfeiting of currency, specie, and securities; forgery and altering of Government checks and bonds; thefts and frauds relating to Treasury electronic funds transfers; and other criminal and noncriminal cases.

The Secret Service Uniformed Division protects the Executive Residence and grounds in the District of Columbia; any building in which White House offices are located; the President and members of his immediate family; the official residence and grounds of the Vice-President in the District of Columbia; the Vice President and members of his immediate family; foreign diplomatic missions located in the Washington metropolitan area; the Treasury Building, its Annex and grounds, and such other areas as the President may direct on a case-by-case basis.

*Presidential candidate protective activities.*—The Secret Service is authorized to protect major Presidential or Vice-Presidential candidates, as determined by the Secretary of the Treasury after consultation with an advisory committee. In addition, the Service is authorized to protect the spouses of major Presidential and Vice-Presidential candidates; however, such protection may not commence more than 120 days prior to the general Presidential election.

NUMBER OF CASES CLOSED

	1985 actual	1986 actual	1987 est.	1988 est.
Check cases.....	101,360	118,892	130,000	100,000
Bond cases.....	6,502	5,430	6,000	6,000
Counterfeiting.....	17,189	16,574	19,000	19,000
Protective research.....	13,426	9,159	13,000	13,000
Other criminal and noncriminal cases.....	60,445	64,432	70,000	70,000
Total.....	198,922	214,487	238,000	208,000

Object Classification (in thousands of dollars)

Identification code	20-1408-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	129,205	135,315	142,430
11.3	Other than full-time permanent.....	342	366	366
11.5	Other personnel compensation.....	28,736	27,173	34,277
11.8	Special personal services payments.....		21	202
11.9	Total personnel compensation.....	158,283	162,875	177,275
12.1	Personnel benefits: Civilian.....	20,389	23,317	32,078
13.0	Benefits for former personnel.....	22		
21.0	Travel and transportation of persons.....	28,771	30,823	50,442
22.0	Transportation of things.....	1,469	1,380	1,527
23.1	Rental payments to GSA.....	15,704	15,033	19,291
23.2	Rental payments to others.....	451	430	430
23.3	Communications, utilities, and miscellaneous charges.....	13,619	19,932	22,899
24.0	Printing and reproduction.....	576	739	767
25.0	Other services.....	19,357	25,491	26,704
26.0	Supplies and materials.....	6,385	7,007	7,674
31.0	Equipment.....	15,273	29,085	24,240
32.0	Lands and structures.....	3,963	7,684	629
42.0	Insurance claims and indemnities.....	42	43	43
99.0	Subtotal, direct obligations.....	284,304	323,839	363,999
99.0	Reimbursable obligations.....	359	1,760	160
99.9	Total obligations.....	284,663	325,599	364,159

Personnel Summary

Total number of full-time permanent positions.....	4,355	4,355	4,397
Total compensable workyears:			
Full-time equivalent employment.....	4,309	4,309	4,351
Full-time equivalent of overtime and holiday hours.....	909	901	1,151

CONTRIBUTION FOR ANNUITY BENEFITS

Program and Financing (in thousands of dollars)

Identification code	20-1407-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 12.1).....	11,224	12,000	12,000
<b>Financing:</b>				
60.00	Budget authority (appropriation) (permanent, indefinite).....	11,224	12,000	12,000
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	11,224	12,000	12,000
90.00	Outlays.....	11,224	12,000	12,000

The District of Columbia is reimbursed for benefit payments made from the revenue of the District of Columbia to or for members of the Secret Service Uniformed Division and such members of the U.S. Secret Service entitled to benefits under the Policemen and Firemen's Retirement and Disability Act (4 D.C. Code 521).

COMPTROLLER OF THE CURRENCY

Trust Funds

ASSESSMENT FUNDS

Program and Financing (in thousands of dollars)

Identification code	20-8413-0-8-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	189,047	212,100	229,226
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Investment income.....	-6,944	-7,375	-7,400

ASSESSMENT FUNDS—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	20-8413-0-8-376	1986 actual	1987 est.	1988 est.
14.00	Non-Federal sources.....	-190,596	-209,928	-224,600
21.98	Unobligated balance available, start of year: Fund balance.....	-40,250	-48,743	-53,946
24.98	Unobligated balance available, end of year: Fund balance.....	48,743	53,946	56,720
39.00	<b>Budget authority</b> .....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-8,493	-5,203	-2,774
72.98	Obligated balance, start of year: Fund balance.....	58,474	63,515	65,610
74.98	Obligated balance, end of year: Fund balance.....	-63,515	-65,610	-68,660
90.00	Outlays.....	-13,534	-7,298	-5,824

The Office of the Comptroller of the Currency was created for the purpose of establishing and regulating a national banking system. The National Currency Act of 1863 (12 U.S.C. 1 et seq., 12 Stat. 665) provided for the chartering and supervising functions in this connection. The income of the bureau is derived principally from assessments paid by national banks and interest on investments in U.S. Government obligations.

The Administrator of National Banks charters new banking institutions only after investigation and due consideration of charter applications. Supervision of existing national banks is aided by the required submission of periodic reports and detailed onsite examinations, which are conducted by a staff of approximately 2,100 national bank examiners. At present, there are approximately 5,000 national banks with more than 26,600 operating branches and total assets of more than \$1.6 trillion.

In addition, the Comptroller considers applications for mergers in which the resulting bank will be a national bank and applications from banks to establish branches. The Comptroller of the Currency also promulgates rules and regulations for the guidance of national banks and bank directors.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	190,596	209,928	224,600
Expense.....	183,787	210,443	227,154
Net operating income or loss (-).....	6,809	-515	-2,554
Nonoperating income: Investment income.....	6,944	7,375	7,400
Net income or loss (-) for the year.....	13,753	6,860	4,846

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Cash on hand on deposit.....	524	7,283	542	522
Investment in U.S. securities (at par).....	98,200	104,975	119,014	124,858
Unamortized discount (net).....	-2,641	-1,399	-1,356	-1,988
Advances.....	1,120	818	922	1,156
Accounts receivable.....	863	998	1,375	1,589
Accrued interest receivable.....	1,877	1,809	2,296	2,583
Prepaid expense.....	1,198	1,200	1,235	1,303
Fixed assets.....	4,406	6,736	6,909	7,009
Leasehold improvements.....	6,614	9,169	10,671	12,668
Computer software.....	268	643	625	600
Total assets.....	112,429	132,232	142,233	150,300

Liabilities:

Selected liabilities:				
Current liabilities.....	9,918	13,571	11,133	11,240
Deferred revenue.....	43,014	44,871	49,989	52,606
Other liabilities.....	7,959	8,499	8,960	9,457
Total liabilities.....	60,891	66,941	70,082	73,303

Trust equity:

Selected equities:				
Unobligated balance.....	40,250	48,743	53,946	56,720
Invested capital and earnings.....	11,288	16,548	18,205	20,277
Total trust equity.....	51,538	65,291	72,151	76,997

Analysis of changes in trust equity:

Retained income:				
Opening balance.....	51,538	65,291	72,151	
Net income or loss for the year.....	13,753	6,860	4,846	
Total trust equity (end of year).....	65,291	72,151	76,997	

Object Classification (in thousands of dollars)

Identification code	20-8413-0-8-376	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	106,066	117,099	127,159
11.3	Other than full-time permanent.....	989	858	924
11.5	Other personnel compensation.....	461	578	623
11.8	Special personal services payments.....	540	461	497
11.9	Total personnel compensation.....	108,056	118,996	129,203
12.1	Personnel benefits: Civilian.....	17,213	21,453	26,350
13.0	Benefits for former personnel.....	57	100	106
21.0	Travel and transportation of persons.....	13,642	24,137	25,102
22.0	Transportation of things.....	776	1,101	1,145
23.1	Rental payments to GSA.....	42	60	64
23.2	Rental payments to others.....	12,018	14,159	16,399
23.3	Communications, utilities, and miscellaneous charges.....	5,463	5,886	6,121
24.0	Printing and reproduction.....	944	1,256	1,306
25.0	Other services.....	14,652	14,623	13,447
26.0	Supplies and materials.....	3,110	4,068	4,231
31.0	Equipment.....	9,811	4,759	3,755
32.0	Lands and structures.....	3,263	1,502	1,997
99.9	Total obligations.....	189,047	212,100	229,226

Personnel Summary

Total number of full-time permanent positions.....	3,250	3,418	3,472
Total compensable workyears:			
Full-time equivalent employment.....	2,913	3,050	3,100
Full-time equivalent of overtime and holiday hours.....	4	5	5

INTEREST ON THE PUBLIC DEBT

Federal Funds

General and special funds:

INTEREST ON THE PUBLIC DEBT

Program and Financing (in thousands of dollars)

Identification code	20-0550-0-1-901	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 43.0).....	190,166,367	191,754,283	198,399,300
<b>Financing:</b>				
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>190,166,367</b>	<b>191,754,283</b>	<b>198,399,300</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	190,166,367	191,754,283	198,399,300
90.00	Outlays.....	190,166,367	191,754,283	198,399,300

Such amounts are appropriated as may be necessary to pay the interest each year on the public debt (31

U.S.C. 1305, 3123). Interest on Government account series securities is computed on a cash basis. Interest is computed on an accrual basis on all other types of securities.

### DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

Sec. 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

Sec. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communication in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

Sec. 103. Not to exceed [1] 5 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than [1] 5 per centum and notice of any such proposed transfers shall be [approved] given in advance [by] to the Committees on Appropriations of the House and Senate.

[Sec. 104. None of the funds made available by this Act may be used to place the United States Secret Service, the United States Customs Service, or the Bureau of Alcohol, Tobacco and Firearms under the operation, oversight, or jurisdiction of the Inspector General of the Department of the Treasury.] (*Treasury Department Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

### TITLE V—GENERAL PROVISIONS

#### THIS ACT

Sec. 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans' Administration; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.

Sec. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

Sec. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

Sec. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 505. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection,

except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

[Sec. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided*, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.]

[Sec. 507. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messengers, and custodians, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.]

[Sec. 508. No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds is necessary to comply with a final order of the Federal court system.]

Sec. [509] 506. (a) The General Services Administration shall not sell, lease, transfer, or otherwise dispose of any portion of the approximately twenty-six acres of Fort DeRussy, Hawaii, lying southwest of Kalia Road, which includes the Hale Koa Hotel, the Armed Forces Recreation Center, and beachfront area.

(b) However, notwithstanding any other provision of law, including any limitation on appropriations in this or any other Act which, but for this provision, limit the obligation or expenditure of funds for the sale, lease, rental, or excessing of Fort DeRussy, Honolulu, Hawaii, the Secretary of the Army (hereinafter referred to as the "Secretary") is directed to sell and convey to the State of Hawaii or the city and county of Honolulu through the General Services Administration, at the fair market value as determined by, and upon such terms and conditions as are acceptable to the Administrator of General Services, the remaining approximately forty-five acres of Fort DeRussy lying northeast of Kalia Road, which comprises the three United States Army Reserves Centers and miscellaneous facilities. The exact acreages and legal descriptions shall be determined by the Secretary.

(c) The Secretary is authorized to acquire land and design and construct such facilities as are necessary to replace those on the land to be sold pursuant to subsection (b). The Secretary is also authorized to relocate activities currently located at Fort DeRussy to such replacement facilities.

(d) Notwithstanding any other provision of law, the General Services Administration is authorized to make funds available for the acquisition of land and replace facilities authorized to be acquired or constructed pursuant to subsection (c) and to pay associated relocation costs, and funds are hereby made available for this purpose.

(e) The proceeds of the sale authorized in subsection (b) shall be covered by the Administrator of General Services into the Treasury as miscellaneous receipts.

(f) A conveyance under subsection (b) shall provide that all of the land conveyed shall remain the property of the State of Hawaii, or the City and County of Honolulu, Hawaii, as the case may be.

[Sec. 510. None of the funds appropriated in this Act may be used for administrative expenses to close the Information Resources Management Office of the General Services Administration located in Sacramento, California.]

[Sec. 511. None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.]

**Sec. 512.** None of the funds made available by this Act shall be available for any activity or for paying the salary of any government employee where funding an activity or paying a salary to a government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the 1930 Tariff Act.]

**Sec. 513] 507.** None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, out of the Treasury Department.

**Sec. 514] 508.** No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

**Sec. 515] 509.** No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any member or committee of Congress as described in paragraph (1) of this subsection.

**Sec. 516] 510.** Except for vehicles provided to the President, Vice President and their families, or to the United States Secret Service, none of the funds provided in this Act to any Department or Agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than twenty-two miles per gallon. The requirements of this section may be waived by the Administrator of the General Services Administration for special purpose or special mission automobiles.

**Sec. 517] 511.** No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverages for abortions.

**Sec. 518] 512.** The provision of section 517] 511 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

**Sec. 519.** Effective September 30, 1987, none of the funds made available by this Act or any other Act with respect to fiscal year 1987 and any other fiscal year may be used to store, to maintain or to protect more than 128,000,000 troy ounces of silver deposited in the National Defense Stockpile. The Administrator of General Services, or any Federal officer assuming the Administrator's responsibilities with respect to management of the stockpile, shall use all proceeds generated from the disposal of silver to purchase, no later than October 1, 1988, stockpile materials to meet National Defense Stockpile goals and specifications in effect on October 1, 1984.]

**Sec. 520.** No later than October 1, 1988, the Administrator of General Services, or any Federal officer assuming the Administrator's responsibilities with respect to management of the stockpile, shall use

all funds authorized and appropriated before January 1, 1985 from the National Defense Stockpile Transaction Fund to evaluate, test, relocate, upgrade or purchase stockpile materials to meet National Defense Stockpile goals and specifications in effect on October 1, 1984.]

**Sec. 521.** No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.]

**Sec. 522.** None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, lease, rental, excessing, surplusage or disposal of any portion of land on which the Phoenix Indian School is located at Phoenix, Arizona without the specific approval of Congress.]

**Sec. 523.** None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplusage or disposal of lands in the vicinity of Bull Shoals Lake, Arkansas administered by the Corps of Engineers, Department of the Army without the specific approval of Congress.]

**Sec. 524.** The Administrator of the General Services Administration, under section 210(h) of the Federal Property and Administrative Services Act of 1949, as amended, shall acquire, by means of a lease of up to 30 years duration, space for the United States Courts in Tacoma, Washington, at the site of Union Station, Tacoma, Washington.]

**Sec. 525.** The United States Courthouse located at 223 Park Avenue Southwest in Aiken, South Carolina, shall be known and designated as the "Charles E. Simons, Jr., Federal Courthouse". Any reference in any law, regulation, document, record, map, or other paper of the United States to such courthouse is deemed to be a reference to the "Charles E. Simons, Jr., Federal Courthouse"]

**Sec. 526.** The Director of the Office of Management and Budget shall include in the area designated as the Wichita Metropolitan Statistical Area the County of Harvey, Kansas.]

**Sec. 527.** (a) The Director of the Office of Personnel Management (hereafter in this section referred to as the "Director") shall pay out of the Civil Service Retirement and Disability Fund, an annuity of \$1,500 per month to Gladys Pyle of Huron, South Dakota, who served as a United States Senator from November, 1938, to January, 1939, and is not otherwise eligible to receive an annuity on the basis of her services as a Senator.

(b) The annuity provided under subsection (a)—

(1) shall commence on the first day of the month in which this joint resolution is enacted; and

(2) shall terminate on the date of the death of the said Gladys Pyle.

(c)(1) The Director shall administer the provisions of this section.

(2) Sections 8340, 8346, 8348(a), and 8348(f) of title 5, United States Code, shall apply with respect to the annuity provided under the subsection (a).]

**Sec. 528.** In the administration of the provisions of section 603 of this Act, during fiscal year 1987, Erna Avari Patrick of Columbia, South Carolina shall be considered to have satisfied the requirement of clause (3) of such section.] (*Treasury, Postal Service, and General Government Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

# ENVIRONMENTAL PROTECTION AGENCY

## Federal Funds

### General and special funds:

#### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed \$25,000 per project; and not to exceed \$3,000 for official reception and representation expenses; **[\$701,107,000] \$778,330,000.** *Provided, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913). (7 U.S.C. 136 et seq.; 15 U.S.C. 2601 et seq.; 33 U.S.C. 1251 et seq.; 33 U.S.C. 1401 et seq.; 42 U.S.C. 300f et seq.; 42 U.S.C. 6901 et seq.; 42 U.S.C. 7401 et seq.; Reorganization Plan No. 3 of 1970; additional authorizing legislation to be proposed for \$277,729,000.)*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code 68-0200-0-1-304	1986 actual	1987 est	1988 est
<b>Program by activities:</b>			
Direct program:			
00.01 Air	81,943	85,641	90,553
00.02 Water quality	93,075	99,298	103,646
00.03 Drinking water	27,236	35,087	37,833
00.04 Hazardous waste	58,571	69,451	73,638
00.05 Pesticides	35,798	39,257	41,639
00.06 Radiation	8,051	9,858	9,420
00.07 Interdisciplinary	25,843	29,304	30,847
00.08 Toxic substances	38,338	40,136	41,891
00.09 Energy	5,106	5,732	5,902
00.10 Management and support	280,476	309,743	342,961
00.91 Total, direct program	654,437	723,507	778,330
01.01 Reimbursable program	15,875	20,000	20,000
10.00 Total obligations	670,312	743,507	798,330
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds	-14,449	-18,200	-18,200
14.00 Non-Federal sources	-1,426	-1,800	-1,800
25.00 Unobligated balance lapsing	353		
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	-34		
39.00 Budget authority	654,756	723,507	778,330
Budget authority:			
40.00 Appropriation	654,756	701,107	778,330
Transfers in for:			
46.20 Civilian pay raises		12,400	
46.40 Retirement contributions (P.L. 99-335)		10,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net	654,437	723,507	778,330
72.40 Obligated balance, start of year	100,221	91,785	115,421
74.40 Obligated balance, end of year	-91,785	-115,421	-134,382
77.00 Adjustments in expired accounts	-3,701		
89.00 Outlays	659,173	699,871	759,368
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals	659,173	680,607	756,232

91.20 Outlays from civilian pay raise supplemental	10,664	1,736
91.40 Outlays from retirement contribution supplemental	8,600	1,400

Distribution of outlays by account:		
Salaries and expenses	659,076	699,871
United States Regulatory Council	97	1,400

This appropriation finances salaries and related costs associated with administering the programs within the Environmental Protection Agency. It incorporates all costs exclusive of grant programs, program-specific contractual agreements, and hazardous substance response actions.

#### Object Classification (in thousands of dollars)

Identification code 68-0200-0-1-304	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent	366,026	396,685	402,373
11.3 Other than full-time permanent	28,516	30,916	31,360
11.5 Other personnel compensation	6,969	7,560	7,668
11.8 Special personal services payments	-1,702	-1,842	-1,869
11.9 Total personnel compensation	399,809	433,319	439,532
12.1 Personnel benefits: Civilian	46,937	59,426	78,909
13.0 Benefits for former personnel	379	377	380
21.0 Travel and transportation of persons	16,751	19,341	21,304
22.0 Transportation of things	1,957	2,084	2,129
23.1 Rental payments to GSA	30,795	36,090	44,545
23.2 Rental payments to others	7,195	7,795	8,218
23.3 Communications, utilities, and miscellaneous charges	34,608	36,012	38,143
24.0 Printing and reproduction	4,498	5,899	5,815
25.0 Other services	77,532	95,634	108,883
26.0 Supplies and materials	10,962	11,259	11,837
31.0 Equipment	21,241	15,327	17,050
32.0 Lands and structures	57		
41.0 Grants, subsidies, and contributions	1,669	944	1,585
42.0 Insurance claims and indemnities	47		
99.0 Subtotal, direct obligations	654,437	723,507	778,330
99.0 Reimbursable obligations	15,875	20,000	20,000
99.9 Total obligations	670,312	743,507	798,330

#### Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	10,243	10,734	10,603
<b>Total compensable workyears:</b>			
Full-time equivalent employment	11,166	11,582	11,440
Full-time equivalent of overtime and holiday hours	63	65	64
<b>Reimbursable:</b>			
Total number of full-time permanent positions	57	62	56
<b>Total compensable workyears:</b>			
Full-time equivalent employment	63	62	62
Full-time equivalent of overtime and holiday hours	7	7	7

#### RESEARCH AND DEVELOPMENT

For research and development activities, **[\$202,500,000] \$190,000,000**, to remain available until September 30, **[1988] 1989.** *(7 U.S.C. 136 et seq.; 15 U.S.C. 2601 et seq.; 33 U.S.C. 1251 et seq.; 42 U.S.C. 300f et seq.; 42 U.S.C. 6901 et seq.; 42 U.S.C. 7401 et seq.; Reorganization Plan No. 3 of 1970; additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

## General and special funds—Continued

## RESEARCH AND DEVELOPMENT—Continued

## Program and Financing (in thousands of dollars)

Identification code 68-0107-0-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Air	43,222	36,644	39,582
00.02 Water quality	12,369	7,403	8,456
00.03 Drinking water	14,019	12,758	13,788
00.04 Hazardous waste	37,592	33,912	30,786
00.05 Pesticides	6,489	6,808	7,266
00.06 Radiation	16	1,409	801
00.07 Interdisciplinary	22,873	19,470	18,236
00.08 Toxic substances	23,074	19,459	17,987
00.09 Energy	48,489	56,468	53,400
10.00 Total obligations	208,143	194,331	190,302
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-1,199		
21.40 Unobligated balance available, start of year	-4,389	-6,797	-3,966
24.40 Unobligated balance available, end of year	6,797	3,966	3,664
25.00 Unobligated balance lapsing	4,441		
39.00 Budget authority	213,793	191,500	190,000
<b>Budget authority:</b>			
40.00 Appropriation	213,793	202,500	190,000
45.00 Transfers out for pay raises and retirement contributions		-11,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	208,143	194,331	190,302
72.40 Obligated balance, start of year	185,444	198,945	192,854
74.40 Obligated balance, end of year	-198,945	-192,854	-187,558
77.00 Adjustments in expired accounts		-1,100	
78.00 Adjustments in unexpired accounts		-1,199	
90.00 Outlays	192,342	200,422	195,498

This appropriation finances research and development through contracts, grants, and intergovernmental agreements. These activities provide the scientific basis for EPA's regulatory actions.

**Air.**—Research will provide the data base needed to review the national ambient air quality standards, and establish new source performance standards and emission standards for hazardous air and mobile source pollutants.

**Water quality.**—Research in water quality includes gathering scientific data pertaining to toxic pollutants, developing guidelines for establishing site-specific water quality standards, support to the National Pollution Discharge Elimination System, and assessing the impact of various wastes when dumped into the ocean. Research is also performed in the municipal wastewater area.

**Drinking water.**—Includes research to evaluate the health effects of drinking water contaminants, methods to treat these contaminants in a cost-effective manner, and research to support the Agency's ground water protection activities.

**Hazardous waste.**—Research activities include providing hazardous waste measurement methods and protocols, assessing the risk from exposure to hazardous wastes, and developing the necessary data to revise and implement treatment, storage and disposal standards and regulations pursuant to recently enacted legislation.

**Pesticides.**—Activities provide scientific data to support the pesticides program by means of health and environmental exposure studies, the development of exposure protocols, and the quality assurance program.

Biotechnology research is also included in these activities.

**Radiation.**—Activities include radiological monitoring and surveillance services for the Department of Energy nuclear testing program at the Nevada Test Site.

**Interdisciplinary.**—Activities provide support for the long term research program, risk assessment guidelines, technology transfer, and quality assurance.

**Toxic substances.**—Activities support the development of scientific and technological methods to understand, predict and manage the entry and movement of chemicals into the environment and to determine the effects of these chemicals on both human health and the environment.

**Energy.**—Activities support the development of a sound technical energy resource data base. Particular emphasis is placed on understanding and assessing the causes and effects of acid rain.

## Object Classification (in thousands of dollars)

Identification code 68-0107-0-1-999	1986 actual	1987 est.	1988 est.
25.0 Other services	129,600	107,042	110,060
41.0 Grants, subsidies, and contributions	78,543	87,289	80,242
99.9 Total obligations	208,143	194,331	190,302

## ABATEMENT, CONTROL, AND COMPLIANCE\*

\*See Part II for additional information.

For abatement, control, and compliance activities, [\$582,685,000] \$515,085,000, [of which \$50,000,000 shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984, as amended, including not more than \$2,500,000 for administrative expenses and not more than \$5,000,000 to defray the costs of reinspections of schools for asbestos as required by law or regulation, with all of such funds] to remain available until September 30, [1988] 1989: *Provided*, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913), or for support to State, regional, local and interstate agencies in accordance with subtitle D of the Solid Waste Disposal Act, as amended, other than section 4008(a)(2) or 4009 (42 U.S.C. 6948, 6949). (7 U.S.C. 136 et seq.; 15 U.S.C. 2601 et seq.; 33 U.S.C. 1251 et seq.; 33 U.S.C. 1401 et seq.; 42 U.S.C. 300f et seq.; 42 U.S.C. 6901 et seq.; 42 U.S.C. 7401 et seq.; 20 U.S.C. 4011-4021; Public Law 99-519; Reorganization Plan No. 3 of 1970; additional authorizing legislation to be proposed for \$292,671,000.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

## Program and Financing (in thousands of dollars)

Identification code 68-0108-0-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Air	121,955	118,867	116,568
00.02 Water quality	137,128	135,172	123,803
00.03 Drinking water	45,261	55,362	63,049
00.04 Hazardous waste	138,712	150,262	149,698
00.05 Pesticides	26,365	23,188	26,521
00.06 Radiation	5,117	4,143	3,822
00.07 Interdisciplinary	6,421	6,611	7,371
00.08 Toxic substances	84,048	79,181	25,779
10.00 Total obligations	565,007	572,786	516,611
<b>Financing:</b>			
17.00 Recovery of prior year obligations	-6,796		
21.40 Unobligated balance available, start of year	-20,864	-13,191	-11,690
24.40 Unobligated balance available, end of year	13,191	11,690	10,164

25.00	Unobligated balance lapsing .....	2,224		
39.00	Budget authority .....	552,763	571,285	515,085
Budget authority:				
40.00	Appropriation .....	552,763	582,685	515,085
45.00	Transfers out for pay raises and retirement contributions .....		-11,400	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	565,007	572,786	516,611
72.40	Obligated balance, start of year .....	355,673	431,998	432,803
74.40	Obligated balance, end of year .....	-431,998	-432,803	-384,402
77.00	Adjustments in expired accounts .....	-2,832		
78.00	Adjustments in unexpired accounts .....	-6,796		
90.00	Outlays .....	479,054	571,981	565,012
Distribution of outlays by account:				
	Abatement, control and compliance .....	479,055	571,981	565,012
	Enforcement .....	-1		

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[in thousands of dollars]				
Enacted/requested:	1986 actual	1987 est.	1988 est.	
Budget authority .....	552,763	571,285	515,085	
Outlays .....	479,054	571,981	565,012	
Rescission proposal:				
Budget authority .....		-47,500		
Outlays .....		-14,725	-23,750	
Total:				
Budget authority .....	552,763	523,785	515,085	
Outlays .....	479,054	557,256	541,262	

**Status of Direct Loans (in thousands of dollars)**

Identification code 68-0108-0-1-304	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			
1131 Obligations exempt from limitation: Direct loans to the public .....	31,873	35,851	
1150 Total direct loan obligations .....	31,873	35,851	
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	2,167	23,891	83,387
1231 Disbursements: Direct loan disbursements .....	21,724	60,488	12,743
1251 Repayments: Repayments and prepayments .....		-992	-2,763
1290 Outstanding, end of year .....	23,891	83,387	93,367

This appropriation includes funds for contracts, grants, and cooperative agreements for pollution abatement, control, and compliance activities.

**Air.**—The air program performs activities related to the achievement of air quality standards. These objectives are met by providing: (1) financial and technical assistance to State and local governments; and (2) direct Federal action where State or local governments are unable to meet the requirements of Federal law. Emphasis in 1988 will be directed primarily at the implementation of the air toxics strategy through National Emission Standards for Hazardous Air Pollutants, the attainment and maintenance of National Ambient Air Quality Standards (NAAQS), and increased State participation as a way of achieving air quality objectives.

**Water quality.**—The water quality regulatory program has as its goal the protection and restoration of the Nation's waters. The program relies on a partnership between EPA and the States to meet the goals of the Act. The program encompasses the following major activities: (1) managing the municipal wastewater facilities construction grants program; (2) issuing and enforcing requirements of National Pollutant Discharge

Elimination System (NPDES) permits for industrial and municipal sources; (3) developing guidelines for issuance of dredge and fill permits; (4) assuring compliance with regulations; (5) monitoring of water quality; (6) developing water quality standards; (7) establishing technology-based and water quality-based effluent limits for point-source discharges; and (8) developing criteria for ocean disposal of industrial waste, municipal sludges and other dredged materials, and incineration at sea.

**Drinking water.**—The safe drinking water program protects the Nation's drinking water supplies from contaminants. This involves: (1) setting national drinking water standards that protect human health; (2) initiating enforcement actions for compliance with drinking water and underground injection control regulations; and (3) assisting States in implementing or directly implementing these regulatory programs.

**Hazardous waste.**—The hazardous waste program is designed to insure that hazardous wastes are managed in a manner that will protect public health and the environment. Continued emphasis will be placed on the development of regulations and standards to support new areas such as leaking underground storage tanks, small quantity generators, and corrective action for prior releases at solid and hazardous waste facilities. Similarly, the program will emphasize delegation of authority to the States and accelerate permitting and enforcement of hazardous waste regulations. State assumption of hazardous waste authorities will be encouraged through Federal financial assistance, regulations, and guidance.

**Pesticides.**—EPA is responsible for protecting the public health and the environment from unreasonable pesticide risks, taking into account the economic, social, and environmental costs and benefits from pesticide use. Major activities include: (1) review and registration of pesticide products; (2) developing and processing registration standards; and (3) enforcement of pesticide use rules, with emphasis on Federal/State cooperation.

**Radiation.**—The radiation program endeavors to eliminate adverse health and environmental effects by limiting exposure to radiation. Major activities include development and promulgation of standards, regulations and guidelines to reduce exposure from radiation sources. Also, the EPA will assist the Department of Energy in assessing risks associated with high levels of naturally occurring radon found in selective areas of the country.

**Interdisciplinary.**—The interdisciplinary program is composed of several activities which cut across media programs. This involves: (1) review of environmental impact statements (EIS) to insure that actions undertaken by Federal agencies do not adversely affect the environment, (2) Federal agencies compliance with statutes and regulations for pollution control, and (3) all legal aspects of the Agency's enforcement efforts.

**Toxic substances.**—The toxic substances program is responsible for protecting human health and the environment from unreasonable risks posed by chemicals. The program places a balanced emphasis on evaluation and control of new and existing chemicals. Nonregulatory approaches to obtain compliance will be used where appropriate. It also disburses funding appropri-

**General and special funds—Continued**  
**ABATEMENT, CONTROL, AND COMPLIANCE—Continued**

ated for grants and loans under the Asbestos School Hazard Abatement Act of 1984.

Object Classification (in thousands of dollars)			
Identification code	1986 actual	1987 est.	1988 est.
68-0108-0-1-304			
21.0	267	286	266
22.0	4		
23.3	180	2	
24.0	146		
25.0	203,371	234,897	218,147
26.0	43	4	
31.0	2		
41.0	360,464	337,597	298,198
42.0	530		
99.9	565,007	572,786	516,611

**BUILDINGS AND FACILITIES\***

\*See Part II for additional information.

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment for facilities of, or use by, the Environmental Protection Agency, **[\$7,500,000] \$6,000,000**, to remain available until expended [of which \$2,000,000 shall be for construction of a laboratory addition at the Environmental Research Center at the University of Nevada, Las Vegas, and \$500,000 shall be for renovation of research facilities at the Edison, New Jersey Complex]. (33 U.S.C. 1254.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
68-0110-0-1-304			
<b>Program by activities:</b>			
10.00	3,561	16,515	5,880
<b>Financing:</b>			
21.40	-7,790	-9,015	
24.40	9,015		120
40.00	4,785	7,500	6,000
<b>Relation of obligations to outlays:</b>			
71.00	3,561	16,515	5,880
72.40	5,799	4,766	16,287
74.40	-4,766	-16,287	-14,434
90.00	4,594	4,994	7,733

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	4,785	7,500	6,000
Outlays	4,594	4,994	7,733
Rescission proposal:			
Budget authority		-2,500	
Outlays		-225	-855
Total:			
Budget authority	4,785	5,000	6,000
Outlays	4,594	4,769	6,878

This appropriation provides for the construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities that are owned or used by the Environmental Protection Agency.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
68-0110-0-1-304			
21.0	56	100	98
25.0	3,446	9,348	5,390
31.0	4		
32.0	42	7,067	392
41.0	13		
99.9	3,561	16,515	5,880

**[CONSTRUCTION GRANTS]**

**[For necessary expenses to carry out title II of the Federal Water Pollution Control Act, as amended, other than sections 201(m)(1-3), 201(n)(2), 206, 208, and 209, \$2,400,000,000, to remain available until expended, of which \$600,000,000 shall be made available and derived from sums previously appropriated for this purpose in Public Law 99-190: Provided, That availability of funds made available under this section shall not be limited to phases or segments of previously funded projects: Provided further, That allocation of the sums made available under this section shall be in accordance with the formula in effect on October 1, 1984: Provided further, That of the funds appropriated in this paragraph \$1,200,000,000 shall not become available until the enactment of a subsequent appropriations Act authorizing obligation of such funds: Provided further, That none of these funds may be used for any project providing treatment more stringent than secondary, unless the project has been reviewed in accordance with the Environmental Protection Agency's advance treatment review policy: Provided further, That no unit of government shall receive less in 1987 than it received in 1985 under sections 205(g) and 205(j) of the Federal Water Pollution Control Act.]**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
68-0103-0-1-304			
<b>Program by activities:</b>			
10.00	2,109,810	1,520,000	595,525
<b>Financing:</b>			
17.00	-342,868		
21.40	-908,267	-915,525	-595,525
24.40	915,525	595,525	
40.00	1,774,200	1,200,000	
<b>Relation of obligations to outlays:</b>			
71.00	2,109,810	1,520,000	595,525
72.40	9,056,626	7,711,020	6,639,020
74.40	-7,711,020	-6,639,020	-5,420,546
78.00	-342,868		
90.00	3,112,547	2,592,000	1,814,000

Note.—Obligations include anticipated recoveries of prior year obligations of \$360 million for 1987 and \$330 million for 1988.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	1,774,200	1,200,000	
Outlays	3,112,547	2,592,000	1,814,000
Proposed for later transmittal under proposed legislation:			
Budget authority		800,000	2,000,000
Outlays		8,000	506,000
Total:			
Budget authority	1,774,200	2,000,000	2,000,000
Outlays	3,112,547	2,600,000	2,320,000

Status of Direct Loans (in thousands of dollars)

Identification code 68-0103-0-1-304	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	10,984	14,464	3,464
1231 Disbursements: Direct loan disbursements .....	3,480	1,000	
1251 Repayments: Repayments and prepayments .....		-12,000	-1,000
1290 Outstanding, end of year .....	14,464	3,464	2,464

This appropriation covers grants made by States to local public agencies for construction of municipal wastewater treatment facilities in order to assist States and localities in attaining and maintaining water quality standards. It also includes disbursements under a 1983 loan agreement with Puerto Rico to cover local funding shortfalls, pursuant to the 1983 Territorial Omnibus Act. Authorizing legislation has been submitted to phase out the program by 1994.

CONSTRUCTION GRANTS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 68-0103-2-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....		500,000	1,404,474
<b>Financing:</b>			
21.40 Unobligated balance, available, start of year .....			-300,000
24.40 Unobligated balance available, end of year .....		300,000	895,526
40.00 <b>Budget authority (appropriation) .....</b>		<b>800,000</b>	<b>2,000,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		500,000	1,404,474
72.40 Obligated balance, start of year .....			492,000
74.40 Obligated balance, end of year .....		-492,000	-1,390,474
90.00 Outlays .....		8,000	506,000

For 1987, Public Law 99-500 provided \$2.4 billion for Title II of the Federal Water Pollution Control Act, of which \$1.2 billion would become available only upon enactment of a subsequent appropriations act authorizing obligation of such funds.

Funds will be requested for 1987 and 1988 immediately after enactment of the President's legislative proposal to phase out the program by 1994.

SCIENTIFIC ACTIVITIES OVERSEAS (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)

Identification code 68-0104-0-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 21.0) .....	127	1,500	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....		-4	
21.40 Unobligated balance available, start of year .....	-3,333	-3,210	-1,710
24.40 Unobligated balance available, end of year .....	3,210	1,710	1,710
39.00 <b>Budget authority .....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	127	1,500	
72.40 Obligated balance, start of year .....	704	733	2,033
74.40 Obligated balance, end of year .....	-733	-2,033	-1,758
78.00 Adjustments in unexpired accounts .....	-4		
90.00 Outlays .....	94	200	275

Excess foreign currencies, derived from sale of surplus agricultural commodities and from other sources, are used to support research on the sources, effects, and control of pollution.

OPERATIONS, RESEARCH, AND FACILITIES

Program and Financing (in thousands of dollars)

Identification code 68-0100-0-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	290	500	500
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....		-413	
21.40 Unobligated balance available, start of year .....	-938	-1,062	-562
24.40 Unobligated balance available, end of year .....	1,062	562	62
39.00 <b>Budget authority .....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	290	500	500
72.40 Obligated balance, start of year .....	1,369	1,021	971
74.40 Obligated balance, end of year .....	-1,021	-971	-971
78.00 Adjustments in unexpired accounts .....	-413		
90.00 Outlays .....	225	550	500

Obligations are for special activities associated with administering agency-wide management support functions.

[ADVANCES TO TRUST FUND]

[For payment, as repayable advances to the Hazardous Substance Response Trust Fund, when specifically authorized by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and to the Leaking Underground Storage Tank Trust Fund, as authorized by the Superfund Amendments and Reauthorization Act of 1986, borrowed funds as may be necessary to carry out the purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and section 205 of the Superfund Amendments and Reauthorization Act of 1986.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 68-0250-0-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	198,000	635,400	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation) .....</b>	<b>198,000</b>	<b>635,400</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	198,000	635,400	
90.00 Outlays .....	198,002	635,400	

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and Public Laws 99-270 and 99-411 authorize repayable advances from the general fund, when necessary, to finance activities conducted through the Hazardous Substance Superfund. These advances are to be repaid when sufficient revenue becomes available but must be repaid no later than December 1991.

General and special funds—Continued

LICENSING AND OTHER SERVICES  
(Proposed for later transmittal, proposed legislation)

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....			
Receipts:			
Pesticides.....		8,500	23,000
Toxics.....		1,500	2,000
Ocean dumping.....			8,000
Mobile sources.....			5,000
Quality assurance and quality control.....			2,000
Total available for appropriation.....		10,000	40,000
Appropriations:			
Salaries and expenses.....		-6,620	-27,640
Abatement, control and compliance.....		-3,380	-11,960
Research and development.....			-400
Total appropriations.....		-10,000	-40,000

Legislation is being proposed to deposit fees which are established by regulation into a special fund for licensing of pesticides and chemicals, regulation of mobile sources of air pollution, quality assurance and control activities, and for ocean dumping permits to non-Federal applicants.

These receipts will be appropriated to the Salaries and expenses; Abatement, control and compliance; and Research and development accounts, for activities typically funded under these accounts.

Public enterprise funds:

REVOLVING FUND FOR CERTIFICATION AND OTHER SERVICES

Program and Financing (in thousands of dollars)

Identification code 68-4311-0-3-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	835	1,000	1,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-1,147	-1,500	-1,500
21.98 Unobligated balance available, start of year.....	-1,134	-1,418	-1,918
24.98 Unobligated balance available, end of year.....	1,418	1,918	2,418
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	28		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-312	-500	-500
90.00 Outlays.....	-312	-500	-500

Fees are paid by industry for Federal services in establishing tolerances for residues of pesticide chemicals in or on food and animal feed.

Object Classification (in thousands of dollars)

Identification code 68-4311-0-3-304	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	763	910	910
12.1 Personnel benefits: Civilian.....	72	90	90
99.9 Total obligations.....	835	1,000	1,000

Personnel Summary

Total number of full-time permanent positions.....	20	20	20
Total compensable workyears: Full-time equivalent employment.....	20	20	20

Trust Funds

HAZARDOUS SUBSTANCE [RESPONSE TRUST FUND] SUPERFUND

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and notwithstanding any other provision of law, to carry out the provisions of Title III of the Superfund Amendments and Reauthorization Act of 1986, [ \$1,411,300,000 ] \$1,200,000,000, to be derived from the Hazardous Substance [Response Trust Fund] Superfund, to remain available until expended: *Provided*, That funds appropriated under this account may be allocated to other Federal agencies in accordance with section 111(a) of Public Law 96-510: *Provided further*, That none of the funds appropriated under this heading shall be available for sections 311(d), 111(n)(3), 111(b), 111(c)(1), or 111(c)(2) of CERCLA, as amended, or sections 118(i) or 118(o) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That notwithstanding section 111(m) of CERCLA, as amended, or any other provision of law, not to exceed \$30,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 111(c)(4), 104(i), 111(c)(14), and 118(f) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That of the amounts appropriated under this heading in Public Law 99-160, \$600,000,000 are rescinded. For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, an additional \$135,000,000 shall be available for administrative expenses.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....		9,034	
Receipts:			
Interest.....	41,788	22,866	47,800
Fines and recoveries.....	15,718	31,000	51,000
Transfers from the general fund, amounts equivalent to taxes.....	14,828	713,000	1,136,000
Payments and advances from the general fund.....	198,000	635,400	
Total:			
Available for appropriation.....	270,334	1,411,300	1,234,800
Appropriation.....	-261,300	-1,411,300	-1,200,000
Unappropriated balance, end of year.....		9,034	34,800

Program and Financing (in thousands of dollars)

Identification code 20-8145-0-7-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	394,668	1,123,100	1,578,600
01.01 Reimbursable program.....	17,516	30,000	52,000
10.00 Total obligations.....	412,184	1,153,100	1,630,600
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-10,143	-12,000	-12,000
14.00 Non-Federal sources.....	-7,373	-18,000	-40,000
17.00 Recovery of prior year obligations.....	-42,114		
21.40 Unobligated balance available, start of year.....	-189,240	-97,986	-386,186
24.40 Unobligated balance available, end of year.....	97,986	386,186	7,586
40.00 <b>Budget authority (appropriation)</b> .....	261,300	1,411,300	1,200,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	394,668	1,123,100	1,578,600
72.40 Obligated balance, start of year.....	470,576	388,151	961,251
74.40 Obligated balance, end of year.....	-388,151	-961,251	-1,639,851
78.00 Adjustments in unexpired accounts.....	-42,114		
90.00 Outlays.....	434,979	550,000	900,000

This appropriation provides funds for the implementation of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 as amended by the Superfund Amendments and Reauthorization Act of

1986. This Act provides authority for responding to and cleaning up hazardous substance emergencies and uncontrolled waste sites.

There are four basic components to the Superfund program: Hazardous Substance Response Actions; Enforcement; Research and Development; and Management and Support. These components will be integrated and coordinated to insure the wisest use of Fund money in order to achieve the greatest possible cleanup.

Financial responsibility for the program will be shared by the Federal and State governments as well as industry. EPA will allocate funds from its appropriation to other Federal agencies to carry out the Act.

Object Classification (in thousands of dollars)

Identification code	20-8145-0-7-304	1986 actual	1987 est.	1988 est.
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	49,846	69,829	72,320
11.3	Other than full-time permanent	2,972	4,163	4,312
11.5	Other civilian personnel compensation	1,493	2,092	2,167
11.8	Special personal services payments	14	19	20
11.9	Total personnel compensation	54,325	76,103	78,819
12.1	Personnel benefits: Civilian	6,601	9,247	9,574
13.0	Benefits for former personnel	8	12	14
21.0	Travel and transportation of persons	4,057	4,729	5,355
22.0	Transportation of things	278	292	348
23.1	Rental payments to GSA	4,806	7,444	7,695
23.2	Rental payments to others	1,123	1,608	1,700
23.3	Communications, utilities, and miscellaneous charges	3,959	3,412	3,600
24.0	Printing and reproduction	396	255	450
25.0	Other services	268,710	722,972	1,105,872
26.0	Supplies and materials	1,628	1,638	2,500
31.0	Equipment	2,143	7,238	8,550
32.0	Lands and structures	6	9	14
41.0	Grants, subsidies and contributions	27,714	228,792	265,000
42.0	Insurance claims and indemnities		6	
99.0	Subtotal direct obligations, Environmental Protection Agency	375,754	1,063,757	1,489,491
99.0	Reimbursable obligations	17,516	30,000	52,000
<b>ALLOCATION ACCOUNTS</b>				
11.1	Personnel compensation: Full-time permanent	9,128	17,677	21,683
12.1	Personnel benefits: Civilian	1,392	2,061	3,147
13.0	Benefits for former personnel	3	1	1
21.0	Travel and transportation of persons	1,211	2,659	3,923
22.0	Transportation of things	167	231	285
23.2	Rental payments to others	855	1,078	1,406
23.3	Communications, utilities, and miscellaneous charges		36	40
24.0	Printing and reproduction	66	393	579
25.0	Other services	3,507	9,239	12,599
26.0	Supplies and materials	405	1,241	1,988
31.0	Equipment	438	1,689	2,554
41.0	Grants, subsidies, and contributions	1,742	23,038	40,904
99.0	Subtotal obligations, allocation accounts	18,914	59,343	89,109
99.9	Total obligations	412,184	1,153,100	1,630,600
Obligations are distributed as follows:				
	Environmental Protection Agency	393,270	1,093,757	1,541,491
	Department of Health and Human Services	9,513	43,000	68,915
	Department of Justice	7,692	10,900	13,773
	National Oceanic and Atmospheric Administration	477	1,860	2,280
	Department of the Interior	365	1,000	1,253
	Federal Emergency Management Agency	848	1,350	1,880
	Occupational Safety and Health Administration	19	1,233	1,008

Personnel Summary

ENVIRONMENTAL PROTECTION AGENCY			
Total number of full-time permanent positions	1,511	2,220	2,493
Total compensable workyears:			
Full-time compensable employment	1,643	2,416	2,716

Full-time equivalent of overtime and holiday hours	20	29	33
<b>ALLOCATION ACCOUNTS</b>			
Total number of full-time permanent positions	210	262	406
Total compensable workyears: Full-time compensable employment	223	285	434

POST-CLOSURE LIABILITY TRUST FUND

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year	18,007	18,928	18,928
Receipts:			
Interest and profits on investments	1,301		
Transfer from the general fund, amounts equivalent to taxes	-380		
Total:			
Available for appropriation	18,928	18,928	18,928
Appropriation: Post-closure liability trust fund			
Unappropriated balance, end of year	18,928	18,928	18,928

The Superfund Amendments and Reauthorization Act of 1986 backdated the termination of the tax supporting this trust fund to the date the tax took effect. Consequently, procedures will be developed to return funds to the original taxpayers.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out Leaking Underground Storage Tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, \$50,000,000, to remain available until expended: *Provided*, That no more than \$7,000,000 shall be available for administrative expenses.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year			40,700
Receipts:			
Interest		2,700	8,900
Transfers from the general fund, amounts equivalent to taxes		88,000	130,000
Total:			
Available for appropriation		90,700	179,600
Appropriation		-50,000	
Unappropriated balance, end of year		40,700	179,600

Program and Financing (in thousands of dollars)

Identification code	20-8153-0-7-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations		25,000	25,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year			-25,000
24.40	Unobligated balance available, end of year		25,000	
40.00	Budget authority (appropriation)		50,000	
Relation obligations to outlays:				
71.00	Obligations incurred, net		25,000	25,000
72.40	Obligated balance, start of year			17,500
74.40	Obligated balance, end of year		-17,500	-25,000
90.00	Outlays		7,500	17,500

The Leaking Underground Storage Tank (LUST) Trust Fund, authorized by the Superfund Reauthorization Act of 1986 (Public Law 99-499), provides funds for

**[LEAKING UNDERGROUND STORAGE TANK TRUST FUND]—Continued**

the cleanup of contaminated groundwater as a result of leaking underground petroleum tanks. The Trust Fund is financed by a 0.1 cent a gallon tax on motor fuels, effective January 1, 1987.

EPA will develop and oversee the cleanup program, which will be implemented by the States. Funds will be allocated to the States through cooperative agreements, to clean up those sites posing the greatest threat to human health and environment. The Trust Fund will also cover administrative expenses necessary to carry out the program.

No new resources are requested in 1988 given that sufficient funding, approximately \$25 million, is expected to carry over from 1987.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
20-8153-0-7-304			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		2,731	2,725
11.3 Other than full-time permanent.....		163	163
11.5 Other civilian personnel compensation.....		82	82
11.8 Special personal services payments.....		1	1
11.9 Total personnel compensation.....		2,977	2,971
12.1 Personnel benefits: Civilian.....		362	360
21.0 Travel and transportation of persons.....		183	183
23.1 Rental payments to GSA.....		393	392
23.2 Rental payments to others.....		92	92
23.3 Communications, utilities, and miscellaneous charges.....		324	323
24.0 Printing and reproduction.....		42	40
25.0 Other services.....		4,529	4,530
26.0 Supplies and materials.....		69	70
31.0 Equipment.....		109	104
41.0 Grants, subsidies and contributions.....		15,920	15,935
99.9 Total obligations.....		25,000	25,000

**Personnel Summary**

Total number of full-time permanent positions.....	85	85
Total compensable workyear: Full-time compensable employment.....	85	85

**ASBESTOS TRUST FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....			992
<b>Receipts:</b>			
Asbestos loan repayments.....		992	2,763
Earnings on investments.....			64
<b>Total:</b>			
Available for appropriation.....		992	3,819
Unappropriated balance, end of year.....		992	3,819

The Asbestos Hazard Emergency Response Act of 1986 (Public Law 99-519) provides for the creation of

the "Asbestos Trust Fund." This fund consists of loan repayments made under section 505 of the Asbestos School Hazard Abatement Act of 1984 (Public Law 98-377; 20 U.S.C. 4011 et seq.) for abatement of asbestos in schools. These loan repayments are transferred from the direct loan account.

**MISCELLANEOUS CONTRIBUTED FUNDS**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
68-8741-0-7-304			
<b>Program by activities:</b>			
10.00 Total obligations.....	39	50	30
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-44	-47	-27
24.40 Unobligated balance available, end of year.....	47	27	7
60.00 <b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>42</b>	<b>30</b>	<b>10</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	39	50	30
72.40 Obligated balance, start of year.....	31	27	37
74.40 Obligated balance, end of year.....	-27	-37	-17
90.00 Outlays.....	43	40	50

Includes gifts for pollution control programs which are, for the most part, designated for a specific use by the donor, and deposits from pesticide registrants to cover the costs of petition hearings when such hearings result in unfavorable decisions to the petitioner.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
68-8741-0-7-304			
21.0 Travel and transportation of persons.....	9	12	7
25.0 Other services.....	30	38	23
99.9 Total obligations.....	39	50	30

**ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS**

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:  
Funds appropriated to the President: "Appalachian regional development programs."

**[ADMINISTRATIVE PROVISION]**

[Not to exceed \$5,000,000 of the funds collected by the Environmental Protection Agency pursuant to 31 U.S.C. 9701 for quality assurance mandatory services and for quality assurance materials shall hereafter be credited to the appropriation which incurred the costs therefor and shall be available for the purposes of that appropriation.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

# GENERAL SERVICES ADMINISTRATION

## REAL PROPERTY ACTIVITIES

### Federal Funds

#### Intragovernmental funds:

##### FEDERAL BUILDINGS FUND\*

##### LIMITATIONS ON AVAILABILITY OF REVENUE

\*See Part II for additional information.

The revenues and collections deposited into the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract, in the aggregate amount of ~~[\$2,385,856,000]~~ ~~\$2,934,534,000~~, of which (1) not to exceed ~~[\$125,548,000]~~ ~~\$155,650,000~~ shall remain available until expended for construction of additional projects as authorized by law at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

#### New Construction:

##### Alabama:

Jasper, Federal Building, \$3,376,000

##### New Jersey:

Paterson, Federal Building (site and design), \$1,500,000

##### New Mexico:

Columbus, Border Station, \$2,680,000

##### Pennsylvania:

Wilkes-Barre, Federal Building (Social Security Administration), \$20,672,000

##### South Carolina:

Columbia, Federal Building, Courthouse, Claim, \$1,057,000  
Construction Projects, less than \$500,000, \$1,000,000:

#### Purchase:

##### New York:

Wellesley Island, Border Station, \$1,925,000

Other Selected Purchases, including options to purchase, \$93,338,000:]

##### Michigan:

Detroit, Ambassador, Bridge Cargo Inspection Facility, Site, \$3,800,000

##### New Jersey:

Camden, Federal Building, Courthouse Annex, Site, \$300,000

##### Virgin Islands:

St. Croix, Federal Building, Courthouse, Site, \$550,000

Construction Projects, less than \$500,000, \$1,000,000:

Other Selected Purchases including options to purchase, ~~[\$93,338,000]~~ ~~\$150,000,000~~: *Provided*, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further*, That all funds for direct construction projects shall expire on September 30, ~~[1988]~~ ~~1989~~, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That claims against the Government of less than \$50,000 arising from

direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed ~~[\$270,222,000]~~ ~~\$443,945,000~~, which shall remain available until expended, for repairs and alterations: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum ~~[unless]~~ *when advance [approval is obtained from] notice thereof is given to the Committees on Appropriations of the House and Senate [for] of a greater amount:*

#### Repairs and Alterations:

##### Arizona:

Phoenix, Federal Building, \$762,000

##### California:

San Diego, Old Federal Building, \$1,576,000

San Diego, Federal Building, Courthouse, \$1,178,000

San Francisco, Post Office, Courthouse, \$1,683,000

San Francisco, Burton Federal Building, \$20,000,000

##### Colorado:

Denver, Federal Building, Courthouse, \$8,540,000

##### District of Columbia:

Federal Building, New Post Office, \$1,700,000

Federal Building # 6, \$1,213,000

Federal Building # 8, \$1,886,500

Federal Building # 9, \$1,712,500

Federal Building # 10A, \$1,121,000

General Accounting Office, \$3,552,000

Justice, \$599,000

State, \$2,765,000

Steam Distribution System, \$8,796,000

##### Hawaii:

Honolulu, Kalaniana'ole Federal Building, Courthouse, \$1,850,000

##### Illinois:

Chicago, Railroad Retirement Board, \$5,200,000

##### Kentucky:

Louisville, Post Office, Courthouse, \$1,500,000

##### Missouri:

Kansas City, Federal Building, \$4,408,000

St. Louis, Federal Building (Mart), Phase I, \$20,000,000

Kansas City, 601 E. 12th, \$997,000

Kansas City, 1500 E. Bannister, \$2,560,000

St. Louis, 4300 Goodfellow, \$2,176,000

##### Nevada:

Las Vegas, Federal Building, Courthouse, \$2,197,000

##### Oregon:

Portland, Federal Building, \$12,069,000

##### Texas:

Dallas, Federal Building, \$1,600,000

Dallas, Terminal Annex, \$4,600,000

##### Utah:

Salt Lake City, Post Office, Courthouse, \$675,000

##### Virginia:

Arlington, Pentagon, \$7,000,000

##### Wisconsin:

Milwaukee, Federal Building, Courthouse, \$2,799,000

##### Wyoming:

Casper, Federal Building, Courthouse, \$1,923,000]

##### Alabama:

Birmingham, Federal Building, Courthouse, \$3,899,000

##### California:

Fresno, Sisk Federal Building, Courthouse, \$2,879,000

Los Angeles, Federal Building, \$10,422,000

San Francisco, Federal Building, Courthouse, \$16,962,000

##### District of Columbia:

Central Heating Plant, \$15,500,000

West Heating Plant, \$9,201,000

Elevator Replacement, \$26,700,000

Intragovernmental funds—Continued

FEDERAL BUILDINGS FUND—Continued

LIMITATIONS ON AVAILABILITY OF REVENUE—Continued

- Forrestal Building, \$2,578,000
- GSA Regional Office Building, \$1,036,000
- Agriculture Administration Building, \$530,000
- Agriculture South Building, \$3,360,000
- Courthouse, \$1,887,000
- Perkins Federal Building, \$1,644,000
- GSA Headquarters, \$929,000
- Hoover Federal Building, \$1,627,000
- Department of the Interior, \$1,858,000
- New Post Office, \$1,006,000
- Veterans Administration, \$1,355,000
- Florida:
  - Miami, Federal Building, \$11,481,000
  - West Palm Beach, Post Office, \$2,900,000
- Georgia:
  - Atlanta, Federal Annex, \$2,400,000
  - East Point, Federal Archives and Records Center, \$1,102,000
- Illinois:
  - Chicago, Dirksen Federal Building, Courthouse, \$7,334,000
  - East St. Louis, Post Office, Courthouse, \$3,762,000
- Iowa:
  - Des Moines, Federal Building, \$1,300,000
- Louisiana:
  - New Orleans, F. Edward Hebert Federal Building, \$12,525,000
- Maryland:
  - Baltimore, Appraisers Stores, \$2,668,000
  - Bethesda, Federal Building, \$700,000
- Massachusetts:
  - Boston, McCormack Post Office, Courthouse, \$2,200,000
- Missouri:
  - St. Louis, Mart Federal Building, \$28,964,000
  - St. Louis, Federal Center #104, \$8,983,000
- New Jersey:
  - Trenton, Post Office, Courthouse, \$2,823,000
- New York:
  - Brooklyn, Federal Building No. 2, \$11,472,000
  - New York, Foley Square Courthouse, \$4,655,000
  - New York, 201 Varick Street, \$14,475,000
- North Carolina:
  - Raleigh, Federal Building, Post Office, Courthouse, \$9,640,000
- Pennsylvania:
  - Philadelphia, Byrne Courthouse, \$6,875,000
  - Pittsburgh, Post Office, Courthouse, \$16,572,000
- Texas:
  - San Antonio, Post Office, Courthouse, \$8,154,000
- Virginia:
  - Arlington, Federal Building No. 2, \$4,080,000
  - Arlington, Pentagon, \$8,080,000

Minor Repairs and Alterations, **[\$141,584,000]** \$167,427,000: *Provided further*, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance **[approval is obtained from]** notice thereof has been given to the Committees on Appropriations of the House and Senate: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, **[1988]** 1989, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed **[\$131,442,000]** \$133,105,000 for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed **[\$985,000,000]** \$1,193,400,000 for rental of space; (5) not to exceed **[\$753,219,000]** \$845,384,000 for real property operations; (6) not to exceed **[\$57,090,000]** \$48,014,000 for program direction and centralized services; and (7) not to exceed **[\$63,335,000]** \$115,036,000 for design and construction services which shall remain available until expended: *Provided further*, That the Administrator of General Services is hereby directed to enter into a contract for construction of a building in Oakland, California, on a site donated by the city of Oakland. The contract shall provide, by lease or installment payments over a period not to exceed 30 years, for the payment of the purchase price, which shall not exceed \$141,700,000, and reasonable interest thereon. The contract shall further provide that title to the building shall vest in the United States at or before the expiration of the

contract term upon fulfillment of the terms and conditions of the contract. *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490), and buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: **[Provided further]**, That none of the funds available to the General Services Administration shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: **[Provided further]**, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance **[approval is obtained from]** notice thereof has been given to the Committees on Appropriations of the House and Senate: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056 as amended, shall be available from such revenues and collections: **[Provided further]**, That the Administrator of General Services is authorized, under section 210(h) of the Federal Property and Administrative Services Act of 1949, to acquire a building not to exceed 250,000 sq. ft., constructed or acquired by or on behalf of the State of Florida or a political subdivision thereof, by lease not to exceed 30 years, in Miami, Florida, on such terms and conditions as he deems appropriate. These terms and conditions may include an option to permit the Federal Government, if the Administrator deems that it is in the best interest of the Federal Government, to execute a succeeding lease: *Provided further*, That the Administrator of General Services is authorized, under section 210(h) of the Federal Property and Administrative Services Act of 1949, to acquire a building not to exceed 600,000 sq. ft., constructed or acquired by or on behalf of the State of Illinois or a political subdivision thereof, by lease not to exceed 30 years, in Chicago, Illinois, on such terms and conditions as he deems appropriate. These terms and conditions may include an option to permit the Federal Government, if the Administrator deems that it is in the best interest of the Federal Government, to execute a succeeding lease: **[Provided further]**, That revenues and collections and any other sums accruing to this fund during fiscal year **[1987]** 1988 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of **[\$2,385,856,000]** \$2,934,534,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriation Acts: *Provided further*, That notwithstanding this or any other provision of this Act, Section 623 of the Treasury, Postal Service, and General Government Appropriations Act as contained in this Act shall apply only to the rural electrification program in the State of Alaska. (Public Law 99-591, providing continuing appropriations for the fiscal year 1987, section 115.)

Program and Financing (in thousands of dollars)

Identification code	47-4542-0-4-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Construction and acquisition of facilities.....	66,762	312,734	284,569
00.02	Repairs and alterations.....	258,976	359,651	451,444
00.03	Purchase contract payments.....	128,032	131,442	133,105
00.04	Rental of space.....	904,791	985,000	1,193,400
00.05	Real property operations.....	722,317	753,219	845,384
00.06	Program direction.....	54,305	57,090	48,014
00.07	Design and construction services.....	88,865	81,019	133,523
00.08	Other programs.....	383,082	518,678	394,739
10.00	Total obligations.....	2,607,130	3,198,833	3,484,178
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-2,506,771	-2,809,910	-3,164,872
13.00	Trust funds.....	-151,034	-151,396	-151,757
14.00	Non-Federal sources.....	-9,784	-16,660	-12,994

17.00	Recovery of prior year obligations	-17,226		
	Unobligated balance, start of year: Fund balance:			
21.98	Available	-532,100	-709,429	-405,530
21.98	Unavailable	-84,812	10,554	-66,018
	Unobligated balance, end of year: Fund balance:			
24.98	Available	709,429	405,530	250,626
24.98	Unavailable	-10,554	66,018	59,373
31.00	Redemption of debt	5,921	6,460	6,994
40.00	<b>Budget authority (appropriation)</b>	<b>10,199</b>		
	Relation of obligations to outlays:			
71.00	Obligations incurred, net	-60,459	220,867	154,555
72.98	Obligated balance, start of year: Fund balance	745,609	648,643	950,887
74.98	Obligated balance, end of year: Fund balance	-648,643	-950,887	-1,123,798
78.00	Adjustments in unexpired accounts	-17,226		
90.00	Outlays	19,281	-81,377	-18,356

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]				
Enacted:		1986 actual	1987 est.	1988 est.
Budget authority		10,199		
Outlays		19,281	-81,377	-18,356
Supplemental under existing legislation:				
Budget authority				
Outlays			-141	
Total:				
Budget authority		10,199		
Outlays		19,281	-81,518	-18,356

**Status of Direct Loans (in thousands of dollars)**

Identification code 47-4542-0-4-804				
		1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	408,363	402,442	395,982
1251	Repayments and prepayments	-5,921	-6,460	-6,994
1290	Outstanding, end of year	402,442	395,982	388,988

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code 47-4542-0-4-804				
		1986 actual	1987 est.	1988 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year	699,894	579,281	570,295
2251	Repayments and prepayments	-17,308	-8,986	-24,290
2264	Adjustments: Other adjustments, net	-103,305		
2290	Outstanding, end of year	579,281	570,295	546,005

**MEMORANDUM**

2299	U.S. contingent liability for loans outstanding, end of year	579,281	570,295	546,005
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The Federal Buildings Fund finances the activities of the Public Buildings Service which provides space and services for Federal agencies in a relationship similar to that of landlord and tenant.

The Fund, established in 1975, replaces direct appropriations by using income derived from rent assessments which approximate commercial rates for comparable space and services. Rent and other income to the fund is as follows:

[In thousands of dollars]				
		1986 actual	1987 est.	1988 est.
Rental charges		2,274,251	2,442,628	2,921,890
Collections for:				
(a) Special services and improvements		383,553	518,678	394,739
(b) Sale of fixed assets		1		
(c) Miscellaneous income		9,784	16,660	12,994
Total receipts and reimbursements		2,667,589	2,977,966	3,329,623

The following table details the financing for the Federal Buildings Fund in 1986 and 1987.

[In thousands of dollars]

Obligational authority

		End-of-year unobligated balance	Total	New	From prior year
1987 basic program:	Obligations				
1. Construction and acquisition of facilities	312,734	286,118	598,852	125,548	473,304
2. Repairs and alterations	359,651	25,494	385,145	270,222	114,923
3. Purchase contract payments	131,442		131,442	131,442	
4. Rental of space	985,000		985,000	985,000	
5. Real property operations	753,219		753,219	753,219	
6. Program direction	57,090		57,090	57,090	
7. Design and construction services	81,019	41,083	122,102	63,335	58,767
Total basic program	2,680,155	352,695	3,032,850	2,385,856	646,994
Other programs:					
Special services and improvements	518,678		518,678	518,678	
Total Federal Buildings Fund	3,198,833	352,695	3,551,528	2,904,534	646,994
1988 basic program:					
1. Construction and acquisition of facilities	284,569	157,199	441,768	155,650	286,118
2. Repairs and alterations	451,444	17,995	469,439	443,945	25,494
3. Purchase contract payments	133,105		133,105	133,105	
4. Rental of space	1,193,400		1,193,400	1,193,400	
5. Real property operations	845,384		845,384	845,384	
6. Program direction	48,014		48,014	48,014	
7. Design and construction services	133,523	22,596	156,119	115,036	41,083
Total basic program	3,089,439	197,790	3,287,229	2,934,534	352,695
Other programs:					
Special services and improvements	394,739		394,739	394,739	
Total Federal Buildings Fund	3,484,178	197,790	3,681,968	3,329,273	352,695

The Federal Buildings Fund program consists of the following activities financed from rent charges:

**Construction and acquisition of facilities.**—Space is acquired through direct federally financed construction of facilities, extensions to existing buildings costing over \$500,000 and direct purchase of facilities. All costs directly attributable to Federal Buildings Fund construction projects for site acquisition and construction are also financed under this activity. The total cost of new commitments for direct federally financed construction and acquisition of facilities is estimated at \$125.5 million in 1987 and \$155.7 million in 1988.

**Repairs and alterations.**—Repairs and alterations of public buildings are funded under this activity. Protection of the Government's investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Primary consideration is given to repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment. This activity also provides for conversion of existing facilities and extensions estimated to cost less than \$500,000.

**Design and construction services.**—This activity consolidates funding for the full range of design and construction services including preparation of drawings and specifications, management and inspection of construction and repairs and alterations projects, other construction related costs and non-project related technical services. In the case of new construction projects and repairs and alterations projects over \$500,000, design work will be restricted to those projects reflected in the budget justifications for this activity or projects which have been specifically approved in appropriation acts.

**Purchase contract payments.**—Payments are made for liabilities incurred under purchase contract authority.

Intragovernmental funds—Continued

FEDERAL BUILDINGS FUND—Continued

LIMITATIONS ON AVAILABILITY OF REVENUE—Continued

Purchase contract authority, which provided for private investment capital financing of public buildings, expired at the end of 1975. The periodic payments cover principal, interest, taxes, and other requirements.

*Rental of space.*—Space is acquired through the leasing of buildings including space occupied by Federal agencies in U.S. Postal Service facilities. This program will provide an estimated 91.9 million square feet in 1987 and 92.3 million square feet in 1988.

*Real property operations.*—Services are provided for Government-owned and leased facilities, including cleaning, utilities and fuel, protection, maintenance, and miscellaneous services (such as moving, evaluation of new materials and equipment, and field supervision). The 1988 direct program compares with the 1987 program as follows (estimated square feet and expenses in thousands):

	1987		1988	
	Square feet	Expenses	Square feet	Expenses
Cleaning.....	165,380	177,754	166,663	190,266
Utilities.....	197,952	216,677	199,135	228,888
Maintenance.....	163,726	128,090	164,512	135,890
Other building services.....	243,259	86,062	243,224	96,021
Protection.....	261,936	62,928	262,228	76,371
Other staff support.....		37,670		50,181
Delegated buildings.....	9,749	39,838	12,610	49,921
ADP Support.....		4,200		17,846
Total.....		753,219		845,384

*Program direction.*—Overall general management, including office automation, financial management, policy development, planning, program evaluation and administration, is funded under this activity.

*Other programs.*—When requested by Federal agencies, the Public Buildings Service provides building services such as tenant alterations, cleaning and other operations, and protection services which are in excess of those services provided under the commercial rental charge.

Object Classification (in thousands of dollars)

Identification code 47-4542-0-4-804	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	327,539	314,654	316,630
11.3 Other than full-time permanent.....	7,287	5,165	5,190
11.5 Other personnel compensation.....	15,918	8,741	8,770
11.9 Total personnel compensation.....	350,744	328,560	330,590
12.1 Personnel benefits: Civilian.....	50,474	46,048	62,835
13.0 Benefits for former personnel.....	1,372	1,664	1,915
21.0 Travel and transportation of persons (direct).....	3,577	4,155	4,316
21.0 Travel and transportation of persons (reimbursable).....	742	433	433
21.0 Motor pool travel.....	2,903	3,451	3,557
22.0 Transportation of things.....	3,884	4,510	4,661
23.2 Rental payments to others.....	904,792	958,178	1,159,924
23.3 Communications, utilities, and miscellaneous charges.....	252,746	257,610	245,466
24.0 Printing and reproduction.....	4,238	26,740	31,201
25.0 Other services.....	798,027	1,186,960	1,184,310
26.0 Supplies and materials.....	83,467	145,928	163,554
31.0 Equipment.....	7,023	4,521	4,636
32.0 Land and structures.....	36,400	120,848	181,814
41.0 Grants, subsidies, and contributions.....	17,179	20,936	19,867
42.0 Insurance claims and indemnities.....		154	
43.0 Interest and dividends.....	89,408	88,291	85,099
99.9 Total obligations.....	2,607,130	3,198,833	3,484,178

Personnel Summary

Total number of full-time permanent positions.....	11,684	10,671	10,254
Total compensable workyears:			
Full-time equivalent employment.....	13,307	11,451	11,007
Full-time equivalent of overtime and holiday hours.....	588	529	509

ALLOCATIONS RECEIVED FROM OTHER APPROPRIATION ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriations as follows:

Health and Human Services: Social Security Administration: "Limitation on salaries and expenses."  
Justice: Federal Prison System: "Buildings and facilities."  
Treasury: Bureau of the Mint: "Construction of Mint facilities."  
Smithsonian Institution: "Construction."

PERSONAL PROPERTY ACTIVITIES

Federal Funds

General and special funds:

FEDERAL SUPPLY SERVICE

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for supply distribution (including contractual services incident to receiving, handling and shipping supply items), procurement (including royalty payments), inspection, standardization, property management, and other supply management activities, transportation activities, transportation audits by in-house personnel; utilization of excess and disposal of surplus personal property, and the rehabilitation of personal property including services as authorized by 5 U.S.C. 3109; **[\$160,944,000: Provided, That in addition to this appropriation, the annual limitation of \$5,200,000 through September 30, 1989, in the Supplemental Appropriations Act, 1985, Public Law 99-88 payable from overcharges collected, for expenses of transportation audit contracts and contract administration is increased to \$10,500,000 for fiscal year 1987] \$176,749,000: Provided, That the annual limitation of \$5,200,000 through September 30, 1989, in the Supplemental Appropriations Act, 1985, Public Law 99-88, payable from overcharges collected, for expenses of transportation audit contracts and contract administration, is hereby superseded by Public Law 99-627 establishing permanent authority for these expenses at not to exceed 40 percent of the overpayments collected annually. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)**

Program and Financing (in thousands of dollars)

Identification code 47-0116-0-1-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Supply.....	131,045	131,729	143,520
00.02 Transportation.....	16,127	15,777	16,780
00.03 Property management.....	16,368	15,368	16,449
00.91 Total direct program.....	163,540	162,874	176,749
01.01 Reimbursable program.....	20,514	24,329	26,195
10.00 Total obligations.....	184,054	187,203	202,944
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-20,514	-24,329	-26,195
25.00 Unobligated balance lapsing.....	1,602		
39.00 <b>Budget authority.....</b>	<b>165,142</b>	<b>162,874</b>	<b>176,749</b>
Budget authority:			
40.00 Appropriation.....	155,944	160,944	176,749
42.00 Transferred from other accounts.....	9,198	1,930	
43.00 <b>Appropriation (adjusted).....</b>	<b>165,142</b>	<b>162,874</b>	<b>176,749</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	163,540	162,874	176,749

72.40	Obligated balance, start of year.....	9,636	9,732	13,003
74.40	Obligated balance, end of year.....	-9,732	-13,003	-16,046
77.00	Adjustments in expired accounts.....	1,159		
90.00	Outlays.....	164,603	159,603	173,706

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	165,142	162,874	176,749
Outlays.....	164,603	159,603	173,706
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-176,749
Outlays.....			-173,706
<b>Total:</b>			
Budget authority .....	165,142	162,874	
Outlays.....	164,603	159,603	

are estimated at \$240.0 million at the end of 1988 with a stock turn of 3.4.

(b) Contracting for commercial-type items required by Federal agencies and other authorized users. These functions include requisition processing, inventory management, technical and local procurement support, the civilian agency catalog activity, and the selection of commodities for inclusion in the stores, special order, and the Federal supply schedules. Procurement volumes in 1988 are estimated as follows:

(In millions of dollars)

Stores stock .....	972
Special order .....	962
Schedules .....	2,700
Vehicle purchases .....	460

This appropriation provides for Government-wide direction and coordination of a worldwide supply distribution system, management of supplies and personal property; transportation and travel management; transportation audits; vehicle fleet management; and property management activities for utilization, rehabilitation, donation and sale of Federal property. The major objectives of these programs are to provide excellent supply support and services to customers while maximizing operational efficiency and continuing to reduce the cost of Government.

**Supply.**—The purpose of this activity is to provide and support a worldwide logistics supply system to contract for and distribute supplies and property to authorized users of the Federal supply system. This budget proposes \$143,520,000 in 1988 to support the following programs:

(a) A national distribution system of wholesale and retail facilities through which commercial-type commodities are received, stored and issued on a worldwide basis to customer agencies. The major objective of this program is to maintain the scope of supply support rendered to Federal agencies through increased productivity and efficiency. In 1986, the national supply system maintained priority effectiveness on all items at 89 percent and attained a sales level of \$4.5 billion. During fiscal year 1986 the Supply program closed three depots for annual savings of \$3.2 million and consolidated the customer supply centers from 18 locations to 12 with annual savings estimated to be \$1.6 million. The commodity management concept was fully implemented with seven Commodity Centers in full operation by the end of the fiscal year, resulting in annual savings of \$2.4 million. Other cost savings initiatives, including a reduction in overhead costs through the consolidation of regional management staffs, reduction in the inventory level and decreasing the number of items on schedule, were also accomplished.

In fiscal 1987 and 1988, the consolidation and modernization of supply facilities will continue. The success achieved in eliminating inefficient facilities and acquiring modernized facilities is largely dependent on automation and mechanization efforts to absorb additional workload within existing personnel resources limits. Sales volumes in 1988 are estimated to be as follows: stores' regular, \$869.0 million; stores direct delivery, \$102.7 million; and special orders at \$962.0 million. Inventory levels available for issue to customer agencies

(c) Contract management to assure that vendors fully meet all terms and conditions of contracts, and that the quality of materials purchased complies with the requirements of those contracts. Testing capability is maintained through commercial and Government laboratories. The Quality Approved Manufacturer's Program allows manufacturers with approved quality control systems to ship material to agencies without Government inspection.

**Transportation.**—The purpose of this activity is to provide a comprehensive and effective Government-wide program for transportation and travel management, transportation audits, operation and maintenance of motor equipment to meet agency requirements, and development and execution of the automotive procurement functions of the Government. This budget proposes \$16,780,000 to support the transportation programs.

The GSA/FSS transportation and travel management programs continue to provide support and dollar savings for Government agencies through negotiated airline city-pair contracts, Travel Management Centers (TMC), hotel/motel discounts, charge card/travelers check program, automated rate and routing processes, the small package express delivery program, audits of transportation claims by and against the U.S. Government, and the long-term vehicle lease contracts program.

**Property management.**—This activity manages and operates a Government-wide excess personal property program including the utilization, donation, and sale of property. It encompasses all Government agencies, and provides for utilization of excess property; donation of surplus personal property for public benefit purposes; sale of surplus and exchange/sale of personal property (except DOD property); and rehabilitation and reclamation of Government personal property to extend its useful life. The budget proposes \$16,449,000 in 1988 to support surplus property processed at an estimated value of \$1.2 billion.

**Reimbursable operations.**—This activity provides supply support services to other Government agencies on a reimbursable basis, principally involving (1) the special handling of items to be shipped to overseas destinations, (2) the provision of technical support services to the Government of Saudi Arabia for a joint U.S./Saudi Arabian project, (3) the provision of rehabilitated furniture to agencies at a reduced cost, (4) the printing

General and special funds—Continued

FEDERAL SUPPLY SERVICE—Continued

OPERATING EXPENSES—Continued

of the Federal Travel Directory through a reimbursable agreement with the Military Traffic Management Command, (5) the provision of administrative support associated with the Foreign Military Sales Program, and (6) the Department of Energy Methanol Fuel Testing Program. The budget proposes a level of reimbursable services of \$26,195,000 in 1988.

Object Classification (in thousands of dollars)

Identification code 47-0116-0-1-804	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	90,444	81,726	80,105
11.3 Other than full-time permanent .....	4,339	4,057	3,711
11.5 Other personnel compensation .....	1,251	1,090	1,090
11.9 Total personnel compensation .....	96,034	86,873	84,906
12.1 Personnel benefits: Civilian .....	12,296	12,471	17,191
13.0 Benefits for former personnel .....	345	695	695
21.0 Travel and transportation of persons .....	914	1,210	1,210
21.0 Motor pool travel .....	594	579	603
22.0 Transportation of things .....	335	334	346
23.1 Rental payments to GSA .....	21,371	21,958	26,512
23.3 Communications, utilities, and miscellaneous charges .....	8,442	7,756	8,066
24.0 Printing and reproduction .....	2,763	3,306	3,440
25.0 Other services .....	18,347	20,467	23,311
26.0 Supplies and materials .....	2,069	2,155	2,119
31.0 Equipment .....	18	5,070	8,350
42.0 Insurance claims and indemnities .....	12		
99.0 Subtotal, direct obligations .....	163,540	162,874	176,749
99.0 Reimbursable obligations .....	20,514	24,329	26,195
99.9 Total obligations .....	184,054	187,203	202,944

Personnel Summary

Direct program:			
Total number of full-time permanent positions .....	3,035	2,990	2,907
Total compensable workyears:			
Full-time equivalent employment .....	3,521	3,118	3,017
Full-time equivalent of overtime and holiday hours .....	21	21	21
Reimbursable program:			
Total number of full-time permanent positions .....	330	368	368
Total compensable workyears:			
Full-time equivalent employment .....	424	367	367
Full-time equivalent of overtime and holiday hours .....	5	5	5

FEDERAL SUPPLY SERVICE, OPERATING EXPENSES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 47-0116-2-1-804	1986 actual	1987 est.	1988 est.
Program by activities:			
Direct program:			
00.01 Supply .....			-143,520
00.02 Transportation .....			-16,780
00.03 Property management .....			-16,449
00.91 Total direct program .....			-176,749
01.01 Reimbursable program .....			-26,195
10.00 Total obligations .....			-202,944
Financing:			
11.00 Offsetting collections from: Federal funds .....			26,195
40.00 Budget authority (appropriation) .....			-176,749

Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			-176,749
74.40 Obligated balance, end of year .....			3,043
90.00 Outlays .....			-173,706

Legislation will be proposed to authorize full cost recovery for all management, operation, and overhead expenses of the Federal Supply Service to be financed in the prices charged for goods and services provided to other agencies. The costs of all activities other than Transportation Audit functions will be financed through the General Supply Fund and recovered through surcharges on goods and services and from the proceeds of property management sales. For non-contract Transportation Audit activities, legislation will be proposed to expand the activities currently authorized under the Expenses of Transportation Audit Contracts and Contract Administration account to include these in-house activities. Under this proposal, the Operating Expenses, Federal Supply Service appropriation will be eliminated. Full cost recovery pricing results in the true cost of supplies and services being represented as part of individual agency budgets and provides a more accurate total cost of individual agency programs.

Full cost recovery will provide a more effective means for matching resources to the level of goods and services required by customer agencies.

Object Classification (in thousands of dollars)

Identification code 47-0116-2-1-804	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....			-80,105
11.3 Other than full-time permanent .....			-3,711
11.5 Other personnel compensation .....			-1,090
11.9 Total personnel compensation .....			-84,906
12.1 Personnel benefits: Civilian .....			-17,191
13.0 Benefits for former personnel .....			-695
21.0 Travel and transportation of persons .....			-1,210
21.0 Motor pool travel .....			-603
22.0 Transportation of things .....			-346
23.1 Rental payments to GSA .....			-26,512
23.3 Communications, utilities, and miscellaneous charges .....			-8,066
24.0 Printing and reproduction .....			-3,440
25.0 Other services .....			-23,311
26.0 Supplies and materials .....			-2,119
31.0 Equipment .....			-8,350
99.0 Subtotal, direct obligations .....			-176,749
99.0 Reimbursable obligations .....			-26,195
99.9 Total obligations .....			-202,944

Personnel Summary

Direct program:			
Total number of full-time permanent positions .....			-2,907
Total compensable workyears:			
Full-time equivalent employees .....			-3,017
Full-time equivalent of overtime and holiday hours .....			-21
Reimbursable program:			
Total number of full-time permanent positions .....			-368
Total compensable workyears:			
Full-time equivalent employment .....			-367
Full-time equivalent of overtime and holiday hours .....			-5

**EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION**

Amounts Available for Appropriation (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	27,152	34,414	21,000
Receipts.....	32,957	50,000	55,000
Transfers to Treasury.....		-52,914	-34,372
Refunds to agencies.....	-18,145		
Total available for appropriation.....	41,964	31,500	41,628
Appropriation:			
Expenses of Transportation Audit Contracts and Contract Administration:			
Under current legislation.....	-7,550	-10,500	-13,040
Under proposed legislation.....			-7,588
Unappropriated balance, end of year.....	34,414	21,000	21,000

**Program and Financing (in thousands of dollars)**

Identification code 47-5246-0-2-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Audit contracts.....	7,200	9,900	12,200
00.02 Contract administration.....	350	600	840
10.00 Total obligations.....	7,550	10,500	13,040
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	50		
60.00 Budget authority (appropriation) (permanent, special fund).....	7,600	10,500	13,040
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	7,550	10,500	13,040
72.40 Obligated balance, start of year.....		4,788	4,788
74.40 Obligated balance, end of year.....	-4,788	-4,788	-4,788
90.00 Outlays.....	2,762	10,500	13,040

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	7,600	10,500	13,040
Outlays.....	2,762	10,500	13,040
Proposed for later transmittal under proposed legislation:			
Budget authority.....			7,588
Outlays.....			7,588
Total:			
Budget authority.....	7,600	10,500	20,628
Outlays.....	2,762	10,500	20,628

Public Law 99-88 provided that expenses of Transportation Audit Contracts and Contract Administration activities shall be financed from overcharges collected from carriers on transportation bills paid by the Government and other similar type refunds. Public Law 99-627 further provided prepayment audit authority for selected transportation bills, permanent authority to pay transportation audit contractors from carrier overpayments collected, and authority to transfer net overpayments collected to the Treasury. For 1988, contract audit and contract administration expenses are estimated at \$13 million. Total collections are estimated at \$55 million.

**Object Classification (in thousands of dollars)**

Identification code 47-5246-0-2-804	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	117	414	552
11.3 Other than full-time permanent.....	186	138	138

11.5 Other personnel compensation.....	18	20	20
11.9 Total personnel compensation.....	321	572	710
12.1 Personnel benefits: Civilian.....	34	64	100
21.0 Travel and transportation of persons.....	5	15	15
22.0 Transportation of things.....	3	4	10
25.0 Other services.....	7,187	9,845	12,205
99.9 Total obligations.....	7,550	10,500	13,040

**Personnel Summary**

Total number of full-time permanent positions.....	2	24	30
Total compensable workyears: Full-time equivalent employment.....	13	24	30

**EXPENSES OF TRANSPORTATION AUDIT CONTRACTS AND CONTRACT ADMINISTRATION**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 47-5246-2-2-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			7,588
<b>Financing:</b>			
40.00 Budget authority (appropriation) (permanent, special fund).....			7,588
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			7,588
90.00 Outlays.....			7,588

Legislation will be proposed to expand current authorities to authorize non-contract transportation audit activities to be funded in this account instead of the Operating Expenses, Federal Supply Service direct appropriation account. These costs will be financed from overcharges collected from carriers on transportation bills paid by the Government and other similar type refunds.

**Object Classification (in thousands of dollars)**

Identification code 47-5246-2-2-804	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			5,371
11.5 Other personnel compensation.....			26
11.9 Total personnel compensation.....			5,397
12.1 Personnel benefits: Civilian.....			1,093
21.0 Travel and transportation of persons.....			15
22.0 Transportation of things.....			5
23.1 Rental payments to GSA.....			806
24.0 Printing and reproduction.....			45
25.0 Other services.....			127
26.0 Supplies and materials.....			99
99.9 Total obligations.....			7,588

**Personnel Summary**

Total number of full-time permanent positions.....			176
Total compensable workyears: Full-time equivalent employment.....			176

**Intragovernmental funds:**

**GENERAL SUPPLY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 47-4530-0-4-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
Supply operations:			
00.01 Stores, regular.....	843,800	865,000	865,000
00.02 Stores, direct delivery.....	65,396	79,000	102,700

**Intragovernmental funds—Continued**

**GENERAL SUPPLY FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 47-4530-0-4-804	1986 actual	1987 est.	1988 est.
00.03 Special order .....	869,658	934,000	962,000
00.04 Export operations.....	26,675	28,000	28,800
00.05 Fleet management.....	215,644	186,100	191,600
00.06 Administrative equipment.....	7,245		
00.91 Total operating expenses .....	2,028,418	2,092,100	2,150,100
Capital investment:			
01.01 Stores items: Purchase of equipment.....	3,590		
01.02 Fleet management: Purchase of equipment.....	154,951	239,600	257,700
01.03 Administrative equipment.....	7,433		
01.91 Total capital investment .....	165,974	239,600	257,700
10.00 Total obligations .....	2,194,392	2,331,700	2,407,800
Financing:			
Offsetting collections from:			
11.00 Federal funds .....	-2,363,215	-2,211,552	-2,286,016
13.00 Trust funds .....	-13,836	-12,948	-13,384
14.00 Non-Federal sources.....	-32,699	-65,000	-65,000
17.00 Recovery of prior year obligations .....	-18,618		
21.98 Unobligated balance available, start of year.....	-117,790	-350,915	-306,475
24.98 Unobligated balance available, end of year.....	350,915	306,475	263,075
27.00 Capital transfer to general fund.....	850	2,240	
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-215,358	42,200	43,400
72.98 Obligated balance, start of year.....	125,898	-199,310	-157,110
74.98 Obligated balance, end of year.....	199,310	157,110	113,710
78.00 Adjustments in unexpired accounts.....	-18,618		
90.00 Outlays.....	91,232		

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(in thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....			
Outlays.....	91,232		
Proposed for later transmittal under proposed legislation:			
Budget authority .....			
Outlays.....			
Total:			
Budget authority .....			
Outlays.....	91,232		

This fund finances, on a reimbursable basis, a national supply distribution system, a system of ordering supplies for direct delivery to agencies, and a system of interagency Federal Fleet Management Centers. This estimate provides for supplies and services to both military and civilian agencies.

**Supply operations.—**

**Stores, regular.**—Stock of common-use commodities is purchased in volume, stocked, and issued through supply facilities to Government agencies. Sales were \$902.0 million in 1986, and are estimated to be \$869.0 million in 1987 and 1988.

**Stores, direct delivery.**—Orders for store-type items, if sufficiently large and delivery time is not a factor, are placed with the commercial source of supply for delivery directly to the customer. Sales were \$67.6 million in 1986, and are estimated to be \$79.0 million in 1987, and \$102.7 million in 1988.

**Special order.**—Definite quantity requirements of commodities which are not susceptible to economical stocking in supply facilities are purchased for direct shipment to using agencies. Sales were \$931.4 million

in 1986, and are estimated to be \$934.0 million in 1987, and \$962.0 million in 1988.

**Export operations.**—Stores and special order items are shipped to overseas customers. Receipts to the fund cover packing, transportation costs, and other reimbursable services. Sales were \$31.8 million in 1986, and are estimated to be \$28.0 million in 1987, and \$28.8 million in 1988.

**Federal Fleet Management Centers.**—Services are provided through a system of Fleet Management Centers. Sales were \$322.4 million in 1986, and are estimated to be \$376.5 million in 1987, and \$399.1 million in 1988. Vehicle mileage in the system was 1,085 million in 1986 and is estimated to be 1,169 million in 1987, and 1,254 million in 1988.

**Administrative equipment.**—Receipts from user charges were \$3.0 million in 1986, and are estimated to be \$3.0 million in 1987 and \$2.8 million in 1988.

**Other revenue and expense.**—Gains or losses on equipment disposals, adjustments between fiscal years, inventory writeoffs, and discounts are applied against operating costs.

**Object Classification (in thousands of dollars)**

Identification code 47-4530-0-4-804	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	21,028	22,652	22,836
11.3 Other than full-time permanent.....	1,142	1,218	1,227
11.5 Other personnel compensation .....	154	213	217
11.9 Total personnel compensation.....	22,324	24,083	24,280
12.1 Personnel benefits: Civilian.....	3,376	4,107	5,650
13.0 Benefits for former personnel.....	167	173	178
21.0 Travel and transportation of persons.....	651	696	700
22.0 Transportation of things.....	64,730	66,677	68,677
23.1 Rental payments to GSA.....	3,060	3,185	3,281
23.3 Communications, utilities, and miscellaneous charges.....	4,506	4,691	4,874
24.0 Printing and reproduction.....	201	209	217
25.0 Other services.....	131,808	93,141	96,774
26.0 Supplies and materials .....	1,797,595	1,895,138	1,945,469
31.0 Equipment .....	165,974	239,600	257,700
99.9 Total obligations.....	2,194,392	2,331,700	2,407,800

**Personnel Summary**

Total number of full-time permanent positions.....	855	877	877
Total compensable workyears:			
Full-time equivalent employment.....	880	902	902
Full-time equivalent of overtime and holiday hours.....	5	5	5

**GENERAL SUPPLY FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 47-4530-2-4-804	1986 actual	1987 est.	1988 est.
Program by activities:			
Operating expenses:			
Supply operations:			
00.01 Stores, regular .....			100,311
00.02 Stores, direct delivery .....			3,700
00.03 Special order .....			34,800
00.04 Fleet management .....			5,500
00.05 Property management.....			16,500
00.06 Economy Act transactions.....			26,195
00.91 Total operating expenses .....			187,006
01.01 Capital investment: Store items-purchase of equipment.....			8,350
10.00 Total obligations.....			195,356

<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds .....		-195,356
39.00	<b>Budget authority</b> .....		
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....		
90.00	Outlays .....		

Legislation will be proposed to authorize full cost recovery for all management, operations and overhead expenses of the Federal Supply Service to be financed in the prices charged for goods and services provided to other agencies. The costs of all activities financed through the General Supply Fund will be recovered through surcharges on goods and services. Under this proposal, the Operating Expenses, Federal Supply Service appropriation will be eliminated.

**Object Classification (in thousands of dollars)**

Identification code	47-4530-2-4-804	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....			74,734
11.3	Other than full-time permanent .....			3,711
11.5	Other personnel compensation .....			1,064
11.9	Total personnel compensation .....			79,509
12.1	Personnel benefits: Civilian .....			16,098
13.0	Benefits for former personnel .....			695
21.0	Travel and transportation of persons .....			1,195
21.0	Motor pool travel .....			603
22.0	Transportation of things .....			341
23.1	Rental payments to GSA .....			25,706
23.3	Communications, utilities, and miscellaneous charges .....			8,065
24.0	Printing and reproduction .....			3,395
25.0	Other services .....			23,184
26.0	Supplies and materials .....			2,020
31.0	Equipment .....			8,350
99.0	Subtotal, direct obligations .....			169,161
99.0	Reimbursable obligations .....			26,195
99.9	Total obligations .....			195,356

**Personnel Summary**

Total number of full-time permanent positions .....	3,099
Total compensable workyears:	
Full-time equivalent employment .....	3,208
Full-time equivalent of overtime and holiday hours .....	26

**INFORMATION RESOURCES MANAGEMENT SERVICE**

*Federal Funds*

**General and special funds:**

INFORMATION RESOURCES MANAGEMENT SERVICE  
OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C. 3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; **[\$29,000,000] \$32,588,000.** (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code	47-0900-0-1-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Federal information resources management .....	7,154	7,273	8,516
00.02	Central information services .....	9,248	10,786	11,839

00.03	Information resources procurement .....	4,677	4,100	4,695
00.04	Telecommunications services .....	5,895	6,017	6,329
00.05	Information security oversight office .....	617	824	918
00.06	National security emergency preparedness .....			291
00.91	Total direct program .....	27,591	29,000	32,588
01.01	Reimbursable program .....	20,401	22,430	24,252
10.00	Total obligations .....	47,992	51,430	56,840
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-20,401	-22,430	-24,252
25.00	Unobligated balance lapsing .....	1,101		
39.00	<b>Budget authority</b> .....	<b>28,692</b>	<b>29,000</b>	<b>32,588</b>
Budget authority:				
40.00	Appropriation .....	28,707	29,000	32,588
41.00	Transferred to other accounts .....	-15		
43.00	<b>Appropriation (adjusted)</b> .....	<b>28,692</b>	<b>29,000</b>	<b>32,588</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	27,591	29,000	32,588
72.40	Obligated balance, start of year .....	4,136	6,270	7,513
74.40	Obligated balance, end of year .....	-6,270	-7,513	-8,632
77.00	Adjustments in expired accounts .....	1,707		
90.00	Outlays .....	27,164	27,757	31,469

This appropriation provides for the overall direction and coordination of comprehensive Government-wide programs for the management, procurement, and utilization of automatic data processing, telecommunications, and office information equipment and services. It provides for the development and coordination of Government-wide policies, procedures and regulations pertaining to ADP, telecommunications, and office information systems acquisition, management and utilization; provides for establishment of Government-wide automated data processing standards; provides information services to the public; and provides for the overall management of operations financed through the Information Technology (IT) Fund.

*Federal information resources management.*—This activity develops, plans and directs Government-wide programs governing the management and acquisition of Federal information resources. It also develops and monitors Government-wide policies and regulations, reviews Federal agencies' implementing programs, and conducts long-range planning and research relating to future Government-wide information resources management needs.

*Central information services.*—This activity manages and directs GSA's Government-wide information resources assistance programs, the GSA-wide ADP and office automation programs, and the provision of automated information resources within the Information Resources Management Service (IRMS), including the operation and maintenance of the Federal Domestic Assistance Program. It also develops and implements Government-wide information resources assistance policies related to software, hardware, data communications, office automation, records management, planning, and agencywide policies related to managing ADP and office automation resources.

*Information resources procurement.*—This activity directs, administers, and manages the Government-wide acquisition program for ADP and telecommunications equipment, software, services, and related items; procures circuit facilities, services, and terminal and special purpose equipment competitively; directs the devel-

General and special funds—Continued

INFORMATION RESOURCES MANAGEMENT SERVICE—Continued  
OPERATING EXPENSES—Continued

opment of and implements new acquisition techniques and programs for ADP and telecommunications; maintains liaison with industry associations and State, local and foreign governments in ADP, and telecommunications matters; conducts specific economic analyses required by IRMS to achieve its program objectives; represents the Government before State telephone rate commissions when proposed rate changes are determined to have a large impact on Government costs; and manages reimbursable ADP and telecommunications procurement programs financed through the Information Technology Fund.

*Office of telecommunications services.*—This activity manages and directs activities of IRMS that relate to reimbursable telecommunications and regional ADP programs including the Federal Telecommunications System (FTS), Washington Interagency Telecommunications System (WITS), the acquisition of telecommunications services, and telecommunications marketing and user services programs. It also develops overall telecommunications and regional ADP objectives, long-range plans, comprehensive programs, and organization and operating methods needed to accomplish program objectives.

*Information security oversight office.*—This activity provides oversight for the information security program established by Executive Order 12356. This involves monitoring the information security programs of approximately 80 executive branch agencies. Major responsibilities include the conduct of on-site reviews and the development and promulgation of directives necessary for the implementation of the order. The Oversight Office establishes requirements for reports from agencies, analyzes data received together with data collected from on-site reviews, and advises agencies about any deficiencies or violations.

*National security emergency preparedness program.*—This activity provides a flowthrough funding mechanism for GSA's share of payments to the Department of Defense (DOD) in support of the National Communications Systems (NCS).

Object Classification (in thousands of dollars)

Identification code 47-0900-0-1-804	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	16,646	15,863	15,994
11.3 Other than full-time permanent .....	221	206	206
11.5 Other personnel compensation .....	185	133	133
11.8 Special personal services payments .....	19		
11.9 Total personnel compensation .....	17,071	16,202	16,333
12.1 Personnel benefits: Civilian .....	1,939	2,130	3,063
13.0 Benefits for former personnel .....	27	28	28
21.0 Travel and transportation of persons .....	131	182	182
21.0 Motor pool travel .....	5	3	3
22.0 Transportation of things .....	9	7	7
23.1 Rental payments to GSA .....	1,559	1,434	1,741
23.3 Communications, utilities, and miscellaneous charges .....	1,327	1,412	1,467
24.0 Printing and reproduction .....	486	371	385
25.0 Other services .....	3,795	4,887	6,881
26.0 Supplies and materials .....	257	348	479
31.0 Equipment .....	985	1,996	2,019
99.0 Subtotal, direct obligations .....	27,591	29,000	32,588

99.0 Reimbursable obligations .....	20,401	22,430	24,252
99.9 Total obligations .....	47,992	51,430	56,840

Personnel Summary

<b>Direct program:</b>			
Total number of full-time permanent positions .....	500	486	486
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	482	484	484
Full-time equivalent of overtime and holiday hours .....	3		
<b>Reimbursable program:</b>			
Total number of full-time permanent positions .....	241	241	241
Total compensable workyears: Full-time equivalent employment .....	237	241	241

Intragovernmental funds:

INFORMATION TECHNOLOGY FUND

Program and Financing (in thousands of dollars)

Identification code 47-4548-0-4-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Network services program .....	466,540	505,400	515,000
00.02 Regional telecommunications program .....	207,864	232,248	243,778
00.03 Electronic services program .....	31,179	26,700	26,700
00.04 Multiple awards schedules program .....	50,870	74,644	75,500
00.05 Federal data processing centers program .....	36,868	59,733	66,733
00.06 Contract services program .....	166,684	194,541	213,856
00.07 Equipment lease program .....	6	121	125
00.08 Excess ADP equipment program .....	227	226	234
00.91 Total operating expenses .....	960,238	1,093,613	1,141,926
01.01 Capital investment .....	13,296	12,300	10,465
10.00 Total obligations .....	973,534	1,105,913	1,152,391
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal Funds .....	-1,077,837	-1,053,831	-1,100,517
13.00 Trust funds .....	-30,683	-30,362	-31,209
14.00 Non-Federal sources .....	-3,728	-3,689	-3,792
17.00 Recovery of prior year obligations .....	-26,466		
21.98 Unobligated balance available, start of year:			
Fund balance .....	-64,299	-220,605	-202,574
24.98 Unobligated balance available end of year: Fund			
balance .....	220,605	202,574	185,701
33.00 Offsetting collections applied to liquidate defi-			
ciencies .....	8,874		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-138,714	18,031	16,873
72.98 Obligated balance, start of year: Fund balance .....	33,780	-125,383	-112,907
74.98 Obligated balance, end of year: Fund balance .....	125,383	112,907	100,529
78.00 Adjustments in unexpired account .....	-26,466		
86.00 Portion of offsetting collections applied to liqui-			
date deficiencies .....	8,874		
90.00 Outlays .....	2,857	5,555	4,495
<b>Distribution of outlays:</b>			
Federal Telecommunications Fund .....	-2,819	2,905	2,905
Automatic Data Processing Fund .....	5,676	2,650	1,590

Note.—The activities previously financed under the General Services Administration, Information Resources Management Service, Federal Telecommunications and Automatic Data Processing Funds in 1986 are presented in these schedules and financed in this account in 1987 and 1988. Outlays are distributed by account above.

The Information Technology Fund was authorized by the Paperwork Reduction Reauthorization Act of 1986, as included in Public Laws 99-500 and 99-591, section 821(a)(1). The Fund was established as of January 1, 1987, and consists of the assets, liabilities and capital of the Federal Telecommunications Fund and the Automatic Data Processing Fund. The purpose of the fund is to help ensure that automatic data processing, telecommunications, and other information technologies are ac-

quired and used by the Federal Government in a manner which improves service delivery and program management, increases productivity, improves the quality of decisionmaking, reduces waste and fraud, and wherever practicable and appropriate, reduces the information processing burden for the Federal Government and for persons who provide information to and for the Federal Government.

The fund is available for expenses and for procurement for efficiently providing information technology resources to Federal agencies and for the efficient management, coordination, operation and utilization of such resources.

Levels of funding for capital investments and for operating capital are determined through the submission and approval process of planned cost and capital requirements to OMB by GSA pursuant to section 110(a)(1), Federal Property and Administrative Services Act of 1949, as amended by Public Law 99-591.

The Information Technology Fund finances, on a reimbursable basis, the following Government-wide information resources management assistance programs:

**Network services program.**—This program provides for a telecommunications system which enables personnel in each Federal agency to communicate directly with any other agency or commercial entity in the nation. The system provides day-to-day services and incorporates features which would be necessary in emergency situations. This has resulted in total cost avoidance of \$2.8 billion during the 24 year life of this system. In addition, this program finances reimbursable services in support of other agencies' dedicated requirements. FTS network calls are estimated at 310 million with related 1.4 billion calling minutes for 1986 and 320 million calls and related 1.5 billion calling minutes for 1987 and 1988.

**Regional telecommunications programs.**—Included in these programs are the provision of local telephone service to agencies, commercial toll calls, telecommunications technical services contracts which make available to Federal agencies telecommunications systems and design services through contracts with private sector vendors, the data program which provides a common unified data communications system to satisfy data communications requirements of the Federal civil agencies by providing machine-to-machine service for transmission of data by teletypewriter, facsimile, and other transmission media, and other miscellaneous programs such as teleconferencing and radio services.

**Electronic services programs.**—Provides for an effective communications security program for civil agencies in keeping with the objectives of the U.S. communications security plan, and a consolidated program of procurement and maintenance of equipment to implement such security plans. This program provides assurances for the continuity of the Federal telecommunications system in the event that portions of the system are disabled or destroyed. In addition, this program provides telecommunications support to the Federal Emergency Management Agency in the emergency and major disaster programs.

**Multiple award schedules program.**—This program provides the contractual vehicle for Federal agencies to acquire services and equipment from private sector ven-

dors participating in certain GSA multiple award schedule contracts. This program is designed to simplify and expedite the procurement process for services by allowing agencies to purchase against existing GSA multiple award schedule contracts.

**Federal Data Processing Centers (FDPC).**—The Centers provide GSA's Government-wide information resources assistance programs in the areas of software, hardware, data communications, office automation, records management, and planning services; and in the collection and dissemination of Government-wide data. They provide technical assistance in the efficient and effective management and use of information resources and serve as sources of expertise for information resources management and technology for the Government. Additionally, they provide tools, techniques, handbooks, and assistance to facilitate the exchange of experience and knowledge throughout the Government.

**Contract services program (CSP).**—CSP provides ADP services to Federal agencies through regional contracts with private sector vendors. Services provided include systems analysis and programing; systems design and definition of equipment and systems requirements; computer output microfiche production; data conversion services; and office automation systems analysis and microcomputer support. Contracts are tailored to local market conditions and needs of specific Federal agencies. Overall contract administration, central guidance, and policy direction are provided by GSA.

**Equipment lease program.**—This program finances the multiyear lease of ADP equipment by the IT Fund for subsequent leaseback to Federal agencies and administers the leaseback of ADP equipment purchased by the Fund as a result of the Opportunity Buy Program.

**Excess ADP equipment program.**—This program finances the screening of excess Government-owned ADP equipment and, where there is a known user or high potential for reutilization, the activities involved with acquiring, reassigning and relocating the equipment with a new user.

**Capital investment.**—Provides for the purchase of information technology equipment where an initial capital outlay will result in the most efficient and cost-effective operation of the Federal Telecommunications System and the least cost provision of services and facilities to Federal user agencies. It also provides for the purchase of other information technology equipment for the fund's programs when purchase yields the maximum cost avoidance and is clearly in the best economic interest of the Government. The purchase of personal computers and augmentations to existing operating equipment is funded as appropriate.

Object Classification (in thousands of dollars)

Identification code	47-4548-0-4-804	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	50,082	59,017	58,514
11.3	Other than full-time permanent.....	803	808	812
11.5	Other personnel compensation.....	914	1,030	1,038
11.9	Total personnel compensation.....	51,799	60,855	60,364
12.1	Personnel benefits: Civilian.....	7,877	10,406	13,657
13.0	Benefits for former personnel.....	342	470	470
21.0	Travel and transportation of persons.....	2,784	2,933	2,933

Intragovernmental funds—Continued

INFORMATION TECHNOLOGY FUND—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 47-4548-0-4-804	1986 actual	1987 est.	1988 est.
21.0 Motor pool travel.....	232	198	198
22.0 Transportation of things.....	748	1,032	1,032
23.1 Rental payments to GSA.....	6,589	6,889	6,492
23.3 Communications, utilities and miscellaneous charges.....	6,122	7,922	8,050
24.0 Printing and reproduction.....	953	1,040	1,080
25.0 Other services.....	876,011	995,191	1,040,388
26.0 Supplies and materials.....	3,432	3,177	3,262
31.0 Equipment.....	13,482	12,300	10,465
43.0 Interest and dividends.....	3,163	3,500	4,000
99.9 Total obligations.....	973,534	1,105,913	1,152,391

Personnel Summary

Total number of full-time permanent positions.....	1,655	1,692	1,692
Total compensable workyears:			
Full-time equivalent employment.....	1,817	2,046	2,006
Full-time equivalent of overtime and holiday hours.....	22		

FEDERAL PROPERTY RESOURCES ACTIVITIES

Federal Funds

General and special funds:

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(Including transfer of funds)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property; the utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; the National Defense Stockpile established by the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98, et seq.) the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061, et seq.) including services as authorized by 5 U.S.C. 3109 and reimbursement for recurring security guard service; **[\$39,108,000 of which \$11,000,000 shall] \$12,248,000**, to be derived from the proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-5), and **[of which \$28,108,000] in addition, \$31,080,000 in 1988 and \$31,946,000 in 1989, to be derived by reimbursement from the National Defense Stockpile Transaction Fund**, for the transportation, processing, refining, storage, security, maintenance, rotation, and disposal of materials contained in or acquired for the stockpile **[shall remain available through fiscal year 1988] and other reasonable requirements for management of the stockpile pursuant to 50 U.S.C. 98h(b), as amended, to remain available until expended: Provided, That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies (including General Services Administration) pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)**

Program and Financing (in thousands of dollars)

Identification code 47-0533-0-1-999	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01 National defense stockpile.....	29,401	29,993		
00.02 Real estate policy and sales.....	8,484	11,000	12,248	
00.91 Total direct program.....	37,885	40,993	12,248	
01.01 Reimbursable program.....	335	3,700	34,780	35,646
10.00 Total obligations.....	38,220	44,693	47,028	35,646

Financing:

11.00 Offsetting collections from: Federal funds.....	-335	-3,700	-34,780	-35,646
17.00 Recovery of prior year obligations.....	-635			
21.40 Unobligated balance available, start of year.....		-1,603	-1,885	
24.40 Unobligated balance available, end of year.....		1,885		
25.00 Unobligated balance lapsing.....		195		
39.00 <b>Budget authority</b> .....	<b>37,727</b>	<b>39,108</b>	<b>12,248</b>	
<b>Budget authority:</b>				
40.00 Appropriation (general fund).....	27,185	28,108		
40.00 Appropriation (special fund).....	10,923	11,000	12,248	
41.00 Transferred to other accounts.....	-381			
43.00 <b>Appropriation (adjusted)</b> .....	<b>37,727</b>	<b>39,108</b>	<b>12,248</b>	
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	37,885	40,993	12,248	
72.40 Obligated balance, start of year.....	13,662	13,323	16,186	16,302
74.40 Obligated balance, end of year.....	-13,323	-16,186	-16,302	-16,302
77.00 Adjustments in expired accounts.....	435			
78.00 Adjustments in unexpired accounts.....	-635			
90.00 Outlays.....	38,024	38,130	12,132	

Through 1987 this appropriation will fund the staff for the acquisition, administration and disposal of National Defense Stockpile inventories; administration and disposal of the Defense Production Act inventory; and utilization and disposal of excess and surplus real property.

The estimate for 1988 is for activities related to the Real Estate Policy and Sales program. Beginning in 1988, the operating expenses of the National Defense Stockpile program will be derived by reimbursement from the National Defense Stockpile Transaction Fund (NDSTF). New obligational authority for the stockpile activity will be requested in the NDSTF account. In 1988 and 1989 these programs will provide for the storage, maintenance and inspection of stockpile materials, disposal of those stockpile materials excess to objectives and the acquisition and upgrading of materials needed to meet objectives, the appraisal of real property, and continuing emphasis on reuse of existing real property to extend its useful life.

**National defense stockpile.**—This activity manages the national defense stockpile of strategic and critical materials required to keep the Nation's mobilization base viable. It includes costs of receiving, storing, inspecting, and maintaining the material in storage locations. Furthermore, this activity develops and implements plans and programs to acquire and dispose of stockpiled materials in accordance with statutory provisions. It includes the collection of technical, economic, and marketing data and an analysis of factors such as supply, demand, consumption, prices, specification, and quality. This activity supports the development of marketing and acquisition plans and programs, which are then implemented by the conduct of transactions in the commodities market.

**Real estate policy and sales.**—This activity promotes maximum utilization of real property by Federal agencies and the transfer among agencies of excess real property. It provides for the disposal of surplus real property by sale, exchange, lease, permit, assignment, or transfer, as well as the protection and maintenance of excess and surplus property pending its disposition. It also provides for the appraisal of excess and surplus property, necessary environmental and cultural analy-

ses, disposition and predisposition reuse planning, and real property utilization surveys.

**Object Classification (in thousands of dollars)**

Identification code 47-0533-0-1-999	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1 Full-time permanent.....	13,371	14,893	6,811	
11.3 Other than full-time permanent.....	372			
11.5 Other personnel compensation.....	168			
11.9 Total personnel compensation.....	13,911	14,893	6,811	
12.1 Personnel benefits: Civilian.....	1,855	1,862	1,310	
13.0 Benefits for former personnel.....	17			
21.0 Travel and transportation of persons.....	703	935	433	
21.0 Motor pool travel.....	98	178	83	
22.0 Transportation of things.....	424	135		
23.1 Rental payments to GSA.....	7,081	7,458	629	
23.2 Rental payments to others.....	34	111		
23.3 Communications, utilities, and miscellaneous charges.....	1,257	1,401	367	
24.0 Printing and reproduction.....	140	160	98	
25.0 Other services.....	9,899	11,142	2,417	
26.0 Supplies and materials.....	1,993	2,222	72	
31.0 Equipment.....	469	494	28	
41.0 Grants, subsidies, and contributions.....	4	2		
99.0 Subtotal, direct obligations.....	37,885	40,993	12,248	
99.0 Reimbursable obligations.....	335	3,700	34,780	35,646
99.9 Total obligations.....	38,220	44,693	47,028	35,646

**Personnel Summary**

<b>Direct:</b>				
Total number of full-time permanent positions....	395	491	193	
Total compensable workyears: Full-time equivalent employment.....	451	491	193	
<b>Reimbursable:</b>				
Total number of full-time permanent positions....			298	298
Total compensable workyears: Full-time equivalent employment.....			298	298

**REAL PROPERTY RELOCATION**

For expenses not otherwise provided for, \$47,000,000, to remain available until expended, necessary for carrying out the functions of the Administrator with respect to relocation of Federal agencies from property which has been determined by the Administrator to be other than optimally utilized under the provisions of section 210(e) of the Federal Property and Administrative Services Act of 1949, as amended: Provided, That such relocations shall only be undertaken when the estimated proceeds from the disposition of the original facilities approximate the appraised fair market value of such new facilities and exceed the estimated costs of relocation. Relocation costs include expenses for and associated with acquisition of sites and facilities, and expenses of moving or repurchasing equipment and personal property. These funds may be used for payments to other Federal entities to accomplish the relocation functions.

**Program and Financing (in thousands of dollars)**

Identification code 47-0535-0-1-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			47,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			47,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			47,000
74.40 Obligated balance, end of year.....			-23,500
90.00 Outlays.....			23,500

This new appropriation covers relocation costs involved in moving agencies from valuable underutilized property, targeted for public sale, to facilities deter-

mined to be more economically suitable to their needs. The sale of these valuable underutilized properties would provide significant revenue to the Treasury and would far outweigh the relocation costs involved.

**Object Classification (in thousands of dollars)**

Identification code 47-0535-0-1-804	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....			300
22.0 Transportation of things.....			3,500
25.0 Other services.....			5,300
26.0 Supplies and materials.....			1,700
31.0 Equipment.....			3,600
32.0 Land and structures.....			32,600
99.9 Total obligations.....			47,000

**DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	31,925	21,852	25,000
Receipts.....	66,890	255,538	405,000
Monetary credits under statutory authority (non-add).....	(16,830)	(30,000)	(30,000)
Excess real property receipts to Treasury.....	(25)		
Transferred to Land and water conservation fund.....	-63,219	-237,722	-389,770
Total available for appropriation.....	35,596	39,668	40,234
<b>Appropriation:</b>			
Disposal of surplus real and related personal property, operating expenses.....	-11,414	-11,000	-12,248
Expenses, disposal of surplus real and related personal property.....	-2,330	-3,668	-3,668
Unappropriated balance, end of year.....	21,852	25,000	24,314

**EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY**

**Program and Financing (in thousands of dollars)**

Identification code 47-5254-0-2-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Disposal-real property:</b>			
00.01 Appraisers' fees.....	593	1,000	1,000
00.02 Auctioneers and brokers fees and surveying.....	36	268	268
00.03 Advertising.....	1,618	1,900	1,900
<b>Outleasing government-owned space:</b>			
00.04 Appraisers' fees.....		200	200
00.05 Auctioneers and brokers fees and surveying.....	55	185	185
00.06 Advertising.....	28	115	115
10.00 Total obligations.....	2,330	3,668	3,668
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	1,338		
60.00 Budget authority (appropriation) (permanent, indefinite, special fund).....	3,668	3,668	3,668
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,330	3,668	3,668
72.40 Obligated balance, start of year.....	891	1,199	1,238
74.40 Obligated balance, end of year.....	-1,199	-1,238	-1,238
77.00 Adjustments in expired accounts.....	-280		
90.00 Outlays.....	1,742	3,629	3,668

Auctioneers and brokers familiar with local markets may be used to accelerate the disposal of surplus real and related personal property including the outleasing of Government-owned buildings and space. Fees of auctioneers, brokers, appraisers, and environmental consultants, surveying costs, and costs of advertising are

General and special funds—Continued

EXPENSES, DISPOSAL OF SURPLUS REAL AND RELATED PERSONAL PROPERTY—Continued

paid out of receipts from disposals within each year in accordance with 40 U.S.C. 485(b).

Object Classification (in thousands of dollars)

Identification code 47-5254-0-2-804	1986 actual	1987 est.	1988 est.
24.0 Printing and reproduction.....	248	200	200
25.0 Other services.....	2,082	3,468	3,468
99.9 Total obligations.....	2,330	3,668	3,668

Public enterprise funds:

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

For the year ending September 30, 1987, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98a and g(a), (2)(c), and 50 U.S.C. 100a, notwithstanding the provisions of 50 U.S.C. 98h, an additional \$5,000,000 is appropriated, to be available until expended, for a grant for construction of a strategic materials research facility at the University of Massachusetts at Amherst. For the year ending September 30, 1987, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98 a and g(a), 2(c), and 50 U.S.C. 100a, notwithstanding the provisions of 50 U.S.C. 98h, an additional \$5,000,000 is appropriated, to be available until expended, for a grant for construction of a strategic materials research facility at the University of Nevada at Reno. Notwithstanding any other provision of law, funds previously made available to the fund before January 1, 1985, may be used for evaluating, testing, relocating, and upgrading stockpile materials to meet current stockpile goals and specifications. During fiscal year 1988, not to exceed \$36,080,000, in addition to amounts previously appropriated, all to remain available until expended, may be obligated from amounts in the National Defense Stockpile Transaction Fund, for the acquisition and upgrading of strategic and critical materials under section 6(a)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(1)), transportation, storage, and other incidental expenses related to such acquisition and upgrades, development of current specifications of stockpile materials and the upgrading of existing stockpile materials to meet current specifications (including transportation, when economical, related to such upgrading), testing and quality studies of stockpile materials, studying future material and mobilization requirements for the stockpile, and other reasonable requirements for management of the stockpile, including relocation, operating, and management expenses incident to operating the stockpile under section 9(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)), as amended by Public Law 99-661.

Further, for the foregoing purposes for fiscal year 1989, \$151,946,000, in addition to amounts previously appropriated, all to remain available until expended, may be obligated from amounts in the National Defense Stockpile Transaction Fund. Of the foregoing amount for fiscal year 1989, not to exceed \$31,946,000 shall be available for reimbursement to the "Operating Expenses, Federal Property Resources Service" account for operating expenses budgeted under that account to remain available until expended. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 47-4550-0-3-054	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
<b>Program expenses:</b>				
00.01 Acquisition, upgrade, and relocation ....	548	125,000		
00.02 Operating expenses.....			31,080	31,946
00.03 Research grants.....	18,802	10,000		
10.00 Total obligations.....	19,350	135,000	31,080	31,946

Financing:

Offsetting collections from: Non-Federal sources:				
14.00 Naval Petroleum Reserve receipts.....	-179,714			
14.00 Commodity receipts.....	-20,306	-125,000		
17.00 Recovery of prior year obligations.....	-301			
Unobligated balance, start of year: Fund balance:				
21.98 Available.....	-215,438	-215,109	-90,109	-59,029
21.98 Unavailable.....	-218,802	-383,551	-508,551	-508,551
23.98 Reduction pursuant to P.L. 99-177.....	35,572			
Unobligated balance, end of year: Fund balance:				
24.98 Available.....	215,109	90,109	59,029	27,083
24.98 Unavailable.....	383,551	508,551	508,551	508,551
40.00 Budget authority (appropriation).....	19,020	10,000		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	-180,670	10,000	31,080	31,946
72.98 Obligated balance, start of year: Fund balance.....	14,020	18,189	58,189	58,189
74.98 Obligated balance, end of year: Fund balance.....	-18,189	-58,189	-58,189	-58,189
78.00 Adjustments in unexpired accounts.....	-301			
90.00 Outlays.....	-185,139	-30,000	31,080	31,946

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	19,020	10,000		
Outlays.....	-185,139	-30,000	31,080	31,946
Proposed for later transmittal under proposed legislation:				
Budget authority.....				
Outlays.....			-180,000	-380,000
Total:				
Budget authority.....	19,020	10,000		
Outlays.....	-185,139	-30,000	-148,920	-348,054

The National Defense Stockpile Transaction Fund provides for the financing of the following activities:

**Acquisition and upgrade of materials.**—This activity finances the acquisition and upgrade of strategic and critical stockpile materials, and all related expenses such as transportation, development of specifications, testing, quality studies, and relocations of materials.

**Stockpile operating expenses.**—This activity manages the national defense stockpile of strategic and critical materials required to keep the Nation's mobilization base viable. It includes costs of receiving, storing, inspecting, and maintaining the material in storage locations. Furthermore, this activity develops and implements plans and programs to acquire and dispose of stockpiled materials in accordance with statutory provisions. It includes the collection of technical, economic, and marketing data and an analysis of factors such as supply, demand, consumption, prices, specification, and quality. This activity supports the development of marketing and acquisition plans and programs, which are then implemented by the conduct of transactions in the commodities market. These funds are available for reimbursement to the "Operating Expenses, Federal Property Resources Service" appropriation account.

**Research grants.**—In 1987, this activity finances the construction of strategic materials research facilities at the University of Massachusetts and at the University of Nevada.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	57,303	125,000	275,000
Expense.....	46,955	79,464	284,448
Net operating gain or loss (-).....	10,348	45,536	-9,448
Non-operating gain or loss (-):			
Transfer of assets to other GSA funds.....	-4,947		
Prior year adjustment.....	310,414		
Other income.....	179,845		
Other expenses.....	-1,276		
Net income or loss (-) for the year.....	494,384	45,536	-9,448

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Treasury balance.....	448,002	617,146	647,146	797,146
Accounts receivable.....	1,384	296	2,000	2,000
Inventories.....	3,550,679	3,742,333	3,722,333	3,562,885
Deferred charges.....	19,901			
Total assets.....	4,019,966	4,359,775	4,371,479	4,362,031
<b>Liabilities:</b>				
Accounts payable.....	2	1		
Deferred credits.....		298		
Advances.....	117,845	233,533	200,000	200,000
Total liabilities.....	117,847	233,832	200,000	200,000
<b>Government equity:</b>				
Unexpended balance:				
Unobligated balances.....	433,983	598,660	618,660	692,028
Undelivered orders.....	15,405	18,483	15,000	15,000
Invested capital.....	3,452,731	3,508,800	3,537,819	3,455,003
Total Government equity.....	3,902,119	4,125,943	4,171,479	4,162,031
<b>Analysis of changes in Government equity:</b>				
Retained earnings:				
Start of year.....	3,631,559	4,125,943	4,171,479	
Gain or loss (-).....	494,384	45,536	-9,448	
Total Government equity, end of year.....		4,125,943	4,171,479	4,162,031

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
22.0 Transportation of things.....		7,500		
25.0 Other services.....	2	2,000	31,080	31,946
26.0 Supplies and materials.....	546	115,500		
41.0 Grants, subsidies, and contributions.....	18,802	10,000		
99.9 Total obligations.....	19,350	135,000	31,080	31,946

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

LIMITATION ON AVAILABILITY OF FUNDS

(Proposed for later transmittal under proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations (object class 26.0).....			95,000	120,000
<b>Financing:</b>				
14.00 Offsetting collections from: Non-Federal sources: Commodity receipts.....			-275,000	-500,000
Unobligated balance, start of year: Fund balance:				
21.98 Available.....				59,029
21.98 Unavailable.....				-239,029
Unobligated balance, end of year: Fund balance:				
24.98 Available.....			-59,029	-27,083

24.98 Unavailable.....			239,029	587,083
39.00 Budget authority.....				
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....			-180,000	-380,000
90.00 Outlays.....			-180,000	-380,000

Proposed legislation will support the President's stockpile disposal policy and provide adequate resources for strategic and critical material acquisition.

WILLIAM LANGER JEWEL BEARING PLANT REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
47-4092-0-3-054				
<b>Program by activities:</b>				
00.01 Operating expenses: Sales program.....	3,239	3,400	3,400	3,400
01.01 Capital investment: Sales program-purchase of equipment.....	91			
10.00 Total obligations.....	3,330	3,400	3,400	3,400
<b>Financing:</b>				
Offsetting collections from:				
11.00 Federal funds.....	-353	-1,400	-1,400	-1,400
14.00 Non-Federal sources.....	-2,565	-2,000	-2,000	-2,000
21.98 Unobligated balance available, start of year.....	-4,519	-4,108	-4,108	-4,108
24.98 Unobligated balance available, end of year.....	4,108	4,108	4,108	4,108
39.00 Budget authority.....				
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	412			
72.10 Receivables in excess of obligations, start of year.....	-1,495	-1,373	-1,373	-1,373
74.10 Receivables in excess of obligations, end of year.....	1,373	1,373	1,373	1,373
90.00 Outlays.....	290			

The Government-owned William Langer Jewel Bearing Plant at Rolla, ND, is the only facility of its kind in the United States which has the capability to produce all types of jewel bearings in quantity.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
47-4092-0-3-054				
25.0 Other services.....	3,239	3,400	3,400	3,400
31.0 Equipment.....	91			
99.9 Total obligations.....	3,330	3,400	3,400	3,400

GENERAL ACTIVITIES

Federal Funds

General and special funds:

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of agency management of activities under the control of the General Services Administration, and general administrative and staff support services not otherwise provided for; for providing accounting, records management, and other support incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109; **[\$120,289,000] \$124,159,000**, of which \$800,000 shall be available only for, and is hereby specifically earmarked for personnel and associated costs in support of Congressional District and Senate State offices: *Provided*, That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code[.]: *Provided further*, That not to exceed \$2,500 shall be made available for reception and representation expenses.

General and special funds—Continued

GENERAL MANAGEMENT AND ADMINISTRATION—Continued

SALARIES AND EXPENSES—Continued

(Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 47-0110-0-1-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Executive direction.....	2,947	3,664	3,967
00.02 Comptroller.....	49,836	58,782	58,920
00.03 Administration.....	33,397	34,501	38,002
00.04 Board of contract appeals.....	1,837	2,633	2,871
00.05 Legal services.....	7,983	7,812	8,435
00.06 Acquisition policy.....	4,806	4,401	4,728
00.07 Field administration.....	7,364	6,566	7,236
00.91 Subtotal direct program.....	108,170	118,359	124,159
01.01 Reimbursable program.....	13,815	17,518	17,981
10.00 Total obligations.....	121,985	135,877	142,140
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-13,815	-17,518	-17,981
25.00 Unobligated balance lapsing.....	1,477		
39.00 Budget authority.....	109,647	118,359	124,159
<b>Budget authority:</b>			
40.00 Appropriation.....	119,289	120,289	124,159
41.00 Transferred to other accounts.....	-9,642	-1,930	
43.00 Appropriation (adjusted).....	109,647	118,359	124,159
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	108,170	118,359	124,159
72.40 Obligated balance, start of year.....	19,201	21,744	25,169
74.40 Obligated balance, end of year.....	-21,744	-25,169	-28,179
77.00 Adjustments in expired accounts.....	3,742		
90.00 Outlays.....	109,369	114,934	121,149

This appropriation provides for policy direction and coordination of all GSA programs by the Administrator, his Deputy, 11 Regional Administrators and Congressional and Public Affairs; agencywide acquisition policy, planning and coordination; and agencywide administrative, financial, and management support services on a centralized and integrated basis.

**Executive direction.**—Directs the execution of all functions assigned GSA by the Federal Property and Administrative Services Act of 1949 as amended, and the reorganization plans of the President. Provides liaison with the Small Business Administration on national minority business proposals and contracts, assuring they receive a fair share of the agency's business. Responsible for GSA customer relations and public information activities, and directing and coordinating interaction between agency officials and Members of Congress.

**Comptroller.**—The Comptroller provides for overall GSA financial and budgetary policy and liaison activities with Congress, OMB and other Federal agencies and program supervision for the GSA Office of Finance and Office of Budget. Centralized budgeting, financial management, and accounting are provided to the GSA services and staff offices. In addition, provides accounting services to Department of Justice in defense of Indian tribal claims against the U.S. Government.

**Administration.**—This activity is responsible for the planning, implementation, and coordination of all activities of GSA related to personnel management, in-

cluding labor management relations, training, equal employment opportunity, organization improvement, cost reduction, productivity measurement and the procurement of management consulting services by contract. Ensures implementation of audit reports from the Office of Inspector General and the GAO, and physical security surveys to prevent misuse and theft of GSA assets. Responsible for Government-wide initiatives assigned to the GSA Administrator (e.g., Reform 88, A-76, the President's Council on Management Improvement (PCMI) and the Grace Commission). Administers the Congressional Furnishings program for the U.S. Senate and the House of Representatives. This activity also includes the Regulatory Information Service Center which compiles and analyzes the data on both Government-wide and agency-specific regulatory activities. Coordinates all activities of GSA related to administrative management, and the management of the GSA printing and distribution program.

**Board of Contract Appeals.**—In accordance with the Contract Disputes Act of 1978, the Board has jurisdiction over any dispute relating to a contract for the provision of goods and services to the Government, inclusive of, but not limited to, disputes clause cases concerning contract performance; appeals of disappointed bidders; and proposed debarment or suspension actions. In addition, the Board serves as an administrative trial court for resolution of ADP bid protests under the Competition in Contracting Act, Title VII of the Deficit Reduction Act (Public Law 98-369).

**Legal services.**—This activity provides legal services for real property, personal property, automated data and telecommunications, transportation and public utilities, stockpile acquisition and disposal, and finance and administration.

**Acquisition policy.**—Oversees the implementation of GSA-wide acquisition, supply, and storage management policies, and insures implementation through surveillance and performance of acquisition management reviews. This office is the primary point of contact with the Office of Federal Procurement Policy; administers the Federal Procurement Regulations; and prepares legislation for the agency acquisition program.

**Field administration.**—Oversees the General Services Administration's regional operations, which administer the regional EEO and Customer Affairs programs. Oversees the Contract Clearance and Procurement Review and the Business Service Center programs which are reimbursably funded.

Object Classification (in thousands of dollars)

Identification code 47-0110-0-1-804	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	62,511	63,028	63,545
11.3 Other than full-time permanent.....	1,608	614	637
11.5 Other personnel compensation.....	2,541	1,793	1,859
11.9 Total personnel compensation.....	66,660	65,435	66,041
12.1 Personnel benefits: Civilian.....	8,408	8,015	12,707
13.0 Benefits for former personnel.....	199	81	81
21.0 Travel and transportation of persons.....	778	1,468	1,468
21.0 Motor pool travel.....	44	48	48
22.0 Transportation of things.....	189	80	80
23.1 Rental payments to GSA.....	6,948	8,043	9,365
23.3 Communications, utilities, and miscellaneous charges....	6,072	7,169	7,495
24.0 Printing and reproduction.....	1,175	1,388	1,469

25.0	Other services.....	15,769	23,806	21,359
26.0	Supplies and materials.....	882	960	996
31.0	Equipment.....	1,045	1,866	3,050
42.0	Insurance claims and indemnities.....	1		
99.0	Subtotal, direct obligations.....	108,170	118,359	124,159
99.0	Reimbursable obligations.....	13,815	17,518	17,981
99.9	Total obligations.....	121,985	135,877	142,140

**Personnel Summary**

<b>Direct:</b>				
	Total number of full-time permanent positions.....	1,923	2,060	2,060
	Total compensable workyears:			
	Full-time equivalent employment.....	2,083	2,139	2,131
	Full-time equivalent of overtime and holiday hours.....	60	60	60
<b>Reimbursable:</b>				
	Total number of permanent positions.....	188	206	206
	Total compensable workyears: Full-time equivalent employment.....	212	224	224

**ECONOMIC OPPORTUNITY ACT CLOSE-OUT ACTIVITIES**

**Program and Financing (in thousands of dollars)**

Identification code 47-0115-0-1-506		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 13.0).....	17	8	8
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-942	-925	-917
24.40	Unobligated balance available, end of year.....	925	917	
25.00	Unobligated balance lapsing.....			909
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	17	8	8
72.40	Obligated balance, start of year.....	3	5	3
74.40	Obligated balance, end of year.....	-5	-3	-1
77.00	Adjustments in expired accounts.....	1		
90.00	<b>Outlays</b> .....	16	10	10

Public Law 98-151, section 130 reappropriated \$1 million of the unobligated balance funded as of September 30, 1983, from the appropriation for closeout activities of the Community Services Administration (CSA) to remain available through September 30, 1988, to complete settlement of CSA complaints and related overhead costs.

**OFFICE OF INSPECTOR GENERAL**

For necessary expenses of the Office of Inspector General; **[\$21,108,000] \$24,649,000: Provided,** That not to exceed \$10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

**Program and Financing (in thousands of dollars)**

Identification code 47-0108-0-1-804		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Direct program.....	19,045	21,108	24,649
01.01	Reimbursable program.....		110	110
10.00	Total obligations.....	19,045	21,218	24,759
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....		-110	-110
25.00	Unobligated balance lapsing.....	242		
39.00	<b>Budget authority</b> .....	19,287	21,108	24,649

<b>Budget authority:</b>				
40.00	Appropriation.....	18,447	21,108	24,649
42.00	Transferred from other accounts.....	840		
43.00	<b>Appropriation (adjusted)</b> .....	19,287	21,108	24,649
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	19,045	21,108	24,649
72.40	Obligated balance, start of year.....	2,083	1,734	2,249
74.40	Obligated balance, end of year.....	-1,734	-2,249	-2,804
77.00	Adjustments in expired accounts.....	216		
90.00	<b>Outlays</b> .....	19,610	20,593	24,094

This appropriation provides agencywide audit and investigative functions to identify and correct management and administrative deficiencies within GSA which create conditions for existing or potential instances of fraud, waste and mismanagement. The audits function provides internal audit, contract audit, and inspections services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of GSA operations. Inspections services provide detailed technical evaluations of GSA operations. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations.

**Object Classification (in thousands of dollars)**

Identification code 47-0108-0-1-804		1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	14,235	15,537	16,404
11.3	Other than full-time permanent.....	28	20	20
11.9	Total personnel compensation.....	14,263	15,557	16,424
12.1	Personnel benefits: Civilian.....	1,664	1,889	3,477
21.0	Travel and transportation of persons.....	749	1,010	1,195
21.0	Motor pool travel.....	71	80	83
22.0	Transportation of things.....	7	19	90
23.1	Rental payments to GSA.....	1,095	1,170	1,439
23.3	Communications, utilities, and miscellaneous charges.....	476	459	477
24.0	Printing and reproduction.....	103	95	99
25.0	Other services.....	479	672	977
26.0	Supplies and materials.....	58	75	78
31.0	Equipment.....	80	82	310
99.0	Total, direct obligations.....	19,045	21,108	24,649
99.0	Reimbursable obligations.....		110	110
99.9	Total obligations.....	19,045	21,218	24,759

**Personnel Summary**

Total number of full-time permanent positions.....	359	450	450
Total compensable workyears: Full-time equivalent employment.....	361	452	452

**ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS**

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; **[\$1,171,800] \$1,328,000: Provided,** That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

General and special funds—Continued

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS—  
Continued

Program and Financing (in thousands of dollars)

Identification code 47-0105-0-1-802	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Allowances and pensions .....	279	285	286
00.02 Office staff .....	758	887	1,042
10.00 Total obligations .....	1,037	1,172	1,328
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	28		
40.00 Budget authority (appropriation) .....	1,065	1,172	1,328
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,037	1,172	1,328
72.40 Obligated balance, start of year .....	71	78	102
74.40 Obligated balance, end of year .....	-78	-102	-128
77.00 Adjustments in expired accounts .....	-3		
90.00 Outlays .....	1,027	1,148	1,302

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Richard M. Nixon, Gerald R. Ford and Jimmy Carter, and for a pension and postal franking privileges for the widow of former President Lyndon B. Johnson.

Object Classification (in thousands of dollars)

Identification code 47-0105-0-1-802	1986 actual	1987 est.	1988 est.
11.5 Personnel compensation: Other personnel compensation .....	275	285	285
12.1 Personnel benefits: Civilian .....	39	42	64
13.0 Benefits for former personnel .....	279	285	286
21.0 Travel and transportation of persons .....	23	84	84
21.0 Motor pool travel .....	4	4	4
22.0 Transportation of things .....	1	4	4
23.1 Rental payments to GSA .....	244	290	361
23.3 Communications, utilities, and miscellaneous charges .....	132	124	178
24.0 Printing and reproduction .....	4	7	7
25.0 Other services .....	14	26	33
26.0 Supplies and materials .....	13	21	22
31.0 Equipment .....	9		
99.9 Total obligations .....	1,037	1,172	1,328

Public enterprise funds:

VIRGIN ISLANDS CORPORATION LIQUIDATION FUND

Program and Financing (in thousands of dollars)

Identification code 47-4480-0-3-804	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-62		
21.98 Unobligated balance available, start of year: Fund balance .....	-378		
27.00 Capital transfer to general fund .....	440		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-62		
72.98 Obligated balance, start of year: Fund balance .....	-29		
90.00 Outlays .....	-91		

Status of Direct Loans (in thousands of dollars)

Identification code 47-4480-0-3-804	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	89		
1251 Repayments: Repayments and prepayments .....	-62		

1261 Adjustments .....	-27		
1290 Outstanding, end of year .....			

Mortgage payments are made to the Government for properties purchased from the Virgin Islands Corporation. At one time, there were nine outstanding mortgages. None remain outstanding, and this program was completed at the end of 1986.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Interest: Net income for year .....	-26		

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Drawing account with Treasury .....	349			
Accrued interest receivable .....	29			
Mortgages receivable .....	89			
Total assets .....	467			
<b>Liabilities</b>				
<b>Government equity:</b>				
Non-interest-bearing capital .....	467			
<b>Analysis of changes in Government equity:</b>				
<b>Non-interest-bearing capital:</b>				
Opening balance .....	353			
Payments to Treasury .....	-353			
Closing balance .....				
<b>Retained income:</b>				
Net income .....	87			
Payments to Treasury .....	-87			
Total Government equity (end of year) .....				

CONSUMER INFORMATION CENTER FUND

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, **[\$1,272,000] \$1,339,000**, to be deposited into the Consumer Information Center Fund: *Provided*, That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of \$5,200,000. Administrative expenses of the Consumer Information Center in fiscal year **[1987] 1988** shall not exceed **[\$1,664,000] \$1,721,000**. Appropriations, revenues and collections accruing to this fund during fiscal year **[1987] 1988** in excess of \$5,200,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 47-4549-0-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administrative expenses .....	1,499	1,664	1,721
00.02 Publications distribution .....	2,231	2,450	2,590
00.03 Special programs .....	66	100	100
10.00 Total obligations .....	3,796	4,214	4,411
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-2,044	-2,394	-2,534
14.00 Non-Federal sources .....	-515	-436	-443
21.98 Unobligated balance available, start of year: Fund balance .....	-848	-793	-681

24.98	Unobligated balance available, end of year: Fund balance.....	793	681	586
40.00	<b>Budget authority (appropriation).....</b>	<b>1,182</b>	<b>1,272</b>	<b>1,339</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,237	1,384	1,434
72.98	Obligated balance, start of year: Fund balance.....	589	1,770	1,898
74.98	Obligated balance, end of year: Fund balance.....	-1,770	-1,898	-1,993
90.00	Outlays.....	56	1,257	1,339

The Consumer Information Center Fund, a revolving fund established by Public Law 98-63 on July 30, 1983, provides for an efficient operation of the Consumer Information Center's activities. Previously, these activities were funded from a direct appropriation with the cost of distributing agency publications funded by reimbursements from the participating agencies. The revolving fund assumed all of the liabilities, obligations and commitments of the Consumer Information Center account. Under the revolving fund, the Consumer Information Center's activities are financed from moneys deposited to the fund, consisting of annual appropriations from the general funds of the Treasury, reimbursements from agencies, fees collected from the public and other income incident to Consumer Information Center activities.

**Administrative expenses.**—The Consumer Information Center helps Federal departments and agencies release consumer information collected as a by-product of the Government's program activities. The Consumer Information Center maintains close working relationships with more than 30 Federal agencies in order to identify, develop, promote and make accessible to the public Federal consumer information. In addition, the Consumer Information Center promotes public awareness of this information through publication of the quarterly *Consumer Information Catalog*, and through various media services.

**Publications distribution.**—The Consumer Information Center bills agencies and in turn reimburses the Government Printing Office for the costs of distributing free publications to the public.

**Special programs.**—The Consumer Information Center carries out special projects supporting the program's mission. The projects are funded by fees collected from the public and by other revenue and income in the Fund.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (—):</b>			
<b>Administrative expenses:</b>			
Revenue.....	1,564	1,657	1,721
Expense.....	-1,248	-1,649	-1,721
Net income or loss (—), administrative expenses.....	316	8	
<b>Publications distribution:</b>			
Revenue.....	2,035	2,389	2,529
Expense.....	-1,114	-3,389	-2,529
Net income or loss (—), publications distribution.....	921	-1,000	
<b>Special programs:</b>			
Revenue.....	140	66	66
Expense.....	-23	-100	-161
Net income or loss (—), special programs.....	117	-34	-95
Net income or loss (—), for the year.....	1,354	-1,026	-95

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Treasury balance.....	1,437	2,563	1,537	1,442
Accounts receivable.....	194	121	121	121
Operating equipment.....	19	19	19	19
Total assets.....	1,650	2,703	1,677	1,582
<b>Liabilities:</b>				
Accounts payable.....	424	144	144	144
Annual leave liability.....	39	18	18	18
Total liabilities.....	463	162	162	162
<b>Government equity:</b>				
<b>Unexpended program authority:</b>				
Unobligated balance.....	848	793	681	585
Undelivered orders.....	359	1,747	833	834
Unfunded leave liability.....	-39	-18	-18	-18
Invested capital.....	19	19	19	19
Total Government equity.....	1,187	2,541	1,515	1,420
<b>Analysis of change in Government equity:</b>				
<b>Retained income:</b>				
Opening balance.....		1,187	2,541	1,515
Transactions: Net income or loss (—).....		1,354	-1,026	-95
Closing balance.....		2,541	1,515	1,420
Total Government equity, end of year.....		2,541	1,515	1,420

**Object Classification (in thousands of dollars)**

Identification code 47-4549-0-3-376	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	608	611	638
11.3 Other than full-time permanent.....	8	10	10
11.5 Other personnel compensation.....	7		
11.9 Total personnel compensation.....	623	621	648
12.1 Personnel benefits: Civilian.....	71	73	123
21.0 Travel and transportation of persons.....	18	29	29
22.0 Transportation of things.....	14	42	42
23.1 Rental payments to GSA.....	62	77	80
23.3 Communications, utilities, and miscellaneous charges.....	73	69	66
24.0 Printing and reproduction.....	431	506	506
25.0 Other services.....	2,481	2,783	2,903
26.0 Supplies and materials.....	6	4	4
31.0 Equipment.....	17	10	10
99.9 Total obligations.....	3,796	4,214	4,411

**Personnel Summary**

Total number of full-time permanent positions.....	19	19	19
Total compensable workyears: Full-time equivalent employment.....	20	20	20

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 47-4540-0-4-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operating expenses.....	20,773	24,742	25,593
01.01 Capital investment: Purchase of equipment.....	301	375	375
10.00 Total obligations.....	21,074	25,117	25,968
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-21,044	-24,360	-25,211
17.00 Recovery of prior year obligations.....	-672		
21.98 Unobligated balance available, start of year: Fund balance.....	-2,710	-2,582	-1,825
24.98 Unobligated balance available, end of year: Fund balance.....	2,582	1,825	1,068

**Intragovernmental funds—Continued**

**WORKING CAPITAL FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 47-4540-0-4-804	1986 actual	1987 est.	1988 est.
27.00 Capital transfer to general fund .....	771		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	30	757	757
72.98 Obligated balance, start of year: Fund balance .....	1,519	794	1,551
74.98 Obligated balance, end of year: Fund balance .....	-794	-1,551	-2,308
78.00 Adjustments in unexpired accounts .....	-672		
90.00 <b>Outlays</b> .....	83		

Central blueprinting, duplicating, and distribution services are financed by a working capital fund (40 U.S.C. 293). As authorized by the Joint Committee on Printing, U.S. Congress, GSA has established and operates 11 printing plants to meet the needs of GSA and other Government agencies. These activities are under continuous review to assure that the method of printing is the least costly alternative to the Government.

**Object Classification (in thousands of dollars)**

Identification code 47-4540-0-4-804	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	6,399	8,280	8,013
11.3 Other than full-time permanent .....	125	286	292
11.5 Other personnel compensation .....	358	224	230
11.9 Total personnel compensation .....	6,882	8,790	8,535
12.1 Personnel benefits: Civilian .....	1,034	1,270	1,801
13.0 Benefits for former personnel .....	10		
21.0 Travel and transportation of persons .....	1	55	55
22.0 Transportation of things .....	93	74	74
23.1 Rental payments to GSA .....	1,063	1,943	2,169
23.3 Communications, utilities, and miscellaneous charges .....	5,131	5,929	6,103
24.0 Printing and reproduction .....	700	897	916
25.0 Other services .....	2,176	1,028	1,051
26.0 Supplies and materials .....	3,683	4,756	4,889
31.0 Equipment .....	301	375	375
99.9 Total obligations .....	21,074	25,117	25,968

**Personnel Summary**

Total number of full-time permanent positions .....	268	315	299
Total compensable workyears:			
Full-time equivalent employment .....	282	322	305
Full-time equivalent of overtime and holiday hours .....	6		

**Trust Funds**

**UNCONDITIONAL GIFTS OF REAL, PERSONAL, OR OTHER PROPERTY**

**Program and Financing (in thousands of dollars)**

Identification code 47-8198-0-7-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....			1
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-1	-1	-1
24.40 Unobligated balance available, end of year .....	1	1	
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			1
90.00 <b>Outlays</b> .....			1

An unconditional gift was received for use in the area of arts in Federal buildings.

**GENERAL SERVICES ADMINISTRATION—  
GENERAL PROVISIONS**

SEC. 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129); and (2) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U.S.C. 451ff) and such appropriations or funds may be so transferred, with the approval of the Office of Management and Budget.

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 4. Not to exceed [1] 3 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate [for approval].

SEC. 5. Funds in the Federal Buildings Fund made available for fiscal year [1987] 1988 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate [for approval].

SEC. 6. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected on land owned by the United States. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

# NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

## Federal Funds

### General and special funds:

#### RESEARCH AND DEVELOPMENT \*

\*See Part II for additional information.

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; **[\$3,091,700,000]** \$3,623,200,000, to remain available until September 30, **[1988]** 1989. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**[Provided, That, notwithstanding any other provision of this joint resolution, including section 102, in addition to the funds otherwise made available in this subsection, the following amounts are made available: (1) an additional \$36,000,000, to remain available until September 30, 1988, is hereby appropriated for the National Aeronautics and Space Administration, "Research and development".]** (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(g).)

#### Program and Financing (in thousands of dollars)

Identification code	80-0108-0-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Space transportation systems:				
00.01	Capability development .....	402,383	564,113	564,695
00.02	Space station .....	184,702	417,811	749,650
Scientific investigations in space:				
00.10	Physics and astronomy .....	574,522	605,688	567,060
00.11	Planetary exploration .....	354,903	365,004	309,400
00.13	Life sciences .....	64,641	72,704	74,480
Space and terrestrial applications:				
00.20	Space applications .....	491,086	601,787	558,520
00.21	Commercial programs .....	20,693	48,452	53,365
00.30	Space research and technology .....	151,675	190,247	246,050
00.31	Transatmospheric vehicle research and technology .....	.....	42,750	64,950
00.32	Aeronautical research and technology .....	330,084	373,726	375,050
00.33	Safety, reliability and quality assurance .....	7,220	9,120	15,850
00.34	Supporting activity: Tracking and data acquisition .....	14,925	18,368	18,050
00.91	Subtotal, direct program .....	2,596,834	3,309,770	3,597,125
01.01	Reimbursable program .....	878,827	919,200	669,227
10.00	Total obligations .....	3,475,661	4,228,870	4,266,352
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-872,865	-901,951	-656,670
14.00	Non-Federal sources .....	-16,692	-17,249	-12,557
21.40	Unobligated balance available, start of year .....	-551,936	-580,432	-366,878
22.40	Unobligated balance transferred, net .....	2,750	.....	.....
24.40	Unobligated balance available, end of year .....	580,432	366,878	392,953
25.00	Unobligated balance lapsing .....	157	.....	.....
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	1,750	.....	.....
39.00	Budget authority .....	2,619,257	3,096,216	3,623,200
Budget authority:				
40.00	Appropriation .....	2,619,257	3,127,700	3,623,200
45.00	Transfers out for pay raises and retirement contributions .....	.....	-31,484	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2,586,104	3,309,770	3,597,125

72.40	Obligated balance, start of year .....	887,045	853,545	1,326,742
74.40	Obligated balance, end of year .....	-853,545	-1,326,742	-1,644,838
77.00	Adjustments in expired accounts .....	-4,769	.....	.....
90.00	Outlays .....	2,614,834	2,836,573	3,279,029

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	2,619,257	3,096,216	3,623,200
Outlays .....	2,614,834	2,836,573	3,279,029
Rescission proposal:			
Budget authority .....	.....	-25,796	.....
Outlays .....	.....	-12,000	-11,000
Total:			
Budget authority .....	2,619,257	3,070,420	3,623,200
Outlays .....	2,614,834	2,824,573	3,268,029

This appropriation provides for research and development activities of the National Aeronautics and Space Administration. The elements of the program and the work to be performed during 1988 are described below:

**Space Transportation Systems Capability Development.**—The principal activities include efforts related to the Spacelab, the upper stages that will place satellites in high altitude orbits not attainable by the Shuttle, the engineering and technical base support at NASA centers, payload operations and support equipment, development of the joint U.S./Italy Tethered Satellite System, building of the orbital maneuvering vehicle, and advanced programs study and evaluation efforts.

The Spacelab is scheduled to resume missions beginning in 1989 based upon mission development and planning efforts in 1988.

For Space Transportation System upper stages, the two stage Interrial Upper Stages will be modified to accommodate planetary spacecraft, and additional upper stages will be procured for Tracking and Data Satellite missions and several NASA scientific missions.

Development of the Tethered Satellite System will continue in 1988, for first flight in 1990. The development of the Orbital Maneuvering Vehicle (OMV) will also continue in 1988, with the first flight planned for early 1992. The OMV will retrieve spacecraft and provide remote satellite servicing and other operations beyond the reach of the Space Shuttle or the Space Station.

**Space Station.**—The space station will provide permanently manned, space-based facilities for the Nation's science and applications programs, and for commercial exploitation of space, while exploring advanced technologies potentially useful to the economy.

In 1988, development efforts will continue. Definition work on the flight telerobotic system will also continue.

**Scientific Investigations in Space.**—Space Science and Applications programs perform basic research to expand our knowledge of the Earth and its space environment, to explore the far reaches of the universe, and to conduct research and experiments to encourage the application of space technology to needs on Earth.

## General and special funds—Continued

## RESEARCH AND DEVELOPMENT—Continued

**Physics and Astronomy.**—Research is being conducted to investigate the environment of planets, the interplanetary medium, and distant space. Preparations will continue for launch of the Hubble Space Telescope in early fiscal year 1989. Planning activities will continue in 1988 for future Spacelab missions which were re-phased due to the Challenger accident. Development of the Gamma Ray Observatory will continue for planned launch in 1990. Also, development of several ongoing Explorer class satellites will be continued.

**Planetary Exploration.**—This program encompasses the scientific exploration of the planets, comets, asteroids, and the interplanetary medium to provide increased knowledge of the origin and evolution of the solar system. Development will continue in 1988 on major flight projects initiated in prior years. The Galileo and Ulysses missions will be reconfigured to accommodate a Space Shuttle launch with Inertial Upper Stages. Integration and testing of the Magellan spacecraft will start in preparation for launch in 1989. The design and development of the Mars Observer will continue.

**Life Sciences.**—This program provides for the research and technology required to meet the goals of ensuring human health, safety, and productivity in space. In 1988, emphasis will be placed on research on the effects of long-term exposure to weightlessness and development of flight experiments for use on the Space Shuttle.

**Space and Terrestrial Applications:**

**Space Applications.**—The major programs in space applications are observations of the Earth and its environment, materials processing, space communications and information systems. Major activities in 1988 include research to better understand mechanisms that affect Earth processes, continued development of Space Shuttle payloads, and ground-based research in areas well suited to take advantage of microgravity conditions.

Development will continue on major flight projects initiated in prior years. The Upper Atmospheric Research Satellite is scheduled for launch in 1991. The Ocean Topography Experiment (TOPEX) is scheduled for a 1991 launch as part of a collaborative mission with France. Design and development activities will be initiated on the Global Geospace Science (GGS) mission to obtain coordinated measurements of the interaction of the Earth's magnetic field and the solar wind. GGS is the United States' contribution to an international solar terrestrial physics program, which includes spacecraft from the Japanese and European space agencies.

In space communications, research and analysis will continue to support development of advanced component and device technology for communications satellite systems. Development work will be terminated on the advanced communications technology satellite demonstration flight.

Information systems activities in 1988 will provide analysis and technology to address concerns of the science community for improved access to and manipula-

tion of data from space science and applications missions.

**Commercial Programs.**—These programs include technology utilization and commercial use of space.

The technology utilization program is designed to transfer aerospace technology from NASA's research and development base to nonaerospace sectors of the U.S. economy. During 1988, NASA will continue its efforts to help foster the dissemination of new technology developed by the Agency's programs.

The commercial use of space is designed to increase private sector awareness of the opportunities in space. Private industry will be encouraged to invest and participate in high technology research and development using the unique characteristics of space.

**Space Research and Technology.**—In 1988, work directed toward providing the broad base of technology underlying the conduct of future space missions will continue, as well as an enhanced effort in automation and robotics.

In 1988, efforts will increase to provide the broad base of technology underlying future space missions. Specifically, a significant effort will be initiated to strengthen the technology base for continued U.S. leadership in space, and to enable efficient, reliable access to space.

**Transatmospheric Research and Technology.**—A joint NASA/DOD program will explore new approaches for cost-effective hypersonic flight in the atmosphere with the capability to accelerate to orbit. The program will pursue research and advanced technology development in the area of hypersonic flight, cooperatively with DOD, and is expected to lead to a transatmospheric flight research vehicle in the early 1990's.

**Aeronautical Research and Technology.**—This program conducts research and develops technology for future U.S. military and civil aircraft.

Major thrusts of 1988 activities include: continuing advancement in both basic aeronautical disciplines and systems research; maintaining and operating specialized facilities essential to aeronautical research; and pursuing technological advances in critical areas of high risk and potentially high payoff to the Nation. These activities will continue to provide a strong research and technology base in the aeronautical disciplines of fluid and thermal physics, applied aerodynamics, materials and structures, controls and guidance, human factors, information sciences, propulsion and power, flight systems, and systems analysis and studies. Systems technology efforts will continue in a variety of areas including rotorcraft, high-performance aircraft, supersonic aircraft, advanced propulsion systems, and numerical aerodynamic simulation.

**Safety, Reliability, and Quality Assurance.**—This activity will enhance the safety and technical execution of NASA programs through the establishment of a new Technical Assessment Program incorporating an agency-wide problem reporting, trend analysis, and corrective action system.

**Supporting Activity: Tracking and Data Advanced Systems.**—This program provides advanced studies to ensure capability for tracking, data acquisition, communications, and data processing support required by all

NASA flight projects in accomplishing their mission objectives. Research and development activities will provide tracking and data acquisition support systems for future flight programs.

Object Classification (in thousands of dollars)

Identification code 80-0108-0-1-999	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
22.0 Transportation of things.....	4,287	5,473	5,938
23.1 Rental payments to GSA.....	32,854	41,946	45,509
23.2 Rental payments to others.....	6,907	8,818	9,568
23.3 Communications, utilities, and miscellaneous charges...	314	401	435
24.0 Printing and reproduction.....	3,311	4,227	4,586
25.0 Other services.....	2,352,279	2,997,540	3,258,369
26.0 Supplies and materials.....	85,723	109,445	118,743
31.0 Equipment.....	104,402	133,293	144,617
32.0 Lands and structures.....	5,748	7,339	7,962
41.0 Grants, subsidies, and contributions.....	1,009	1,288	1,398
99.0 Subtotal, direct obligations.....	2,596,834	3,309,770	3,597,125
99.0 Reimbursable obligations.....	878,827	919,200	669,227
99.9 Total obligations.....	3,475,661	4,228,970	4,266,352

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS

For necessary expenses, not otherwise provided for; in support of space flight, spacecraft control and communications activities of the National Aeronautics and Space Administration, including operations, production, services, minor construction, maintenance, repair, rehabilitation, and modification of real and personal property; tracking and data relay satellite services as authorized by law; purchase, hire, maintenance and operation of other than administrative aircraft; **[\$3,317,000,000]** \$4,064,300,000, to remain available until September 30, **[1988]** 1989. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**【Provided, That, notwithstanding any other provision of this joint resolution, including section 102, in addition to the funds otherwise made available in this subsection, the following amounts are made available: (2) an additional \$2,398,000,000, to remain available until expended, is hereby appropriated for the National Aeronautics and Space Administration, "Space flight, control and data communications", including (a) \$2,100,000,000 for orbiter production only, which amount shall not become available for obligation until August 1, 1987, and (b) \$265,000,000 for space shuttle operations, which amount, together with \$266,000,000 otherwise made available for this account by this subsection (or by enactment into law of the above named Act) shall not become available for obligation until January 15, 1987.】** (Public Laws 99-500 and 99-591, providing continuing appropriations for the fiscal year 1987, section 101(g).)

Program and Financing (in thousands of dollars)

Identification code 80-0105-0-1-250	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Space transportation systems:</b>			
00.01 Shuttle production and capability development.....	1,329,390	1,073,320	1,723,375
00.02 Operations.....	1,573,412	1,836,660	1,883,860
00.10 Supporting activity: Tracking and data acquisition.....	738,131	852,775	944,600
00.91 Total direct program.....	3,640,933	3,762,755	4,551,835
01.01 Reimbursable program.....	594,927	206,600	243,800
10.00 Total obligations.....	4,235,860	3,969,355	4,795,635
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds.....	-864,602	-161,600	-198,800
14.00 Non-Federal sources.....	-45,149	-123,977	-136,396
21.40 Unobligated balance available, start of year.....	-265,174	-603,565	-2,645,810
24.40 Unobligated balance available, end of year.....	603,565	2,645,810	2,158,274

25.00 Unobligated balance lapsing.....	165		
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	5,474		
31.00 Redemption of debt.....		78,977	91,396
39.00 <b>Budget authority.....</b>	<b>3,670,139</b>	<b>5,805,000</b>	<b>4,064,300</b>
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 <b>Appropriation.....</b>	<b>3,670,139</b>	<b>5,715,000</b>	<b>4,064,300</b>
45.00 <b>Transfers out for pay raises and retirement contributions.....</b>		<b>-10,000</b>	
<b>Permanent:</b>			
60.00 <b>Appropriation (permanent, definite).....</b>		<b>100,000</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,326,109	3,683,778	4,460,439
72.40 Obligated balance, start of year.....	458,692	517,145	752,278
74.40 Obligated balance, end of year.....	-517,145	-752,278	-684,165
77.00 Adjustments in expired accounts.....	-297		
90.00 <b>Outlays.....</b>	<b>3,267,359</b>	<b>3,448,645</b>	<b>4,528,552</b>

Status of Direct Loans (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	887,583	887,583	808,606
1251 Repayments: Repayments and prepayments.....		-78,977	-91,396
1290 Outstanding, end of year.....	887,583	808,606	717,210

This appropriation provides for production and operational activities for the Space Transportation System; and for tracking, telemetry, command, and data acquisition support of all NASA flight projects. The elements of the program and the work to be performed during 1988 are described below.

Space Transportation Systems:

**Shuttle production and capability development.**—The Space Shuttle is the primary launch vehicle to meet a wide variety of scientific and governmental requirements and obligations.

In 1988, the principal activities are focused on returning the Space Shuttle safely to flight. Modifications and redesigns identified in the post-Challenger accident review process will be continued on the solid rocket boosters, orbiters, main engines, and external tank. The recommendations of the Rogers Commission will be implemented to enhance the safe and effective operation of the Shuttle fleet. The orbiter logistics program will continue to provide hardware to support the flight rate build-up when Shuttle flights resume in 1988. Work on the replacement orbiter will continue, with delivery scheduled for 1991.

**Operations.**—This activity provides the standard operational services for the Space Shuttle. Space Shuttle flights are planned to resume in 1988. Four flights are planned for 1988, and nine are planned for 1989. In 1988, the Shuttle operations program will support flight preparation, training, mission planning, and hardware and payload processing activities for flights planned in 1988 and 1989.

**Supporting Activity: Tracking and Data Advanced Systems.**—This program, using ground-based and satellite (tracking and data relay satellite system) components, provides vital tracking, telemetry, command, and data acquisition support to meet the requirements of all NASA flight projects. In addition to NASA flight

General and special funds—Continued

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS—Continued

projects, support is provided on a reimbursable basis for projects of the Department of Defense and other Government agencies, commercial firms, and other countries and international organizations engaged in space research endeavors. In 1988, funding is also included to provide a replacement tracking and data relay satellite spacecraft for the one lost in the Challenger accident.

Object Classification (in thousands of dollars)

Identification code 80-0105-0-1-250	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
22.0 Transportation of things.....	5,008	5,189	6,261
23.2 Rental payments to others.....	81,141	84,079	101,442
23.3 Communications, utilities, and miscellaneous charges.....	575	596	719
24.0 Printing and reproduction.....	2,079	2,154	2,599
25.0 Other services.....	3,403,870	3,517,110	4,255,462
26.0 Supplies and materials.....	77,529	80,336	96,925
31.0 Equipment.....	53,980	55,934	67,485
32.0 Lands and structures.....	16,751	17,357	20,942
99.0 Subtotal, direct obligations.....	3,640,933	3,762,755	4,551,835
99.0 Reimbursable obligations.....	594,927	206,600	243,800
99.9 Total obligations.....	4,235,860	3,969,355	4,795,635

CONSTRUCTION OF FACILITIES

For construction, repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and for facility planning and design not otherwise provided, for the National Aeronautics and Space Administration, and for the acquisition or condemnation of real property, as authorized by law, **[\$166,300,000] \$195,500,000**, to remain available until September 30, **[1989] 1990: Provided**, That, notwithstanding the limitation on the availability of funds appropriated under this heading by this appropriations Act, when any activity has been initiated by the incurrence of obligations therefor, the amount available for such activity shall remain available until expended, except that this provision shall not apply to the amounts appropriated pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design: **Provided further**, That no amount appropriated pursuant to this or any other Act may be used for the lease or construction of a new contractor-funded facility for exclusive use in support of a contract or contracts with the National Aeronautics and Space Administration under which the Administration would be required to substantially amortize through payment or reimbursement such contractor investment, unless an appropriations Act specifies the lease or contract pursuant to which such facilities are to be constructed or leased or such facility is otherwise identified in such Act: **Provided further**, That the Administrator may authorize such facility lease or construction, if he determines, in consultation with the Committees on Appropriations, that deferral of such action until the enactment of the next appropriations Act would be inconsistent with the interest of the Nation in aeronautical and space activities. *(Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5813, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 80-0107-0-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Space transportation systems.....	40,493	18,556	34,315
00.02 Scientific investigations in space.....	5,594	672	5,825
00.04 Space research and technology.....	121	6,198	2,169
00.05 Aeronautical research and technology.....	35,460	28,310	29,344

00.07 Supporting activity.....	83,207	94,482	107,299
00.91 Total direct program.....	164,875	148,219	178,952
01.01 Reimbursable program.....	1,185	12,000	8,000
10.00 Total obligations.....	166,060	160,219	186,952
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....		-12,000	-8,000
21.40 Unobligated balance available, start of year.....	-95,157	-64,944	-83,025
22.40 Unobligated balance transferred, net.....	-2,750		
24.40 Unobligated balance available, end of year.....	64,944	83,025	99,574
25.00 Unobligated balance lapsing.....	43,134		
39.00 Budget authority.....	176,230	166,300	195,500
<b>Budget authority:</b>			
40.00 Appropriation.....	133,310	166,300	195,500
50.00 Reappropriation.....	42,920		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	166,059	148,219	178,952
72.40 Obligated balance, start of year.....	166,305	143,448	163,083
74.40 Obligated balance, end of year.....	-143,448	-163,083	-190,286
90.00 Outlays.....	188,916	128,584	151,749

This appropriation provides for contractual services for the design, repair, rehabilitation, and modification of facilities; the construction of new facilities; the purchase of land and equipment related to construction and modification; the initiation of environmental compliance activities agencywide; and advanced design related to facilities planned for future authorization. The principal projects in the 1988 program are described below:

**Space transportation systems.**—This activity includes funds for space flight and space station facilities at various locations.

**Scientific investigations in space.**—This activity provides for completion of the construction of a spacecraft systems development and integration facility at the Goddard Space Flight Center, Greenbelt, MD.

**Aeronautical Research and Technology.**—This activity includes modifications to vacuum systems for the hypersonic propulsion facility at Langley Research Center, Hampton, VA; construction of additions to the research analysis center and modifications of fan and compressor research test facilities at the Lewis Research Center, Cleveland, OH; and completion of the construction of an integrated test facility at the Dryden Flight Research Facility.

**Supporting activity.**—The estimates for this activity include modifications for utility reliability at the Goddard Space Flight Center, Greenbelt, MD; construction of communications development antenna at Goldstone, CA; repair, rehabilitation and modification of facilities, not in excess of \$750 thousand per project, minor construction of new facilities and additions to existing facilities, not in excess of \$500 thousand per project at various NASA installations and at Government-owned plants operated by contractors; initiation of environmental compliance activities agencywide; and for facility planning and design.

Object Classification (in thousands of dollars)

Identification code 80-0107-0-1-999	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
22.0 Transportation of things.....	17	15	19
24.0 Printing and reproduction.....	3	3	3
25.0 Other services.....	5,756	5,243	6,330

26.0	Supplies and materials.....	1,767	1,609	1,943
31.0	Equipment.....	2,071	1,886	2,277
32.0	Lands and structures.....	155,261	139,463	168,380
99.0	Subtotal, direct obligations.....	164,875	148,219	178,952
99.0	Reimbursable obligations.....	1,185	12,000	8,000
99.9	Total obligations.....	166,060	160,219	186,952

74.40	Obligated balance, end of year.....	-126,117	-118,268	-130,823
77.00	Adjustments in expired accounts.....	-2,214		
83.00	Prior year deficiencies, start of year.....		378	
86.00	Portion of offsetting collections applied to liquidate deficiencies.....		-378	
89.00	Outlays.....	1,332,346	1,473,955	1,585,445
Outlays:				
90.00	Outlays, excluding pay and retirement supplements.....	1,332,346	1,433,716	1,584,200
91.10	Outlays from wage-board pay raise supplemental.....		506	16
91.20	Outlays from civilian pay raise supplemental.....		23,486	726
91.30	Outlays from military pay raise supplemental.....		187	6
91.40	Outlays from retirement contribution supplemental.....		16,060	497

RESEARCH AND PROGRAM MANAGEMENT

For necessary expenses of research in Government laboratories, management of programs and other activities of the National Aeronautics and Space Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); awards; lease, hire, maintenance and operation of administrative aircraft; purchase (not to exceed thirty-three for replacement only) and hire of passenger motor vehicles; and maintenance and repair of real and personal property, and not in excess of \$100,000 per project for construction of new facilities and additions to existing facilities, repairs, and rehabilitation and modification of facilities; **[\$1,425,000,000] \$1,598,000,000: Provided,** That contracts may be entered into under this appropriation for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: *Provided further,* That not to exceed \$35,000 of the foregoing amount shall be available for scientific consultations or extraordinary expense, to be expended upon the approval or authority of the Administrator and his determination shall be final and conclusive. *(Additional authorizing legislation to be proposed.)*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 80-0103-0-1-999	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
Direct program:				
00.01	Space transportation systems.....	596,965	667,778	760,370
00.02	Scientific investigations in space.....	212,875	204,358	211,073
00.03	Space and terrestrial applications.....	131,955	142,649	148,163
00.04	Space research and technology.....	94,239	101,381	107,377
00.05	Transatmospheric vehicle research and technology.....		24,529	26,243
00.06	Aeronautical research and technology.....	249,602	259,030	274,125
00.07	Supporting activity.....	54,999	57,620	59,786
00.08	Safety, reliability and quality assurance.....	675	9,139	10,863
00.91	Total direct program.....	1,341,310	1,466,484	1,598,000
01.01	Reimbursable program.....	40,309	40,000	40,000
10.00	Total obligations.....	1,381,619	1,506,484	1,638,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-34,563	-35,000	-35,000
14.00	Non-Federal sources.....	-5,226	-5,378	-5,000
21.40	Unobligated balance available, start of year.....	-520		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	602		
30.00	Deficiency.....	-378		
33.00	Offsetting collections applied to liquidate deficiencies.....		378	
39.00	Budget authority.....	1,341,534	1,466,484	1,598,000
Budget authority:				
40.00	Appropriation.....	1,341,534	1,425,000	1,598,000
Transfers in for:				
46.10	Wage-board pay raises.....		522	
46.20	Civilian pay raises.....		24,212	
46.30	Military pay raises.....		193	
46.40	Retirement contributions (P.L. 99-335).....		16,557	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	1,341,830	1,466,106	1,598,000
72.40	Obligated balance, start of year.....	118,847	126,117	118,268

Object Classification (in thousands of dollars)

Identification code 80-0103-0-1-999	1986 actual	1987 est.	1988 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	813,871	841,982	877,175
11.3	Other than full-time permanent.....	13,509	15,717	16,411
11.5	Other personnel compensation.....	15,236	16,731	18,549
11.8	Special personal services payments.....	5,086	6,454	7,226
11.9	Total personnel compensation.....	847,702	880,884	919,361
12.1	Personnel benefits: Civilian.....	100,634	124,696	167,823
13.0	Benefits for former personnel.....	306	303	324
21.0	Travel and transportation of persons.....	29,185	37,200	43,312
21.0	Payments to interagency motor pools.....	1,465	1,377	1,485
22.0	Transportation of things.....	2,457	4,776	5,946
23.1	Rental payments to GSA.....	8,559	11,253	12,355
23.2	Rental payments to others.....	237	130	1,000
23.3	Communications, utilities, and miscellaneous charges.....	97,172	120,349	120,349
24.0	Printing and reproduction.....	2,380	2,934	3,128
25.0	Other services.....	226,429	247,852	287,706
26.0	Supplies and materials.....	16,652	16,787	19,271
31.0	Equipment.....	7,574	17,589	15,581
32.0	Lands and structures.....	22	32	36
41.0	Grants, subsidies, and contributions.....	536	322	323
99.0	Subtotal, direct obligations.....	1,341,310	1,466,484	1,598,000
99.0	Reimbursable obligations.....	40,309	40,000	40,000
99.9	Total obligations.....	1,381,619	1,506,484	1,638,000

Personnel Summary

Total number of full-time permanent positions.....	21,193	21,375	22,000
Total compensable workyears:			
Full-time equivalent employment.....	21,660	21,800	22,425
Full-time equivalent of overtime and holiday hours.....	225	240	270

*Trust Funds*

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code	80-9971-0-7-255	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-2		
21.40	Unobligated balance available, start of year .....	-32	-148	-148
24.40	Unobligated balance available, end of year .....	148	148	148
60.00	<b>Budget authority (permanent, indefinite) .....</b>	<b>114</b>		

Relation of obligations to outlays:			
71.00	Obligations incurred, net .....		
72.40	Obligated balance, start of year .....	1	1
74.40	Obligated balance, end of year .....	-1	
78.00	Adjustments in unexpired accounts .....	-2	
90.00	<b>Outlays .....</b>	<b>-2</b>	

Foreign governments advance funds to allow the National Aeronautics and Space Administration to procure, in the United States, nonmilitary space-oriented materials and services on their behalf. Authority for this action is granted by the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.).

## OFFICE OF PERSONNEL MANAGEMENT

### Federal Funds

#### General and special funds:

#### SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, not to exceed \$2,500 for official reception and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; **[\$99,000,000]** \$102,360,000 in addition to **[\$60,900,000]** \$65,746,000 for administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C. *;* *Provided further*, That funds made available by this appropriation may be used, at the discretion of the Director of the Office of Personnel Management, to provide salaries, administrative support and for other expenses of the Commission on Executive, Legislative, and Judicial Salaries **]** No part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive order 9358 of July 1, 1943, or any successor unit of like purpose. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

#### Program and Financing (in thousands of dollars)

Identification code 24-0100-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Career entry.....	34,065	35,805	36,793
00.02 Training and investigations.....	5,154	5,220	5,422
00.03 Personnel systems and oversight.....	17,109	16,913	17,315
00.04 Administrative services.....	5,714	5,636	5,520
00.05 ADP services.....	9,706	9,457	9,607
00.06 Executive services.....	4,357	4,710	4,255
00.07 Office of Government Ethics.....	1,106	1,162	1,458
00.08 Other programs.....	1,576	2,993	2,973
00.09 Mandatory payments.....	16,614	17,104	19,017
00.91 Total direct program.....	95,401	99,000	102,360
01.01 Reimbursable program.....	68,433	75,400	80,946
10.00 Total obligations.....	163,834	174,400	183,306
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-12,256	-14,500	-15,200
13.00 Trust funds.....	-56,176	-60,900	-65,746
25.00 Unobligated balance lapsing.....	152		
40.00 Budget authority (appropriation).....	95,553	99,000	102,360
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	95,401	99,000	102,360
72.10 Receivables in excess of obligations, start of year.....	6,474		
72.40 Obligated balance, start of year.....		14,697	5,447
74.40 Obligated balance, end of year.....	-14,697	-5,447	-7,494
77.00 Adjustments in expired accounts.....	109		
90.00 Outlays.....	87,287	108,250	100,313

To meet the administration's goals in specific management initiative areas, the Office of Personnel Man-

agement will be conducting studies for contracting out business-like functions to effect more efficient operations wherever possible.

The Office of Personnel Management is responsible for personnel management functions which include the following activities:

**Career entry.**—This activity consists of: (a) recruiting; (b) examining; (c) developing qualification standards; and (d) administering the affirmative employment program.

Workloads are reflected in the following table:

Production count:	1986 actual	1987 est.	1988 est.
Applications processed for Federal employment.....	700,811	822,800	822,800
Employment inquiries answered.....	2,821,547	2,822,600	2,822,600

**Training and investigations.**—This activity includes: (a) training leadership, and (b) assuring suitability.

Production count:	1986 actual	1987 est.	1988 est.
National agency check and inquiry cases.....	255,058	236,000	236,000

**Personnel system and oversight.**—This activity includes: (a) developing classification standards; (b) personnel management evaluations; (c) labor-management relations; and (d) work force information.

Production count:	1986 actual	1987 est.	1988 est.
Personnel management evaluations.....	1,417	1,100	1,100

**Administrative services.**—This activity includes: (a) personnel and equal employment opportunity; (b) budget; (c) finance; (d) facilities, publishing and acquisitions management; and (e) library and health services in support of all OPM programs.

**ADP services.**—This activity consists of the central computing facility and related functions in support of program requirements.

**Executive services.**—This activity includes: (a) executive direction; (b) policy development; (c) legal advice and representation; (d) public affairs; (e) legislative activities; (f) the Inspector General function; and (g) administration of the Senior Executive Service system.

**Office of Government Ethics.**—This activity carries out the provisions of the Ethics in Government Act of 1978 and subsequent amendments. Funding is increased in 1988 to \$1,458 thousand for additional training and auditing activities and is estimated to remain at that level for each year through 1991.

**Other programs.**—This activity includes: (a) administering the Voting Rights Act of 1965; and (b) operating expenses of the President's Commissions on Executive Exchange and White House Fellows.

Workloads are reflected in the following table:

Production count:	1986 actual	1987 est.	1988 est.
Voting rights observers.....	399	1,115	1,115
White House Fellowship applications.....	853	1,000	1,000
Executive Exchange nominees accepted for placement.....	27	29	30

**Mandatory payments.**—This activity finances certain mandatory overhead expenses including: (a) reimbursements to GSA for space rental and for Federal telecommunications services (FTS); (b) reimbursements to the

General and special funds—Continued

SALARIES AND EXPENSES—Continued

(INCLUDING TRANSFER OF TRUST FUNDS)—Continued

U.S. Postal Service for penalty mail and parcel post; (c) reimbursements to the Department of Labor for workers compensation and unemployment benefits paid; and (d) other miscellaneous services.

**Reimbursable programs.**—The OPM performs reimbursable work at the request of other agencies and administers retirement and insurance programs for the Federal employees and retired Federal employees. These programs include the Civil Service retirement and disability fund, the Employees life insurance fund, the Employees health benefits fund, and the Retired employees health benefits fund. Administrative expenses are financed through the transfer of funds from the appropriate trust funds.

Object Classification (in thousands of dollars)

Identification code	24-0100-0-1-805	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	53,617	54,387	52,140
11.3	Other than full-time permanent .....	3,914	4,000	4,029
11.5	Other personnel compensation .....	1,546	1,643	1,654
11.9	<b>Total personnel compensation .....</b>	<b>59,077</b>	<b>60,030</b>	<b>57,823</b>
12.1	Personnel benefits: Civilian .....	7,794	9,082	11,935
13.0	Benefits for former personnel .....	102	125	125
21.0	Travel and transportation of persons .....	852	1,650	1,700
22.0	Transportation of things .....	166	200	225
23.1	Rental payments to GSA .....	12,065	12,172	14,151
23.3	Communications, utilities, and miscellaneous charges .....	6,426	6,800	6,375
24.0	Printing and reproduction .....	1,637	1,700	1,725
25.0	Other services .....	4,147	4,790	6,300
26.0	Supplies and materials .....	1,049	1,050	1,075
31.0	Equipment .....	2,085	1,400	925
42.0	Insurance claims and indemnities .....	1	1	1
99.0	<b>Subtotal, direct obligations .....</b>	<b>95,401</b>	<b>99,000</b>	<b>102,360</b>
99.0	Reimbursable obligations .....	68,433	75,400	80,946
99.9	<b>Total obligations .....</b>	<b>163,834</b>	<b>174,400</b>	<b>183,306</b>

Personnel Summary

<b>Direct:</b>				
	Total number of full-time permanent positions .....	1,817	1,792	1,713
<b>Total compensable workyears:</b>				
	Full-time equivalent employment .....	2,102	2,072	1,996
	Full-time equivalent of overtime and holiday hours .....	57	60	60
<b>Reimbursable:</b>				
	Total number of full-time permanent positions .....	1,531	1,590	1,485
<b>Total compensable workyears:</b>				
	Full-time equivalent employment .....	1,690	1,754	1,646
	Full-time equivalent of overtime and holiday hours .....	24	20	20

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, **[\$1,459,000,000] \$1,788,931,000**, to remain available until expended. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

Program and Financing (in thousands of dollars)

Identification code	24-0206-0-1-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Government contribution for annuitants benefits (1959 law) .....	766,843	1,663,501	2,007,197
00.02	Government contribution for annuitants benefits (1960 act) .....	9,763	9,532	9,100
00.03	Administrative expenses (1960 act) .....	134	134	145
10.00	<b>Total obligations .....</b>	<b>776,740</b>	<b>1,673,167</b>	<b>2,016,442</b>
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-118,700	-879,059	-664,892
24.40	Unobligated balance available, end of year .....	879,059	664,892	437,381
40.00	<b>Budget authority (appropriation) .....</b>	<b>1,537,100</b>	<b>1,459,000</b>	<b>1,788,931</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	776,740	1,673,167	2,016,442
72.40	Obligated balance, start of year .....	123,389	23,681	163,588
74.40	Obligated balance, end of year .....	-23,681	-163,588	-195,602
90.00	<b>Outlays .....</b>	<b>876,448</b>	<b>1,533,260</b>	<b>1,984,428</b>

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)				
		1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>				
	Budget authority .....	1,537,100	1,459,000	1,788,931
	Outlays .....	876,448	1,533,260	1,984,428
<b>Proposed for later transmittal under proposed legislation:</b>				
	Budget authority .....			-501,940
	Outlays .....			-492,063
<b>Total:</b>				
	Budget authority .....	1,537,100	1,459,000	1,286,991
	Outlays .....	876,448	1,533,260	1,492,365

This appropriation covers: (1) the Government's share of the cost of health insurance for 1,579,300 annuitants as defined in sections 8901 and 8906 of title 5, United States Code; (2) the Government's share of the cost-of-health insurance for 37,000 annuitants (who were retired when the Federal employees health benefits law became effective), as defined in the Retired Federal Employees Health Benefits Act of 1960; and, (3) the Government's contribution for payment of administrative expenses incurred by the Office of Personnel Management in administration of the act.

The use of these funds is reflected in the schedules for the Employees health benefits fund and the Retired employees health benefits fund.

Object Classification (in thousands of dollars)

Identification code	24-0206-0-1-551	1986 actual	1987 est.	1988 est.
13.0	Benefits for former personnel .....	776,606	1,673,033	2,016,297
25.0	Other services .....	134	134	145
99.9	<b>Total obligations .....</b>	<b>776,740</b>	<b>1,673,167</b>	<b>2,016,442</b>

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	24-0206-2-1-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 11.3) .....			-501,940
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation) .....</b>			<b>-501,940</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....			-501,940

74.40	Obligated balance, end of year.....	9,877
90.00	Outlays.....	-492,063

This schedule reflects the effect of a legislative proposal to revise the method for calculating government contributions under the Federal Employees Health Benefits Program, and to assign appropriate financing of annuitants Health benefit costs to the Government of the District of Columbia and the United States Postal Service.

**PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, **[\$4,557,000,000]** \$4,720,913,000. *Provided*, That annuities authorized by the Act of May 29, 1944, as amended (22 U.S.C. 3682(e)), August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

**Program and Financing (in thousands of dollars)**

Identification code	24-0200-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Payment of annuities under special acts.....	676	1,052	808
00.02	Payment of Government share of retirement costs.....	4,406,558	4,555,949	4,720,105
00.03	Transfers for interest on unfunded liability and payment of military service annuities.....	11,625,400	11,171,836	10,079,121
00.04	Payments for contribution deficiency.....	494,400	143,000	
00.05	Spouse equity payment.....	3,900	3,900	3,900
00.06	Transfer for payment of FERS supplemental liability.....			1,150,000
10.00	Total obligations.....	16,530,934	15,875,737	15,953,934
<b>Financing:</b>				
39.00	Budget authority.....	16,530,934	15,875,737	15,953,934
<b>Budget authority:</b>				
40.00	Appropriation.....	4,407,234	4,557,000	4,720,913
60.00	Appropriation (permanent, indefinite).....	12,123,700	11,318,737	11,233,021
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	16,530,934	15,875,737	15,953,934
90.00	Outlays.....	16,530,934	15,875,737	15,953,934

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	16,530,934	15,875,737	15,953,934
Outlays.....	16,530,934	15,875,737	15,953,934
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			-11,701
Outlays.....			-11,701
<b>Total:</b>			
Budget authority.....	16,530,934	15,875,737	15,942,233
Outlays.....	16,530,934	15,875,737	15,942,233

**Payment of annuities under special acts.**—These annuities are paid to persons who were employed on the construction of the Panama Canal or their widows and widows of former employees of the Lighthouse Service. Numbers of recipients are as follows:

	Sept. 30, 1986	Sept. 30, 1987	Sept. 30, 1988
Panama Canal annuitants.....	30	30	30
Lighthouse Service widows.....	196	185	174

**Payment of Government share of retirement costs.**—The Civil Service Retirement Amendments of 1969 pro-

vide for financing of the current year's costs of the unfunded liability created since its enactment on October 20, 1969. Any statute which authorizes (1) new or liberalized benefits, (2) extension of retirement coverage, or (3) pay increases, is deemed to authorize appropriations to the fund to finance the unfunded liability created.

**Transfers for interest on unfunded liability and payment of military service annuities.**—The Secretary of the Treasury is required to make annual payments from general revenues into the Retirement fund of an amount equivalent to: (1) interest on the unfunded liability (\$7,956 million), and (2) annuity disbursements attributable to military service (\$2,123 million). The Office of Personnel Management, at the end of each year, notifies the Secretary of the Treasury of the amount of payment to be made to the Retirement fund and reports such sums to the President and Congress.

**Payments for contribution deficiency.**—The Federal Employees' Retirement System Act of 1986, Public Law 99-335, extended CSRS interim coverage for post-1983 employees until January 1987. Employees contribute only 1.3 percent of their basic pay to the various Federal retirement systems for interim coverage which carries forward deficiencies to those systems into fiscal year 1987. The Office of Personnel Management will notify the Secretary of the Treasury of the deficiency for each fiscal year with respect to the Civil Service Retirement and Disability Fund, and an amount equal to the deficiency will be credited to the fund before the close of the fiscal year.

**Payments for spouse equity.**—The Civil Service Retirement Spouse Equity Act of 1985, Public Law 98-615, provides for the payment of survivor annuities to eligible former spouses of annuitants who died between September 1978 and May 1986 and who did not elect survivor coverage. The law authorizes the Office of Personnel Management to notify the Secretary of the Treasury of the amount of such annuities paid each fiscal year and directs the Secretary to credit this amount to the Civil Service Retirement and Disability Fund.

**Transfers for payment of FERS supplemental liability.**—Under provisions of the Federal Employees' Retirement System (FERS) Act of 1986, Public Law 99-335, the Secretary of Treasury is required to make annual payments to finance the supplemental liability as calculated for the new FERS. The supplemental liability will be financed by 30 annual payments beginning in fiscal year 1988. Since covered populations are tentative, the estimated amount will be recalculated during fiscal year 1988.

**Object Classification (in thousands of dollars)**

Identification code	24-0200-0-1-805	1986 actual	1987 est.	1988 est.
12.1	Personnel benefits: Civilian.....	4,900,958	4,698,949	4,720,105
13.0	Benefits for former personnel.....	11,629,976	11,176,788	11,233,829
99.9	Total obligations.....	16,530,934	15,875,737	15,953,934

General and special funds—Continued

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
24-0200-2-1-805			
<b>Program by activities:</b>			
10.00 Total obligations (object class 13.0)			-11,701
<b>Financing:</b>			
40.00 Budget authority (appropriation)			-11,701
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			-11,701
90.00 Outlays			-11,701

This schedule reflects the reduction in interest on the unfunded liability and the reduction in annuity disbursements attributable to military service that will be achieved through legislative proposals pertaining to the Civil Service Retirement and Disability Fund.

Intragovernmental funds:

REVOLVING FUND

Pursuant to section [1304(e)(1)] 4109(d)(1) of title 5, United States Code, costs for entertainment expenses of the President's Commission on Executive Exchange shall not exceed \$12,000. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
24-4571-0-4-805			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 DoD testing	7,419	7,052	7,108
00.02 Investigations	44,878	48,592	51,149
00.03 Training	73,863	75,876	74,833
00.04 Other programs	567	869	838
00.91 Total operating expenses	126,727	132,389	133,928
<b>Capital investment:</b>			
01.01 DoD testing	30	26	32
01.02 Investigations	190	456	448
01.03 Training	193	393	383
01.91 Total capital investment	413	875	863
10.00 Total obligations	127,140	133,264	134,791
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds	-138,884	-131,164	-132,599
14.00 Non-Federal sources	-1,105	-1,103	-1,051
21.98 Unobligated balance available, start of year: Fund balance	-22,483	-35,273	-34,276
24.98 Unobligated balance available, end of year: Fund balance	35,273	34,276	33,135
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections	59		
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-12,849	997	1,141
72.98 Obligated balance, start of year: Fund balance	-16,417	-29,297	-26,435
74.98 Obligated balance, end of year: Fund balance	29,297	26,435	24,989
90.00 Outlays	31	-1,865	-305

The Office of Personnel Management tests inductee candidates for the Department of Defense (DOD), performs training activities and miscellaneous services for Federal agencies, and conducts background security in-

vestigations for other departments and agencies on a reimbursable basis.

Fees collected by the President's Commission on Executive Exchange are also credited to the revolving fund and are available for the Commission's use.

Budget program.—1988 training activities will emphasize greater use of private sector training sources by Federal agencies to strengthen their training programs.

WORKLOAD COUNT

	1986 actual	1987 est.	1988 est.
Background security investigations processed	32,755	52,243	53,000
Test sessions for DOD	86,273	80,000	80,000
Participant training days	604,685	557,032	514,000

Operating results and financing condition.—The appropriated capital of the fund consists of \$6.8 million, which along with total Government equity ensures a sound financial condition and an adequate cash balance for the fund.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (-):</b>			
<b>Department of Defense testing program:</b>			
Revenue	7,557	7,000	7,151
Expense	7,447	7,088	7,145
Net operating income or loss (-), DOD testing program	110	-88	6
<b>Investigations program:</b>			
Revenue	38,906	53,003	53,229
Expense	44,833	50,133	51,087
Net operating income or loss (-), investigations program	-5,927	2,870	2,142
<b>Training program:</b>			
Revenue	66,886	71,325	71,555
Expense	66,625	73,795	74,815
Net operating income or loss (-), training program	261	-2,470	-3,260
<b>Other programs:</b>			
Revenue	553	815	851
Expense	516	868	837
Net operating income or loss (-), other programs	37	-53	14
Net operating income or loss (-), total	-5,519	259	-1,098
<b>Non-operating income or loss (-):</b>			
Net gain or loss (-) from sale of equipment	10		
Net non-operating income or loss (-)	10		
Net income or loss (-) for the year	-5,509	259	-1,098

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury	6,066	5,976	6,100	6,000
Accounts receivable	21,035	33,834	32,790	28,981
Advances made	1,982	474	500	500
Work in process	11,571	12,327	11,586	12,448
Real property and equipment (net)	7,553	5,952	5,419	4,868
Total assets	48,207	58,563	56,395	52,797
<b>Liabilities:</b>				
Accounts payable and funded accrued liabilities	9,578	12,760	12,500	10,000
Advances received	26,045	42,167	40,000	40,000
Total liabilities	35,622	54,927	52,500	50,000
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance	22,483	35,273	34,276	33,135

Undelivered orders.....	6,001	14,241	15,441	16,440
Invested capital (net).....	4,077	2,777	3,678	2,722
Unfilled customer orders.....	-23,453	-48,655	-49,500	-49,500
<b>Total Government equity.....</b>	<b>9,108</b>	<b>3,636</b>	<b>3,895</b>	<b>2,797</b>

**Analysis of changes in Government equity:**

<b>Paid-in capital:</b>				
Opening balance.....		9,108	3,636	3,895
<b>Retained income or deficit (-):</b>				
<b>Transactions:</b>				
Net operating income or loss (-).....		-5,509	259	-1,098
Other.....		37		
<b>Total transactions.....</b>		<b>-5,472</b>	<b>259</b>	<b>-1,098</b>
<b>Total Government equity.....</b>		<b>3,636</b>	<b>3,895</b>	<b>2,797</b>

**Object Classification (in thousands of dollars)**

Identification code 24-4571-0-4-805	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	33,743	34,477	34,192
11.3 Other than full-time permanent.....	12,443	11,256	10,231
11.5 Other personnel compensation.....	2,202	2,334	2,312
11.8 Special personal services payments.....	60	99	94
<b>Total personnel compensation.....</b>	<b>48,448</b>	<b>48,166</b>	<b>46,829</b>
12.1 Personnel benefits: Civilian.....	5,107	6,113	7,558
13.0 Benefits to former personnel.....	85	156	156
21.0 Travel and transportation of persons.....	5,170	5,521	5,413
22.0 Transportation of things.....	190	240	241
23.1 Rental payments to GSA.....	7,650	7,327	8,557
23.3 Communications, utilities, and miscellaneous charges.....	5,603	5,203	5,214
24.0 Printing and reproduction.....	2,083	2,053	1,929
25.0 Other services.....	49,637	54,424	55,409
26.0 Supplies and materials.....	2,410	2,563	2,443
31.0 Equipment.....	708	1,142	1,041
32.0 Lands and structures.....	37	356	
42.0 Insurance claims and indemnities.....	12		
<b>99.9 Total obligations.....</b>	<b>127,140</b>	<b>133,264</b>	<b>134,791</b>

**Personnel Summary**

Total number of permanent positions.....	1,125	1,218	1,183
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	1,514	1,593	1,553
Full-time equivalent of overtime and holiday hours.....	67	70	70

**Trust Funds**

**CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 24-8135-0-7-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Annuities.....	23,428,723	24,418,026	25,760,835
00.02 Refunds and death claims.....	1,219,758	2,073,000	1,928,000
00.03 Annuities under special acts.....	912	861	811
00.04 Administration.....	45,279	51,969	56,359
<b>10.00 Total obligations.....</b>	<b>24,694,672</b>	<b>26,543,856</b>	<b>27,746,005</b>
<b>Financing:</b>			
<b>Unobligated balance available, start of year:</b>			
21.40 Treasury balance.....	-11,492,558	-2,631,273	
21.40 U.S. securities (par).....	-127,452,860	-154,219,688	-173,613,226
<b>Unobligated balance available, end of year:</b>			
24.40 Treasury balance.....	2,631,273		
24.40 U.S. securities (par).....	154,219,688	173,613,226	191,391,461
<b>60.00 Budget authority (appropriation) (permanent, indefinite).....</b>	<b>42,600,215</b>	<b>43,306,121</b>	<b>45,524,240</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	24,694,672	26,543,856	27,746,005
<b>Obligated balance, start of year:</b>			
72.40 Treasury balance.....	1,957,110	2,628,414	30,000
72.40 U.S. securities (par).....			2,674,500

<b>Obligated balance, end of year:</b>				
74.40 Treasury balance.....	-2,628,414	-30,000	-30,000	
74.40 U.S. securities (par).....		-2,674,500	-2,793,011	
<b>90.00 Outlays.....</b>	<b>24,023,368</b>	<b>26,467,770</b>	<b>27,627,494</b>	

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....	42,600,215	43,306,121	45,524,240
Outlays.....	24,023,368	26,467,770	27,627,494
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			88,810
Outlays.....			-1,501,290
<b>Total:</b>			
Budget authority.....	42,600,215	43,306,121	45,613,050
Outlays.....	24,023,368	26,467,770	26,126,204

This fund is used to pay annuities to retired employees or their survivors; to make refunds to former employees for amounts withheld and to beneficiaries of employees who died before retirement or before the annuities equaled the amount withheld; and, to pay administrative expenses of the Office of Personnel Management and the Merit Systems Protection Board in administering the program. On June 6, 1986, the President signed the Federal Employee's Retirement System Act of 1986, Public Law 99-335, which established the Federal Employee's Retirement System (FERS). FERS is a three-tiered pension program designed along the lines of the best private sector plans. Using Social Security as a base, it provides an additional Basic Benefit based upon the length of Federal service (generally one percent of average salary per year) as well as a savings plan. The basic benefit element of this new plan is effective January 1, 1987, and is included within the Civil Service Retirement and Disability Fund. Generally, the Plan covers all employees hired after December 31, 1983, and employees currently covered under the CSRS who elect to join FERS during the July 1, 1987, to December 31, 1987, Open Season. Pertinent statistics as of the end of the year are shown below:

	1986 actual	1987 est.	1988 est.
Active employees.....	2,817,000	2,817,000	2,817,000
<b>Annuitants:</b>			
Employees.....	1,492,000	1,527,000	1,562,000
Survivors.....	515,000	527,000	539,000
<b>Total.....</b>	<b>2,007,000</b>	<b>2,054,000</b>	<b>2,101,000</b>

**STATUS OF TRUST FUND**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Unexpended balance, start of year:</b>			
U.S. securities (par).....	127,452,860	154,219,688	176,287,727
Cash.....	13,449,668	5,259,687	30,000
<b>Balance of trust fund, start of year.....</b>	<b>140,902,528</b>	<b>159,479,375</b>	<b>176,317,727</b>
<b>Cash income for the year:</b>			
<b>Governmental receipts:</b>			
<b>Deductions from Federal employees' salaries:</b>			
Appropriated.....	4,500,365	4,176,934	3,237,740
Voluntary contributions.....	101,692	123,000	135,000
<b>For D.C. government employees: <sup>2</sup></b>			
Existing law.....	96,282	98,769	95,671
Proposed legislation.....			10,290
<b>Total, governmental receipts.....</b>	<b>4,698,339</b>	<b>4,398,703</b>	<b>3,478,701</b>
<b>Intragovernmental receipts:</b>			
<b>Federal agency employer contributions:</b>			
Appropriated.....	3,799,886	4,662,664	6,257,281

CIVIL SERVICE RETIREMENT AND DISABILITY FUND—Continued

STATUS OF TRUST FUND—Continued

[In thousands of dollars]

Postal Service contributions:			
Existing law.....	1,184,947	1,578,440	2,205,473
Proposed legislation.....			143,629
Contributions for past pay raises.....	1,353,056	1,400,176	1,532,781
Proposed legislation.....			-132,605
Employing agency payments for salaries of re-employed annuitants.....	32,704	34,000	35,000
Panama Canal Commission contributions for past pay raises.....	19,560	19,560	19,560
General fund contribution:			
Existing law, current pay rates.....	16,530,934	15,875,737	15,953,934
Proposed legislation.....			-11,701
Receipts from Foreign Service retirement fund.....	629	600	600
Interest and profit on investments:			
Existing law.....	13,945,004	13,798,509	14,940,629
Proposed legislation.....			79,197
Interest on Federal Financing Bank obligations.....	1,035,158	1,537,733	1,110,570
Total, intragovernmental receipts.....	37,901,911	38,907,419	42,134,348
Total net income.....	42,600,215	43,306,122	45,613,049
Cash outgo during year:			
Payment of claims to retired employees.....	20,063,333	20,901,163	21,971,797
Proposed legislation.....			-111,648
Payment to employees engaged in construction of Panama Canal.....	11	11	11
Payment to widows of former employees of the Light-house Service.....	900	850	800
Payment of claims to survivor annuitants.....	3,291,894	3,440,777	3,670,527
Proposed legislation.....			-26,642
Lump sum payments to estates or beneficiaries of deceased annuitants and employees.....	50,682	53,000	55,000
Refunds to living separated employees.....	567,466	2,020,000	1,873,000
Proposed legislation.....			-1,363,000
Administration.....	49,082	51,969	56,359
Total outgo.....	24,023,368	26,467,770	26,126,204
Unexpended balance, end of year:			
U.S. securities (par).....	154,219,688	176,287,727	195,774,572
Cash.....	5,259,687	30,000	30,000
Balance of trust fund, end of year.....	159,479,375	176,317,727	195,804,572

<sup>1</sup> Includes employees of the Postal Service.

<sup>2</sup> Includes both employer and employee payments for District of Columbia government employees.

Object Classification (in thousands of dollars)

Identification code 24-8135-0-7-602	1986 actual	1987 est.	1988 est.
25.0 Other services.....	53,389	51,969	56,359
42.0 Insurance claims and indemnities.....	23,416,718	24,418,887	25,761,646
44.0 Refunds and death claims.....	1,224,565	2,073,000	1,928,000
99.9 Total obligations.....	24,694,672	26,543,856	27,746,005

CIVIL SERVICE RETIREMENT AND DISABILITY FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 24-8135-2-7-602	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations (object class 42.0).....			-1,501,290
Financing:			
24.40 Unobligated balance available, end of year: U.S. securities (par).....			1,590,100
40.00 Budget authority (appropriation) (indefinite).....			88,810
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-1,501,290
90.00 Outlays.....			-1,501,290

This schedule reflects the effect of a legislative proposal to: (1) provide COLA's at the percentage change in

the CPI minus 1 percent, unless the CPI falls below 3 percent, in which case the COLA would be the lesser of the actual CPI increase or 2 percent; (2) amend the Federal Employee's Retirement System Act of 1986 (Public Law 99-335) to eliminate the lump sum distribution of CSRS and FERS retirement contributions, and (3) phase-in increased Postal Service and D.C. Government contributions to cover the dynamic normal cost of CSRS retirement benefits.

EMPLOYEES HEALTH BENEFITS FUND

Program and Financing (in thousands of dollars)

Identification code 24-8440-0-8-551	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Premium payments to carriers.....	5,533,192	6,869,902	8,118,920
00.02 Payments from OPM contingency reserve.....	181,555	755,000	225,000
00.03 Enrollee premium reduction.....	349,129		
00.04 Government premium reduction.....	663,999		
00.05 Administration.....	8,233	8,880	9,630
10.00 Total obligations (object class 25.0).....	6,736,108	7,633,782	8,353,550
Financing:			
Offsetting collections from:			
Federal funds:			
11.00 Agency contributions.....	-2,607,767	-2,968,767	-3,511,010
11.00 Government contribution for annuitants.....	-789,214	-1,663,501	-2,007,197
11.00 Interest revenue.....	-133,934	-130,985	-74,288
Non-Federal sources:			
14.00 Employees salary withholding.....	-1,227,863	-1,294,914	-1,492,341
14.00 Annuity withholdings.....	-1,034,614	-1,182,316	-1,391,829
14.00 Contribution from D.C. government.....	-31,300	-35,200	-41,300
14.00 Return of excess carrier reserves.....	-1,013,128		
21.98 Unobligated balance available, start of year: U.S. securities (par).....	-1,069,580	-1,171,290	-813,193
24.98 Unobligated balance available, end of year: U.S. securities (par).....	1,171,290	813,193	977,608
39.00 Budget authority.....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-101,712	358,099	-164,415
Obligated balance, start of year:			
72.98 Treasury balance.....	4,221	-24	1,000
72.98 U.S. securities (par).....	104,697	245,837	266,989
Obligated balance, end of year:			
74.98 Treasury balance.....	24	-1,000	-1,000
74.98 U.S. securities (par).....	-245,837	-266,989	-320,156
90.00 Outlays.....	-238,607	335,923	-217,582

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....			
Outlays.....	-238,607	335,923	-217,582
Proposed for later transmittal under proposed legislation:			
Budget authority.....			
Outlays.....			
Total:			
Budget authority.....			
Outlays.....	-238,607	335,923	-217,582

The fund provides for the cost of health benefits for: (1) active employees; (2) employees who retired after June 1960, or their survivors; (3) those annuitants transferred from the Retired Federal employees health benefits program as authorized by Public Law 93-246; and (4) the related expenses of the Office of Personnel Management in administering the program.

Budget program.—The balance of the fund is available for payments without fiscal year limitation. Num-

bers of participants at the end of each fiscal year are as follows:

	1986 actual	1987 est.	1988 est.
Active employees .....	2,348,000	2,348,000	2,348,000
Annuityants.....	1,499,300	1,539,300	1,579,300
Total.....	3,847,300	3,887,300	3,927,300

In determining a biweekly subscription rate to cover program costs, one percent is added for administrative expense, and three percent is added for a contingency reserve held by the Office of Personnel Management (OPM) for each carrier. The OPM is authorized to transfer unused administrative reserve funds to the contingency reserve.

For Postal Service employees, the Government's contribution to the health benefits premiums is 75 percent of the current unweighted average of the high option premiums of six large plans. For general schedule and wage-board employees, the Government's contribution is 60 percent.

**STATUS OF TRUST FUND**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unobligated balance of trust fund, start of year (U.S. securities (par)) .....	1,069,580	1,171,292	813,193
Income:			
Employee contributions:			
Active employees .....	1,227,863	1,294,914	1,492,341
Annuityants .....	1,034,614	1,182,316	1,391,829
Total, employee contributions .....	2,262,477	2,477,230	2,884,170
Government contributions:			
Agency contributions.....	1,709,080	1,919,430	2,255,967
Postal Service .....	898,687	1,049,337	1,255,043
Government payment for annuitant health benefits.....	789,214	1,663,501	2,007,197
Total, Government contributions .....	3,396,981	4,632,268	5,518,207
Contribution from D.C. Government .....	31,300	35,200	41,300
Interest earned.....	133,934	130,985	74,288
Return of excess carrier reserves.....	1,013,128		
Total, income.....	6,837,820	7,275,683	8,517,965
Expenses:			
Payments to carriers for health benefit premiums.....	5,533,192	6,869,902	8,118,920
Payments to carriers from OPM-held contingency reserve.....	181,555	755,000	225,000
Enrollee premium reduction paid from OPM-held contingency reserve.....	349,129		
Government premium reduction paid to carriers from OPM-held contingency reserve .....	663,999		
Administration .....	8,233	8,880	9,630
Total, expenses.....	6,736,108	7,633,782	8,353,550
Change in fund balance .....	101,712	-358,099	164,415
Unobligated balance of trust fund, end of year (U.S. securities (par)) .....	1,171,292	813,193	977,608

**CARRIER POSITION**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Beginning reserve balance.....	1,823,357	230,693	346,195
Income:			
Payments received from OPM.....	5,714,747	7,624,902	8,343,920
Interest received on reserve balances.....	158,004	94,217	100,665
Total, income.....	5,872,751	7,719,119	8,444,585
Expenses:			
Employee health benefits .....	5,989,056	6,986,000	7,851,337
Return of excess carrier reserves .....	1,013,128		
Other .....	463,231	617,617	657,632
Total, expenses.....	7,465,415	7,603,617	8,508,969
Change in reserve position .....	-1,592,664	115,502	-64,384
Ending reserve position .....	230,693	346,195	281,811

**Financing.**—The fund is financed by: (1) withholdings from active employees and annuitants; (2) agency contributions for active employees, appropriated to agencies; and (3) Government contributions for annuitants appropriated to the Office of Personnel Management.

**Operating results.**—Funds advanced to carriers but not used to pay claims in the current period are carried forward as special reserves for use in subsequent periods.

The Office of Personnel Management maintains a contingency reserve, funded by employee and Government contributions, that may be used to defray future cost increases or provide increased benefits. OPM makes payments to carriers from this reserve whenever carrier-held reserves fall below levels prescribed by OPM regulations.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue <sup>1</sup> .....	5,982,696	7,369,900	8,618,630
Expense.....	7,473,649	7,612,497	8,518,599
Net income or loss (—) for the year .....	-1,490,953	-242,597	100,031

<sup>1</sup> Includes interest earned by carriers on reserve balances.

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Treasury balance.....	4,221	-24	1,000	1,000
U.S. securities (par) .....	1,174,277	1,417,129	1,080,182	1,297,764
Accounts receivable, net.....	424,565	355,662	401,581	470,148
Selected assets:				
Equipment.....	268	267	268	268
Reserves held by carrier.....	1,823,357	230,693	346,195	281,811
Total assets.....	3,426,688	2,003,727	1,829,226	2,050,991
<b>Liabilities:</b>				
Accounts payable.....	533,483	601,476	669,571	791,305
<b>Trust equity:</b>				
Unobligated balance.....	1,069,580	1,171,292	813,193	977,608
Invested capital and earnings .....	1,823,625	230,960	346,463	282,079
Total trust equity.....	2,893,205	1,402,252	1,159,655	1,259,686
<b>Analysis of changes in trust equity:</b>				
Retained earnings (contingency reserve):				
Start of year .....	2,893,205	1,402,252	1,159,655	
Income or loss (—) for the year.....	-1,490,953	-242,597	100,031	
End of year .....	1,402,252	1,159,655	1,259,686	

**EMPLOYEES HEALTH BENEFITS FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
24-8440-2-8-551			
<b>Financing:</b>			
<b>Federal funds:</b>			
11.00 Agency contributions.....			-284,168
11.00 Government contribution for annuitants.....			501,940
<b>Non-Federal sources:</b>			
14.00 Employees salary withholding.....			-139,997
14.00 Annuity withholdings.....			-79,175
14.00 Contribution from D.C. government.....			1,400
39.00 <b>Budget authority</b> .....			

**EMPLOYEES HEALTH BENEFITS FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	24-8440-2-8-551	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....			
90.00	Outlays.....			

This schedule reflects the effect of a legislative proposal to revise the method for calculating Government contributions under the Federal Employees Health Benefits Program, and to assign appropriate financing of annuitants health benefit costs to the government of the District of Columbia and the United States Postal Service.

**EMPLOYEES LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code	24-8424-0-8-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Gross premium payments:				
00.01	Regular program.....	707,397	681,426	714,904
00.02	Optional program.....	290,544	275,854	277,055
00.03	Beneficial program.....	5,240	4,340	4,340
00.91	Total gross payments.....	1,003,181	961,620	996,299
02.01	Administration.....	1,052	1,117	1,212
10.00	Total obligations (object class 25.0).....	1,004,233	962,737	997,511
<b>Financing:</b>				
Offsetting collections from:				
Federal funds:				
11.00	Agency contributions.....	-285,622	-269,985	-277,106
11.00	Interest revenue.....	-710,978	-742,611	-760,572
Non-Federal sources:				
Employee salary withholdings:				
14.00	Regular program.....	-325,282	-313,901	-324,712
14.00	Optional program.....	-359,901	-319,877	-330,123
14.00	Beneficial association premiums.....	-1,110	-1,110	-1,110
Unobligated balance available, start of year:				
21.98	Treasury balance.....	-889	36	-100
21.98	U.S. securities (par).....	-6,837,691	-7,517,276	-8,201,889
Unobligated balance available, end of year:				
24.98	Treasury balance.....	-36	100	100
24.98	U.S. securities (par).....	7,517,276	8,201,889	8,897,999
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-678,660	-684,747	-696,112
72.10	Receivables in excess of obligations, start of year.....	-197,945	-116,600	-122,627
74.10	Receivables in excess of obligations, end of year.....	116,600	122,627	125,149
90.00	Outlays.....	-760,005	-678,720	-693,590

This fund finances insurance premiums paid to private insurance companies for Federal employees group life insurance and expenses of the Office of Personnel Management in administering the program. Separate cost data is maintained for employees regular group life insurance and insurance for members of former beneficial associations. The Federal Employees' Group Life Insurance Act of 1980 increases basic coverage for participants under age 45 and offers additional option coverages.

**Budget program.**—The status of the basic (regular and optional) life insurance program on September 30 is as follows:

	1986 actual	1987 est.	1988 est.
Life insurance in force (in billions of dollars):			
On active employees <sup>1</sup> .....	206	212	218
On retired employees.....	23	23	23
Total.....	229	235	241
Number of participants (in thousands):			
Active employees.....	2,611	2,611	2,611
Annuitants.....	1,382	1,412	1,442
Total.....	3,993	4,023	4,053

<sup>1</sup> Excludes amount of accidental death and dismemberment insurance.

**Financing.**—For non-Postal Service employees, premium costs for the regular program are met by withholding 18 cents biweekly from the salaries of employees for each \$1 thousand of life insurance and a 50 percent matching contribution by employer-agencies. The optional program is financed by withholding from employees' salaries or retirees' annuities. The beneficial association program is financed by direct collection from members. Most of the difference between receipt and benefit payments under the policy is held in reserve for paying future life insurance claims. The status of reserves at the end of the year is as follows (in millions of dollars):

	1986 actual	1987 est.	1988 est.
Held in reserve:			
Contingency reserve.....	50	50	50
Beneficial association program reserve.....	1	1	1
U.S. Treasury reserve.....	7,401	8,079	8,773
Total reserves.....	7,452	8,130	8,824

The contingency reserve for the basic program was reduced to \$50 million as of June 30, 1976, and it is expected to remain at this level. Excess income from the program over benefit payments and other expenses is deposited in the U.S. Treasury to the credit of the Employees life insurance fund. The operations of the insurer for the regular and optional life insurance program is as follows: (in millions of dollars):

	1986 actual	1987 est.	1988 est.
Contingency reserve, beginning of year.....	50	50	50
<b>Income:</b>			
Premiums received.....	948	957	992
Interest.....	17	15	16
Total income.....	965	972	1,008
<b>Outgo:</b>			
Claims paid.....	958	965	1,001
Expenses.....	7	7	7
Total outgo.....	965	972	1,008
Contingency reserve, end of year.....	50	50	50

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	1,682,893	1,647,484	1,693,623
Expense.....	1,004,233	962,737	997,511
Net income or loss (-) for year.....	678,660	684,747	696,112

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Treasury balance.....	889	-36	64	64
U.S. securities (par).....	6,639,746	7,400,676	8,079,262	8,772,850
Accounts receivable, net.....	194,074	199,119	201,732	207,115
Reserves held by carriers.....	51,165	50,917	51,000	51,000
Total assets.....	6,885,874	7,650,676	8,332,058	9,031,029

<b>Liabilities:</b>				
Current .....	47,294	82,519	79,151	81,966
Deferred-funded .....	6,838,580	7,568,157	8,252,907	8,949,063
<b>Total liabilities .....</b>	<b>6,885,874</b>	<b>7,650,676</b>	<b>8,332,058</b>	<b>9,031,029</b>

	<i>1986 actual</i>	<i>1987 est.</i>	<i>1988 est.</i>
Uniform plan .....	9,249	8,104	7,110
Private plans .....	35,487	31,598	28,149
<b>Total .....</b>	<b>44,736</b>	<b>39,702</b>	<b>35,259</b>

**RETIRED EMPLOYEES HEALTH BENEFITS FUND**  
**Program and Financing (in thousands of dollars)**

Identification code 24-8445-0-8-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Subscription charge payments to uniform plan carrier .....	2,876	2,286	2,691
00.02 Payment from contingency reserve .....	1,120	2,130	800
00.03 Government contribution to annuitants with private plans .....	7,660	7,579	7,365
00.04 Administration .....	150	134	145
<b>10.00 Total obligations .....</b>	<b>11,806</b>	<b>12,130</b>	<b>11,001</b>
<b>Financing:</b>			
Offsetting collections from:			
Federal funds:			
11.00 Government contribution for annuitants .....	-9,897	-9,666	-9,373
11.00 Interest revenue .....	-372	-194	-167
14.00 Non-Federal sources .....	-790	-333	-828
21.98 Unobligated balance available, start of year: Fund balance .....	-4,619	-3,871	-1,935
24.98 Unobligated balance available, end of year: Fund balance .....	3,871	1,935	1,302
<b>39.00 Budget authority .....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	747	1,936	633
72.10 Receivables in excess of obligations, start of year .....	-9		
72.98 Obligated balance, start of year: Fund balance .....		891	1,053
74.98 Obligated balance, end of year: Fund balance .....	-891	-1,053	-256
<b>90.00 Outlays .....</b>	<b>-153</b>	<b>1,773</b>	<b>1,430</b>

**Financing.**—The fund is financed by contributions from those participants enrolled in the Government-sponsored plan and by Government contributions.

**Revenue and Expense (in thousands of dollars)**

	<i>1986 actual</i>	<i>1987 est.</i>	<i>1988 est.</i>
Revenue .....	11,279	10,289	10,456
Expense .....	13,372	12,063	11,292
<b>Net income or loss (—) for the year .....</b>	<b>-2,093</b>	<b>-1,774</b>	<b>-836</b>

**Financial Condition (in thousands of dollars)**

	<i>1985 actual</i>	<i>1986 actual</i>	<i>1987 est.</i>	<i>1988 est.</i>
<b>Assets:</b>				
Treasury balance .....	110	58	60	60
U.S. securities (par) .....	4,499	4,704	2,928	1,498
Accounts receivable (net) .....	161	316	291	296
Selected assets: Reserves held by carrier .....	1,595	250	414	210
<b>Total assets .....</b>	<b>6,365</b>	<b>5,328</b>	<b>3,693</b>	<b>2,064</b>
<b>Liabilities:</b>				
Accounts payable .....	120	1,206	1,345	552
<b>Trust equity:</b>				
Unobligated balance .....	4,619	3,872	1,934	1,302
Invested capital and earnings .....	1,595	250	414	210
<b>Total trust equity .....</b>	<b>6,214</b>	<b>4,122</b>	<b>2,348</b>	<b>1,512</b>

**Analysis of changes in trust equity:**

Retained earnings (contingency reserve):			
Start of year .....	6,214	4,122	2,348
Net income or loss (—) .....	-2,092	-1,774	-836
End of year .....	4,122	2,348	1,512

**Object Classification (in thousands of dollars)**

Identification code 24-8445-0-8-551	1986 actual	1987 est.	1988 est.
25.0 Other services .....	150	134	145
42.0 Insurance claims and indemnities .....	11,656	11,996	10,856
<b>99.9 Total obligations .....</b>	<b>11,806</b>	<b>12,130</b>	<b>11,001</b>

This fund, created by the Retired Federal Employees Health Benefits Act, provides for: (1) the cost of health benefits for retired employees and survivors who enroll in the Government-sponsored uniform health benefits plan; (2) the contribution to retired employees and survivors who retain or purchase private health insurance; and, (3) expenses of the Office of Personnel Management in administering the program.

**Budget program.**—The fund is available without fiscal year limitation. Amounts contributed by the Government shall be paid into the fund from annual appropriations. Numbers of participants at the end of the fiscal year are as follows:



# SMALL BUSINESS ADMINISTRATION

## Federal Funds

### General and special funds:

#### SALARIES AND EXPENSES\*

【(INCLUDING TRANSFER OF FUNDS)】

\*See Part II for additional information.

For necessary expenses, not otherwise provided for, of the Small Business Administration, including [purchase of one motor vehicle for replacement only, and] hire of passenger motor vehicles and not to exceed \$2,500 for official reception and representation expenses, [\$162,000,000; and for grants for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended, \$35,000,000: *Provided*, That notwithstanding any other provision of law, the Small Business Administration is authorized to recognize all costs incurred prior to December 16, 1980, by a small business development center at the University of Georgia in pursuit of the purposes of small business development center program as allowable costs chargeable to a fiscal year 1981 cooperative agreement, provided such costs were incurred subsequent to October 1, 1979, and have not been reimbursed from non-Federal sources.] \$235,095,000; including \$36,381,000, for fostering, promoting, and developing minority business enterprise, for activities that were formerly conducted by the Department of Commerce Minority Business Development Agency, of which \$24,000,000 shall remain available until expended; in addition, not to exceed \$7,332,000 from collections from the public for publications, services, and other assistance may be credited to this account and shall be available for necessary expenses incurred to provide for these publications, services and other assistance. In addition, [\$92,000,000] \$90,000,000 for disaster loan-making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster Loan Fund". (72 Stat. 384, as amended; 72 Stat. 689, as amended; 98 Stat. 1553; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

#### Program and Financing (in thousands of dollars)

Identification code	73-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Finance and investment.....	50,057	55,264	59,173
00.02	Disaster assistance.....	30,106	20,000	20,000
00.03	Procurement assistance.....	13,044	15,182	16,517
00.04	Minority small business/COD.....	19,620	22,522	54,971
00.05	Innovation, research and technology.....	650	1,190	1,214
00.06	Business development.....	50,212	56,565	49,504
00.07	Special programs.....	1,270	1,439	1,430
00.08	Advocacy.....	5,546	4,781	4,918
00.09	Management and administration.....	58,589	62,628	67,234
00.10	General Counsel.....	13,708	13,509	14,617
00.11	Inspector General.....	5,762	6,541	7,274
00.12	Hearings and appeals.....	801	1,020	1,073
00.13	Public communications.....	1,098	954	1,282
00.14	Congressional and legislative affairs.....	461	587	629
00.15	Executive direction and field administration.....	32,654	31,218	32,591
00.91	Total direct program.....	283,578	293,400	332,427
01.01	Reimbursable program.....	698	698	698
10.00	Total obligations.....	283,578	294,098	333,125
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-	-698	-698
14.00	Non-Federal sources.....	-5	-	-7,332
21.40	Unobligated balance available, start of year.....	-129	-	-
22.00	Unobligated balance transferred, net.....	-90,000	-92,000	-90,000
25.00	Unobligated balance lapsing.....	6,378	-	-
39.00	Budget authority.....	199,822	201,400	235,095

Budget authority:				
40.00	Appropriation.....	199,822	197,000	235,095
Transfers in for:				
46.20	Civilian pay raises.....	-	2,000	-
46.40	Retirement contributions (P.L. 99-335).....	-	2,400	-
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	283,572	293,400	325,095
72.40	Obligated balance, start of year.....	57,522	56,152	56,152
74.40	Obligated balance, end of year.....	-56,152	-56,152	-81,211
77.00	Adjustments in expired accounts.....	-1,830	-	-
89.00	Outlays.....	283,112	293,400	300,036
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	283,112	289,000	300,036
91.20	Outlays from civilian pay raise supplemental.....	-	2,000	-
91.40	Outlays from retirement contribution supplemental.....	-	2,400	-

Note.—Includes \$36,381 thousand in 1988 for activities previously financed from the Department of Commerce, Minority business development account. Comparable amounts for 1986 (\$34,824 thousand) and 1987 (\$34,016 thousand) are excluded above.

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	199,822	201,400	235,095
Outlays.....	283,112	293,400	300,036
Supplemental under existing legislation:			
Budget authority.....	-	4,116	-
Outlays.....	-	-4,116	4,116
Total:			
Budget authority.....	199,822	205,516	235,095
Outlays.....	283,112	289,284	304,152

The Small Business Administration (SBA) provides assistance to small businesses and to victims of physical disasters. These efforts are conducted through the following activities:

**Finance and Investment.**—The salaries and related administrative expenses for all SBA financial assistance activities are provided through this appropriation account. Funds for the Agency's guaranteed loan and investment programs are financed through the business loan and investment fund. All business financing programs are proposed for consolidation into three programs: General Business Assistance, Development Company Assistance and Investment Company Assistance.

**Procurement Assistance.**—The programs under this activity are aimed at assuring that small business receives a fair share of Government procurements. In addition, SBA maintains a Procurement Automated Source System, which is used by Federal agencies and prime contractors to identify small businesses for contract opportunities.

**Minority Small Business and Capital Ownership Development.**—This activity provides assistance to minority small business concerns—primarily in the area of Federal procurement—and evaluates overall Agency performance in promoting minority business development. The business development program assists in the establishment or expansion of firms that are owned by minority or other disadvantaged business persons and that have the potential to develop

General and special funds—Continued

SALARIES AND EXPENSES—Continued

[(INCLUDING TRANSFER OF FUNDS)]—Continued

into viable competitive businesses in a reasonable period of time. In addition, the minority business development programs of the Department of Commerce will be transferred and consolidated into the Small Business Administration, including \$24 million for grants to fund Minority Business Development Centers.

**Business Development.**—Through the Small Business Institute and Small Business Development Center programs, along with counseling services, training programs, and publications, small business owners/managers are assisted in their goal of improving the management and efficiency of their businesses. This activity also includes the specialized assistance afforded veterans through our Veterans' Affairs office and to women business owners through our Women's Business Ownership office. The budget proposes a reduction in the statutory limitation of \$65 million to \$45 million for the Small Business Development Centers. In addition, a gradual phase-out of the SBDC program over the next three years is being requested. This budget also requests a reappropriation of \$4.1 million of fiscal year 1987 appropriated SBDC funds to extend availability through fiscal year 1988. As a result, no new SBDCs will be funded in 1987, and resources will be focused on the support of existing SBDCs.

**Special Programs.**—The Associate Deputy Administrator for this function will exercise direction over International Trade and the National Advisory Council. These offices focus their responsibilities towards the effective management and operational efficiency in assuring that specialized attention and proper emphasis to the emergent need of the small business community are represented. In addition, the International Trade function will increase its focus on coordinating government wide resources rather than duplicating existing Federal assistance to the small business community.

**Advocacy.**—This office is responsible for the development and implementation of a Small Business Administration Advocacy program, including the representation of small business interests, the analysis of the effects of federal laws, regulation and activity on small business, the development and utilization of a small business data base to aid in this analysis and liaison with small business and small business organizations and the public.

Consistent with the Administration's government-wide initiative on user fees and as part of the effort to make many of the Small Business Administration's programs self-sustaining we are proposing increases in revenues through additional guaranty fees on the credit programs and user fees for non-credit programs. Under the user fee proposals, beneficiaries of SBA programs, rather than the taxpayers, will share the cost of the services provided.

Object Classification (in thousands of dollars)

Identification code 73-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	123,812	127,158	135,113
11.3 Other than full-time permanent .....	23,828	6,745	6,988
11.5 Other personnel compensation .....	6,759	3,838	3,906
11.9 Total personnel compensation .....	154,399	137,741	146,007
12.1 Personnel benefits: Civilian .....	19,419	20,384	28,468
13.0 Benefits for former personnel .....	288		
21.0 Travel and transportation of persons .....	9,039	6,430	6,946
22.0 Transportation of things .....	298	420	481
23.1 Rental payments to GSA .....	16,838	17,200	19,804
23.2 Rental payments to others .....	8,917	8,438	8,483
23.3 Communications, utilities, and miscellaneous charges .....	11,722	13,625	14,565
24.0 Printing and reproduction .....	1,714	1,667	1,921
25.0 Other services .....	50,026	65,363	58,875
26.0 Supplies and materials .....	1,924	1,552	1,839
31.0 Equipment .....	2,259	580	1,038
41.0 Grants, subsidies, and contributions .....	6,704		24,000
42.0 Insurance claims and indemnities .....	17		
43.0 Interest and dividends .....	14		
92.0 Undistributed (disaster assistance) .....		20,000	20,000
99.0 Subtotal, direct obligations .....	283,578	293,400	332,427
99.0 Reimbursable obligations .....		698	698
99.9 Total obligations .....	283,578	294,098	333,125

Personnel Summary

Total number of full-time permanent positions .....	4,009	3,940	4,080
Total compensable workyears:			
Full-time equivalent employment .....	4,997	4,855	4,966
Full-time equivalent of overtime and holiday hours .....	153	72	73

Note.—The personnel summary includes 739 full-time equivalents (FTEs) in 1987 and 1988 respectively, above the assigned FTE ceilings for purposes of disaster assistance and summer and disadvantaged youth employment.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

Program and Financing (in thousands of dollars)

Identification code 73-0104-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	2,669	871	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	—956	—871	
24.40 Unobligated balance available, end of year .....	871		
40.00 Budget authority (appropriation) .....	2,584		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,669	871	
72.40 Obligated balance, start of year .....	451	589	
74.40 Obligated balance, end of year .....	—589		
90.00 Outlays .....	2,531	1,460	

Public Law 98-276 established a National White House Conference on Small Business. The Conference was held in August, 1986, and activities under this account were completed in the first quarter, 1987.

Public enterprise funds:

REVOLVING FUNDS

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster Loan Fund", the "Business Loan and Investment Fund",

the "Lease Guarantees Revolving Fund", the "Pollution Control Equipment Contract Guarantees Revolving Fund", and the "Surety Bond Guarantees Revolving Fund".

**BUSINESS LOAN AND INVESTMENT FUND**

For additional capital for the "Business Loan and Investment Fund", **[\$164,000,000]** \$121,000,000, to remain available without fiscal year limitation [; and for additional capital for new direct loan obligations to be incurred by the "Business Loan and Investment Fund", \$97,000,000, to remain available without fiscal year limitation]. During fiscal year 1988 and within the resources and authority available, gross obligations of the principal amount of direct loans shall not exceed \$20,000,000. During fiscal year 1988, commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$3,510,000,000. (72 Stat. 384, as amended; 72 Stat. 689, as amended; 98 Stat. 1553; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code 73-4154-0-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Capital expenses:</b>			
00.01 Capital investment loan programs.....	573,746	498,000	404,000
00.02 SBIC obligations.....	68,805		
00.03 Section 321 SBIC certificates.....	67,190		
00.04 Section 503 development obligations.....	239,607	138,000	43,000
00.05 Section 505 development certificates.....		7,087	
00.91 Total capital expenses.....	949,348	643,087	447,000
<b>Operating expenses:</b>			
01.01 Interest expense to Treasury.....	152,757	146,000	137,000
01.02 Interest expense on participation certificates.....	7,269	5,500	2,000
01.03 Business development expense.....	11,534	12,600	
01.04 Other expenses.....	211,115	193,000	181,000
01.91 Total operating expenses.....	382,675	357,100	320,000
10.00 Total obligations.....	1,332,023	1,000,187	767,000
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Investment income from participation sales fund.....	-19,225	-14,000	-5,000
<b>Non-Federal sources:</b>			
<b>Financial assistance program:</b>			
14.00 Loan repayments: Financing programs.....	-298,932	-285,000	-266,000
14.00 Loan repayments: Investment programs.....	-26,818	-26,900	-26,700
14.00 Loan repayments: SBIC obligations.....	-80,793	-80,000	-75,000
14.00 Loan repayments: Section 503 development obligations.....	-13,058	-25,000	-35,000
14.00 Interest income: Financing programs.....	-181,288	-171,000	-159,000
14.00 Interest income: Investment programs.....	-17,357	-16,000	-16,000
14.00 Other income.....	-116,767	-125,000	-187,000
14.00 Loan asset sales/business loans.....			-140,000
14.00 Loan asset sales/development company loans.....			-249,000
<b>Unobligated balance available, start of year: Fund balance:</b>			
21.98 Committed.....	-233,347	-172,456	-70,369
21.98 Uncommitted.....	-240,636	-76,515	-59,015
22.98 Unobligated balance transferred, net.....		-48,973	-5,109
<b>Unobligated balance available, end of year: Fund balance:</b>			
24.98 Committed.....	172,456	70,369	27,369
24.98 Uncommitted.....	76,515	59,015	199,015
31.00 Redemption of debt.....	152,236	210,873	420,809
39.00 Budget authority.....	505,008	295,200	121,000
<b>Budget authority:</b>			
<b>Current:</b>			
40.00 Appropriation.....	161,926	261,000	121,000
45.00 Transfer out for pay raises and retirement contributions.....		-4,400	
<b>Permanent:</b>			
67.10 Authority to borrow (indefinite) (12 U.S.C. 2281-96).....	268,805	43,000	
67.10 Authority to borrow (indefinite) (P.L. 99-272).....	74,277		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	577,785	257,287	-391,700
72.98 Obligated balance, start of year: Fund balance.....	57,068	208,182	201,682

74.98 Obligated balance, end of year: Fund balance.....	-208,182	-201,682	-160,682
90.00 Outlays.....	426,671	263,787	-350,700

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	505,008	299,600	121,000
Outlays.....	426,671	263,787	-350,700
Proposed for later transmittal under proposed legislation:			
Budget authority.....			16,000
Outlays.....			16,700
Total:			
Budget authority.....	505,008	299,600	137,000
Outlays.....	426,671	263,787	-334,000

**Status of Direct Loans (in thousands of dollars)**

Identification code 73-4154-0-3-376	1986 actual	1987 est.	1988 est.
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**BUSINESS LOAN AND INVESTMENT FUND, DIRECT LOANS**

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	160,306	97,000	20,000
1132 Obligations exempt from limitation: Defaulted guaranteed loan claims.....	523,241	451,000	434,000
1150 Total direct loan obligations.....	683,547	548,000	454,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	3,253,395	3,099,930	2,929,117
<b>Disbursements:</b>			
1231 Direct loan disbursements.....	170,130	102,087	51,000
1232 Disbursements for guaranteed loan claims.....	436,503	451,000	434,000
<b>Repayments:</b>			
1251 Repayments and prepayments.....	-315,538	-311,900	-292,700
1253 Loan asset sales to the public.....			-140,000
<b>Adjustments:</b>			
1262 Write-offs for default.....	-392,751	-372,000	-349,000
1264 Other adjustments, net <sup>1</sup> .....	-51,809	-40,000	-900,000
1290 Outstanding, end of year.....	3,099,930	2,929,117	1,732,417

**SMALL BUSINESS INVESTMENT COMPANY, DIRECT LOANS**

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	135,995		
1150 Total direct loan obligations.....	135,995		
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	1,023,911	1,033,820	908,820
1231 Disbursements: Direct loan disbursements.....	135,995		
<b>Repayments:</b>			
1251 Repayments and prepayments.....	-80,793	-80,000	-75,000
1251 Defaulted loans <sup>2</sup> .....	-45,293	-45,000	-40,000
1290 Outstanding, end of year.....	1,033,820	908,820	793,820

**SECTION 503 DEVELOPMENT COMPANY, DIRECT LOANS**

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	207,087	43,000	
1150 Total direct loan obligations.....	207,087	43,000	
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	595,685	816,262	931,349
1231 Disbursements: Direct loan disbursements.....	239,607	145,087	43,000
<b>Repayments:</b>			
1251 Repayments and prepayments.....	-13,058	-25,000	-35,000
1251 Defaulted loans <sup>2</sup> .....	-5,972	-5,000	-10,000

## Public enterprise funds—Continued

## REVOLVING FUNDS—Continued

## BUSINESS LOAN AND INVESTMENT FUND—Continued

## Status of Direct Loans (in thousands of dollars)—Continued

Identification code	73-4154-0-3-376	1986 actual	1987 est.	1988 est.
1253	Loan asset sales to the public.....			-249,000
1264	Adjustments: Other adjustments, net <sup>a</sup> .....			-251,000
1290	Outstanding, end of year.....	816,262	931,349	429,349

<sup>1</sup> Represents non-cash adjustments including: CPC advances, judgments, notes receivable, the discount from face value of loan assets sold, etc.

<sup>2</sup> Represents loans disbursed by the FFB and guaranteed by SBA that have been repurchased from the FFB as a result of defaults.

<sup>3</sup> Represents discount from face value of loan assets sold.

## Status of Guaranteed Loans (in thousands of dollars)

BUSINESS LOAN AND INVESTMENT FUND, LOAN GUARANTEES				
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....			3,510,000
2131	Guaranteed loan commitments exempt from limitation.....	2,754,222	3,567,000	
2150	Total guaranteed loan commitments.....	2,754,222	3,567,000	3,510,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	8,823,343	8,362,239	9,067,239
2231	Disbursements: Disbursements of new guaranteed loans.....	1,753,809	2,900,000	3,000,000
2251	Repayments: Repayments and prepayments.....	-1,738,773	-1,700,000	-1,800,000
Adjustments:				
2261	Terminations for default that result in direct loans.....	-456,853	-475,000	-455,000
2264	Other adjustments, net.....	-19,287	-20,000	-20,000
2290	Outstanding, end of year.....	8,362,239	9,067,239	9,792,239
MEMORANDUM				
2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	7,143,693	7,700,000	8,300,000

## SMALL BUSINESS ADMINISTRATION'S SHARE OF DIRECT LOAN LEVELS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Handicapped loans.....	14,331	15,000	
Economic opportunity loans.....	13,598	24,000	
Development company loans.....	207,087	43,000	
Veterans loans.....	19,099	19,000	
Investment company loans.....	135,995		
Minority Enterprise Small Business Investment Company loans.....	39,001	39,000	20,000
Total direct loans.....	429,111	140,000	20,000

## SMALL BUSINESS ADMINISTRATION'S SHARE OF GUARANTEED LOAN LEVELS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
General business loans.....	2,129,504	2,473,000	2,494,000
Handicapped loans.....	1,038	5,000	
Economic opportunity loans.....	32,035	56,000	
Energy loans.....		14,000	
Development company loans financed through private markets.....	146,124	330,000	373,000
Investment company loans financed through private markets.....		233,000	247,000
Total guaranteed loans.....	2,308,701	3,111,000	3,114,000

**General Business Assistance.**—The Small Business Administration (SBA) guarantees loans to small businesses that are unable to obtain private financing. These loans must be of such value or so secured as to reasonably assure repayment. No loan may be made unless the financial assistance is not otherwise available on reasonable terms. Under the guaranty plan, the SBA agrees to purchase the guaranteed portion of the loan only upon default. In addition to providing finan-

cial assistance to the general business community, particular emphasis is given to the following groups:

Businesses owned by socially and economically disadvantaged individuals;

Businesses that employ or are owned by handicapped individuals;

Small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals; and

Small business concerns owned and operated by veterans, especially Vietnam-era veterans.

**Investment Company Assistance.**—A primary function of small business investment companies is to provide a source of equity capital or long-term loans to new or expanding small businesses. The Small Business Investment Act, as amended, authorizes the SBA to purchase or to guarantee the timely payment of all principal and interest, as scheduled, on debentures issued by such companies. The 1988 request proposes the elimination of SBA's ability to purchase the preferred stock from small business investment companies, under authority of Section 301(d) of the Small Business Investment Act. Additional guarantee authority is requested for these companies to obtain financing from private markets.

**Development Company Assistance.**—Utilizing its authority under the Small Business Investment Act, the SBA makes loans through State and local development companies to small businesses. Through these programs, the SBA promotes economic development and job creation or maintenance by stimulating the flow of long-term financing to small business concerns for projects that involve fixed assets. These projects are designed to create or retain a meaningful number of jobs in the communities affected, with a special emphasis on distressed areas.

**FY 1988 Proposal.**—This request proposes the elimination of all direct lending, with the exception of Minority Enterprise Small Business Investment Company (MESBIC) loans. In addition, it proposes the establishment of only three types of guaranty lending: (1) General Business Assistance, (2) Development Company Assistance, and (3) Investment Company Assistance. The program will, however, still emphasize lending to businesses owned by socially and economically disadvantaged individuals and other borrowers requiring special emphasis.

This request also proposes increases in guarantee fees in all credit programs. The charging of guarantee fees is consistent with the Administration's government-wide user fee initiative under which the direct beneficiaries of federally-provided services, rather than taxpayers, share the cost of the programs. Increased guarantee fees, together with improved credit management and debt collection policies, will help reduce the cost of these programs and contribute towards eventual self-sufficiency.

Revenue and Expense (in thousands of dollars) <sup>1</sup>

	1986 actual	1987 est.	1988 est.
Financial assistance program:			
Revenue.....	232,194	250,000	455,000

Expense .....	- 579,626	- 624,961	- 1,147,892
Net loss, financial assistance program.....	- 347,432	- 374,961	- 692,892
Investment company assistance program:			
Revenue.....	26,603	30,000	32,000
Expense.....	- 9,914	- 15,000	- 15,000
Net income, investment company assistance program .....	16,689	15,000	17,000
Net loss for the period.....	- 330,743	- 359,961	- 675,892

**Financial Condition (in thousands of dollars) <sup>1</sup>**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	353,445	312,066	288,066	387,066
Accounts receivable, net.....	379,696	303,291	301,265	329,765
Advances made.....	36,620	33,978	33,978	33,978
Loans receivable, net.....	1,909,426	1,884,074	1,707,087	1,000,000
Acquired security and collateral.....	136,783	149,110	149,110	149,110
Other assets.....	357,661	383,218	383,218	383,218
Total assets.....	3,173,631	3,065,737	2,862,724	2,283,137
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	205,020	184,025	175,499	162,999
Advances received.....	39,636	53,673	53,673	53,673
Debt issued under borrowing authority:				
Participation certificates outstanding.....	130,177	130,177	130,177	130,177
Principal payments to be applied to redemption of participation certificates.....	- 89,646	- 89,646	- 125,069	- 130,177
SBIC and Development Company participation certificates outstanding.....		67,190	74,277	74,277
Total liabilities.....	285,187	345,419	308,557	290,949
<b>Government equity:</b>				
Unexpended budget authority:				
Unobligated balance:				
Committed.....	55,741	27,369	27,369	27,369
Uncommitted.....	240,636	76,515	59,015	199,015
Undelivered orders:				
Undisbursed direct loan obligations.....	8,439	7,397	7,397	7,397
Undisbursed guaranteed loan obligations.....	220,289	300,356	300,356	300,356
Invested capital.....	2,363,339	2,308,681	2,227,220	1,532,328
Total Government equity.....	2,888,444	2,720,318	2,621,357	2,066,465
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	7,536,771	7,698,697	7,959,697	7,959,697
Appropriations.....	161,926	261,000	121,000	121,000
Closing balance.....	7,698,697	7,959,697	8,080,697	8,080,697
Retained earnings:				
Opening balance.....	- 4,648,327	- 4,978,379	- 5,338,340	- 5,338,340
Donations.....	691			
Net operating loss.....	- 330,743	- 359,961	- 675,892	- 675,892
Closing balance.....	- 4,978,379	- 5,338,340	- 6,014,232	- 6,014,232
Total Government equity (end of year).....	2,720,318	2,621,357	2,066,465	2,066,465

<sup>1</sup> Excludes FFB transactions included in the program and financing schedules.

Note.—Unfunded contingent liability for outstanding guaranteed loans is as follows: Sept. 30, 1986, \$7,210,823; Sept. 30, 1987, \$7,764,000; Sept. 30, 1988, \$8,381,000, exclusive of FFB loans.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
73-4154-0-3-376			
25.0 Other services.....	222,649	205,600	181,000
33.0 Investments and loans.....	949,348	643,087	447,000
43.0 Interest and dividends.....	160,026	151,500	139,000
99.9 Total obligations.....	1,332,023	1,000,187	767,000

**BUSINESS LOAN AND INVESTMENT FUND**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
73-4154-2-3-376			
<b>Program by activities:</b>			
10.00 Total obligations.....			18,500
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			- 1,800
22.98 Unobligated balance transferred, net: Fund balance.....			- 11,625
24.98 Unobligated balance available, end of year: Fund balance.....			10,925
40.00 <b>Budget authority (appropriation).....</b>			<b>16,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			16,700
73.98 Obligated balance transferred, net: Fund balance.....			482
74.98 Obligated balance available, end of year: Fund balance.....			- 482
90.00 Outlays.....			16,700

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year.....			280,947
2231 Disbursements: Disbursements for new guaranteed loans.....			9,750
2251 Repayments: Repayments and prepayments.....			- 10,000
2263 Adjustments: Terminations for default that result in claim payments.....			- 10,000
2290 Outstanding, end of year.....			270,697
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year.....			270,697

Activities conducted under the Lease guarantees and Pollution control equipment contract guarantee revolving funds are proposed to be consolidated into this account. Since no new activity is projected for either account other than liquidating existing obligations, the consolidation would simplify SBA's accounting requirements and improve its internal controls.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
73-4154-2-3-376			
25.0 Other services.....			17,920
43.0 Interests and dividends.....			580
99.9 Total obligations.....			18,500

**DISASTER LOAN FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
73-4153-0-3-453			
<b>Program by activities:</b>			
00.01 Capital investment: loan program.....	385,762	292,000	315,000
<b>Operating expenses:</b>			
01.01 Interest expense to Treasury.....	147,653	138,000	108,000
01.02 Interest expense on participation certificates.....	1,326	700	
01.03 Other expenses.....	52,987	50,000	45,000
01.91 Total operating expenses.....	201,966	188,700	153,000
10.00 Total obligations.....	587,728	480,700	468,000
<b>Financing:</b>			
11.00 Offsetting collections from:			
Federal funds: Investment income from participation sales fund.....	- 2,691	- 2,000	

Public enterprise funds—Continued

REVOLVING FUNDS—Continued

DISASTER LOAN FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	73-4153-0-3-453	1986 actual	1987 est.	1988 est.
<b>Non-Federal sources:</b>				
14.00	Loan repayments.....	- 533,274	- 487,000	- 383,000
14.00	Interest income.....	- 199,116	- 174,000	- 142,000
14.00	Other income.....	- 14,234	- 12,000	- 12,000
14.00	Sale of assets.....	- 277,000	- 254,000	
Unobligated balance available, start of year: Fund balance:				
21.98	Committed.....	- 83,903	- 98,639	- 98,639
21.98	Uncommitted.....	- 1,369,055	- 225,906	- 605,206
22.98	Unobligated balance transferred, net: Fund balance.....	90,000	92,000	90,000
Unobligated balance available, end of year: Fund balance:				
24.98	Committed.....	98,639	98,639	98,639
24.98	Uncommitted.....	225,906	605,206	838,206
27.00	Capital transfer to general fund.....	1,200,000		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	- 161,587	- 471,300	- 323,000
72.98	Obligated balance, start of year: Fund balance.....	117,201	127,190	112,890
74.98	Obligated balance, end of year: Fund balance.....	- 127,190	- 112,890	- 93,890
90.00	<b>Outlays</b> .....	- 171,576	- 457,000	- 304,000

Status of Direct Loans (in thousands of dollars)

Identification code	73-4153-0-3-453	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....			
1131	Obligations exempt from limitation: Direct loans to the public.....	516,162	325,000	350,000
1150	<b>Total direct loan obligations</b> .....	516,162	325,000	350,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	4,556,586	4,222,483	3,283,483
1231	Disbursements: Direct loan disbursements.....	361,215	296,000	304,000
<b>Repayments:</b>				
1251	Repayments and prepayments.....	- 524,018	- 487,000	- 383,000
1253	Loan asset sales to the public.....	- 277,000	- 254,000	
<b>Adjustments:</b>				
1262	Write-offs for default.....	- 160,768	- 138,000	- 105,000
1264	Other adjustments, net <sup>1</sup> .....	- 10,532	- 333,000	- 426,000
1290	<b>Outstanding, end of year</b> .....	4,222,483	3,283,483	2,419,483

<sup>1</sup> Represents noncash adjustments; including CPC advances, judgments, notes receivable, discount from face value of loan assets sold, etc.

Status of Guaranteed Loans (in thousands of dollars)

Identification code	73-4153-0-3-453	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	3,641	3,247	2,847
2251	Repayments: Repayments and prepayments.....	- 394	- 400	- 400
2290	<b>Outstanding, end of year</b> .....	3,247	2,847	2,447

MEMORANDUM

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	2,850	2,500	2,150
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This fund finances disaster loans made pursuant to section 7(b) of the Small Business Act, as amended.

**Physical Disaster Loans.**—Under this program, loans are made to individuals and businesses at favorable terms and conditions for uninsured losses of property, both real and personal, damaged by natural disasters such as tornadoes, floods, hurricanes, etc.

The budget proposes that starting in fiscal year 1989, the SBA will no longer make loans to those borrowers who can demonstrate that credit is available elsewhere. This transition year is provided to allow these individuals and businesses to secure adequate insurance coverage.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	203,138	188,000	154,000
Expense.....	- 406,409	- 622,105	- 657,450
<b>Net loss for the year</b> .....	- 203,271	- 434,105	- 503,450

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	1,570,159	451,735	816,735	1,030,735
Accounts receivable (net).....	102,813	91,362	81,833	83,683
Loans receivable (net).....	4,473,688	4,064,405	3,159,000	2,319,000
Acquired security and collateral.....	22,198	30,931	30,931	30,931
Other assets.....	57,406	68,546	68,546	68,546
<b>Total assets</b> .....	6,226,264	4,706,979	4,159,045	3,532,895

<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	176,992	150,797	140,518	109,818
Advances received.....	2,929	3,115	3,115	3,115
<b>Debt issued under borrowing authority:</b>				
Participation certificates outstanding.....	25,787	25,787	25,787	25,787
Principal payments to be applied to redemption of participation certificates.....	- 12,237	- 12,237	- 25,787	- 25,787
<b>Total liabilities</b> .....	193,471	167,462	143,633	112,933

<b>Government equity:</b>				
<b>Unexpended budget authority: Unobligated balance:</b>				
Committed.....	83,903	98,639	98,639	98,639
Uncommitted.....	1,369,055	225,906	605,206	838,206
<b>Undelivered orders:</b>				
Undisbursed loan obligations.....	40,093	64,640	64,640	64,640
Invested capital.....	4,539,742	4,150,331	3,244,927	2,418,477
<b>Total Government equity</b> .....	6,032,793	4,539,517	4,013,412	3,419,962

Analysis of changes in Government equity:

<b>Paid-in capital:</b>				
Opening balance.....	8,559,509	7,269,509	7,177,509	7,177,509
Transfer to Salaries and expense.....	- 1,290,000	- 92,000	- 90,000	- 90,000
<b>Closing balance</b> .....	7,269,509	7,177,509	7,087,509	7,087,509
<b>Retained income:</b>				
Opening balance.....	- 2,526,716	- 2,729,992	- 3,164,097	- 3,164,097
<b>Transactions:</b>				
Net operating loss.....	- 203,271	- 434,105	- 503,450	- 503,450
Disaster relief credits.....	- 5			
<b>Closing balance</b> .....	- 2,729,992	- 3,164,097	- 3,667,547	- 3,667,547
<b>Total Government equity (end of year)</b> .....	4,539,517	4,013,412	3,419,962	3,419,962

Object Classification (in thousands of dollars)

Identification code	73-4153-0-3-453	1986 actual	1987 est.	1988 est.
25.0	Other services.....	52,987	50,000	45,000
33.0	Investments and loans.....	385,762	292,000	315,000
43.0	Interest and dividends.....	148,979	138,700	108,000
99.9	<b>Total obligations</b> .....	587,728	480,700	468,000

LEASE GUARANTEES REVOLVING FUND

Program and Financing (in thousands of dollars)

Identification code 73-4157-0-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Rental payments on defaulted leases	493	600	500
00.02 Interest expense on escrow deposits and mortgage notes	85	75	80
00.03 Other expenses	734	475	420
10.00 Total obligations	1,312	1,150	1,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-434	-340	-300
21.98 Unobligated balance available, start of year: Fund balance	-4,193	-3,315	-2,505
24.98 Unobligated balance available, end of year: Fund balance	3,315	2,505	1,805
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Obligations incurred, net	878	810	700
72.98 Obligated balance, start of year: Fund balance	617	472	482
74.98 Obligated balance, end of year: Fund balance	-472	-482	-482
90.00 Outlays	1,023	800	700

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority			
Outlays	1,023	800	700
Proposed for later transmittal under proposed legislation:			
Budget authority			
Outlays			-700
Total:			
Budget authority			
Outlays	1,023	800	

The lease guarantees program was designed to provide prime space for those small business firms who could not compete with prospective tenants with AAA ratings. This program had been incurring excessive losses and has not been an important form of assistance to small businesses. As a result, the program is limited to paying claims resulting from defaulted leases approved in prior years.

This submission proposes the consolidation of the inactive lease guarantee revolving fund into the business loan and investment revolving fund.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue	378	300	250
Expense	-581	-1,110	-950
Net loss for year	-203	-810	-700

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury	4,810	3,787	2,987	2,287
Accounts receivable	8	139	129	129
Advances made	20	28	28	28
Other assets	531	1,206	1,206	1,206
Total assets	5,369	5,160	4,350	3,650
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	230	244	244	244
Advances received	415	395	395	395
Total liabilities	645	639	639	639

<b>Government equity:</b>				
Unobligated balance	4,193	3,315	2,505	1,805
Invested capital	531	1,206	1,206	1,206
Total Government equity	4,724	4,521	3,711	3,011

Analysis of changes in Government equity:

<b>Paid-in capital:</b>				
Opening balance		30,592	30,592	30,592
Appropriation				
Closing balance		30,592	30,592	30,592
<b>Retained earnings:</b>				
Opening balance		-25,868	-26,071	-26,881
Net loss		-203	-810	-700
Closing balance		-26,071	-26,881	-27,581
Total Government equity (end of year)		4,521	3,711	3,011

Object Classification (in thousands of dollars)

Identification code 73-4157-0-3-376	1986 actual	1987 est.	1988 est.
25.0 Other services	1,227	1,075	920
43.0 Interest and dividends	85	75	80
99.9 Total obligations	1,312	1,150	1,000

LEASE GUARANTEES REVOLVING FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 73-4157-2-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations			-1,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources			300
22.98 Unobligated balance transferred, net: Fund balance			2,505
24.98 Unobligated balance available, end of year: Fund balance			-1,805
39.00 Budget authority			
Relation of obligations to outlays:			
71.00 Obligations incurred, net			-700
73.98 Obligated balance transferred, net: Fund balance			-482
74.98 Obligated balance, end of year: Fund balance			482
90.00 Outlays			-700

Object Classification (in thousands of dollars)

Identification code 73-4157-2-3-376	1986 actual	1987 est.	1988 est.
25.0 Other services			-920
43.0 Interest and dividends			-80
99.9 Total obligations			-1,000

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, [ \$9,497,000 ] \$7,162,000, to remain available without fiscal year limitation. (72 Stat. 384, as amended; 72 Stat. 689, as amended; 98 Stat. 1553; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 73-4156-0-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 42.0)	23,822	24,025	28,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources	-13,938	-14,000	-22,000

**Public enterprise funds—Continued**

**REVOLVING FUNDS—Continued**  
**SURETY BOND GUARANTEES REVOLVING FUND—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	73-4156-0-3-376	1986 actual	1987 est.	1988 est.
21.98	Unobligated balance available, start of year: Fund balance.....	-4,216	-1,332	-804
24.98	Unobligated balance available, end of year: Fund balance.....	1,332	804	1,966
40.00	<b>Budget authority (appropriation).....</b>	<b>7,000</b>	<b>9,497</b>	<b>7,162</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	9,884	10,025	6,000
72.98	Obligated balance, start of year: Fund balance.....	20,335	28,270	26,295
74.98	Obligated balance, end of year: Fund balance.....	-28,270	-26,295	-27,133
90.00	Outlays.....	1,949	12,000	5,162

Public Law 93-386, the Small Business Amendment Act of 1974, established this fund to finance the surety bond guarantees program.

The Small Business Administration will guarantee a portion of the losses sustained by a surety company as a result of the issuance of a bid, payment, and/or performance bond to a small business concern.

In fiscal year 1988, the Small Business Administration is proposing to increase its level of financing to respond to the increased demand for this program. To offset the cost of this increase and the other program expenses we propose to increase the existing surety and contractor fees.

**Bond Guarantees (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
SBA contingent liability for new bond guarantees.....	1,043,916	1,096,000	1,250,000

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue.....	13,938	14,000	22,000
Expense.....	-23,822	-24,025	-28,000
Net loss for the year.....	-9,884	-10,025	-6,000

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	24,551	29,602	27,099	29,099
Accounts receivable.....	2,296	3,210	3,210	2,372
Total assets.....	26,847	32,812	30,309	31,471
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	22,631	31,480	29,505	29,505
<b>Government equity:</b>				
Unobligated balance.....	4,216	1,332	804	1,966
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	219,080	226,080	235,577	
Appropriations.....	7,000	9,497	7,162	
Closing balance.....	226,080	235,577	242,739	
Retained earnings:				
Opening balance.....	-214,864	-224,748	-234,773	
Net loss.....	-9,884	-10,025	-6,000	
Closing balance.....	-224,748	-234,773	-240,773	
Total Government equity (end of year).....	1,332	804	1,966	

**POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND**

For additional capital for the "Pollution control equipment contract guarantee revolving fund" authorized by the Small Business Investment Act, as amended, [ \$14,245,000 ] \$16,000,000, to remain available without fiscal year limitation. (72 Stat. 334, as amended; 72 Stat. 639, as amended; 98 Stat. 1553; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code	73-4147-0-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 42.0).....	9,394	18,000	17,500
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-3,747	-3,000	-1,500
Unobligated balance available, start of year: Fund balance:				
21.98	Committed.....		-6,299	-5,999
21.98	Uncommitted.....		-15,522	-3,576
Unobligated balance available, end of year: Fund balance:				
24.98	Committed.....	6,299	5,999	5,999
24.98	Uncommitted.....	3,576	3,121	3,121
40.00	<b>Budget authority (appropriation).....</b>	<b>14,245</b>	<b>16,000</b>	<b>16,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	5,647	15,000	16,000
72.98	Obligated balance, start of year: Fund balance.....	7,259		
90.00	Outlays.....	12,906	15,000	16,000

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....		14,245	16,000
Outlays.....	12,906	15,000	16,000
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-16,000
Outlays.....			-16,000
Total:			
Budget authority.....		14,245	
Outlays.....	12,906	15,000	

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code	73-4147-0-3-376	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders.....			
2131	Guaranteed loan commitments exempt from limitation.....	25,485	50,000	
2150	Total guaranteed loan commitments.....	25,485	50,000	
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year.....	326,640	275,947	280,947
2231	Disbursements: Disbursements of new guaranteed loans.....	15,735	25,000	9,750
2251	Repayments: Repayments and prepayments.....	-61,138	-10,000	-10,000
2263	Adjustments: Terminations for default that result in claim payments.....	-5,290	-10,000	-10,000
2290	Outstanding, end of year.....	275,947	280,947	270,697

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	275,947	280,947	270,697
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Public Law 94-305, approved June 4, 1976, established this fund to alleviate the adverse impact of pollution regulations on small businesses. The Small Business Administration may, whenever it determines that small business concerns are to be at an operational or financial disadvantage with respect to planning, design, or installation of pollution control facilities or the fi-

nancing thereof, guarantee the payment of rentals or other amounts due under qualified contracts.

As a result of the decision to eliminate the tax exempt provisions associated with the Pollution Control Guaranteed program, the level of activity has decreased significantly. Additionally, with the Administration's emphasis on transferring those programs that more appropriately can be delivered by State agencies, we are proposing the termination of this program. However, funds will be necessary to honor the "full faith and credit" of those guarantees currently outstanding. Therefore, this submission is also proposing to consolidate this fund into the business loan and investment fund.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Revenue .....	33,904	2,700	1,442
Expense .....	-4,147	-17,700	-16,000
Net loss for the year .....	29,757	-15,000	-14,558

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury .....	22,782	9,875	9,120	9,120
Loans receivable .....		35,404	35,404	35,404
Total assets .....	22,782	45,279	44,524	44,524
<b>Liabilities:</b>				
Accounts payable and accrued liabilities .....	7,260			
<b>Government equity:</b>				
Unexpended budget authority:				
Unobligated Balance:				
Committed .....		6,299	5,999	5,999
Uncommitted .....	15,522	3,576	3,121	3,121
Invested Capital .....		35,404	35,404	35,404
Total Government equity .....	15,522	45,279	44,524	44,524

**Analysis of changes in Government equity:**

Paid-in capital:			
Opening balance .....	15,000	15,000	29,245
Closing balance .....	15,000	29,245	45,245
Retained earnings .....	30,279	15,279	721
Total Government equity (end of year) .....	45,279	44,524	44,524

**POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	73-4147-2-3-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 42.0) .....			-17,500
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....			1,500
Unobligated balance transferred, net: Fund balance:				
22.98	Committed .....			5,999
22.98	Uncommitted .....			3,121
Unobligated balance available, end of year: Fund balance:				
24.98	Committed .....			-5,999
24.98	Uncommitted .....			-3,121
40.00	<b>Budget authority (appropriation) .....</b>			<b>-16,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			-16,000
90.00	Outlays .....			-16,000

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210	Outstanding, start of year .....		-280,947
2231	Disbursements: Disbursements of new guaranteed loans .....		-9,750
2251	Repayments: Repayments and prepayments .....		10,000
2263	Adjustments: Terminations for default that result in claim payments .....		10,000
2290	Outstanding, end of year .....		-270,697
<b>MEMORANDUM</b>			
2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....		-270,697



# VETERANS ADMINISTRATION

## Federal Funds

### General and special funds:

#### [COMPENSATION AND PENSIONS]

[For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 412, 777, and 806, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$14,364,400,000, to remain available until expended.]

#### NOTES

Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

The activities formerly included in this account are proposed to be financed by three separate appropriation accounts in 1988 and are presented below in the "Compensation," "Pensions," and "Burial benefits and miscellaneous assistance" accounts. Amounts for 1986, 1987, and 1988 are shown on a comparable basis. The following table shows the distribution of amounts appropriated in those years:

Distribution of budget authority by account:	1986 actual	1987 est.	1988 est.
Compensation and pensions	14,408,999	14,364,400	
Compensation			10,352,000
Pensions			3,840,600
Burial benefits and miscellaneous assistance			141,687
Distribution of outlays by account:			
Compensation and pensions	14,412,478	14,385,308	
Compensation			10,364,000
Pensions			3,939,500
Burial benefits and miscellaneous assistance			141,687

#### COMPENSATION\*

\*See Part II for additional information.

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55 and 61), \$10,352,000,000, to remain available until expended.

#### Program and Financing (in thousands of dollars)

Identification code	36-0153-0-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Compensation:</b>				
Veterans:				
00.01	Spanish-American War	1		
00.02	Mexican border period	9	9	9
00.03	World War I	47,155	37,293	28,948
00.04	World War II	3,694,042	3,580,771	3,451,032
00.05	Korean conflict	936,330	928,075	915,220
00.06	Vietnam era	2,380,493	2,432,261	2,470,128
00.07	Peacetime service	1,326,263	1,369,794	1,401,883
00.91	Total veterans	8,384,293	8,348,203	8,267,220
Survivors:				
01.01	Prior to Spanish-American War	9	10	10
01.02	Spanish-American War	433	409	379
01.03	Mexican border period	9	7	7
01.04	World War I	132,666	122,479	111,547
01.05	World War II	846,109	854,478	858,430
01.06	Korean conflict	227,167	233,889	239,760
01.07	Vietnam era	462,646	480,838	496,812
01.08	Peacetime service	351,642	354,545	355,875
01.91	Total survivors	2,020,681	2,046,655	2,062,820
01.92	Total compensation	10,404,974	10,394,858	10,330,040
02.01	Clothing allowance	22,050	21,672	21,960
10.00	Total obligations (object class 42.0)	10,427,024	10,416,530	10,352,000

Financing:				
21.40	Unobligated balance available, start of year	-5,635	-8,117	
24.40	Unobligated balance available, end of year	8,117		
39.00	<b>Budget authority</b>	<b>10,429,506</b>	<b>10,408,413</b>	<b>10,352,000</b>
Budget authority:				
40.00	Appropriation	10,458,000	10,406,000	10,352,000
41.00	Transferred to other accounts	-28,494		
42.00	Transferred from other accounts		2,413	
43.00	<b>Appropriation (adjusted)</b>	<b>10,429,506</b>	<b>10,408,413</b>	<b>10,352,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	10,427,024	10,416,530	10,352,000
72.40	Obligated balance, start of year	825,840	836,663	834,293
74.40	Obligated balance, end of year	-836,663	-834,293	-822,293
90.00	<b>Outlays</b>	<b>10,416,201</b>	<b>10,418,900</b>	<b>10,364,000</b>

#### SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	10,429,506	10,408,413	10,352,000
Outlays	10,416,201	10,418,900	10,364,000
Proposed for later transmittal under proposed legislation:			
Budget authority			301,000
Outlays			271,000
Supplemental under existing legislation:			
Budget authority		80,200	
Outlays		75,200	5,000
Total:			
Budget authority	10,429,506	10,488,613	10,653,000
Outlays	10,416,201	10,494,100	10,640,000

This appropriation provides for the payment of compensation benefits to veterans and survivors. Previously, funds for this program were appropriated under the title "Compensation and Pensions."

Compensation is paid to veterans for disabilities incurred in or aggravated during active military service. Death and Indemnity Compensation (DIC) is paid to survivors of service persons or veterans whose death occurred while on active duty or as a result of service-connected disabilities.

The Administrator may pay a clothing allowance to each veteran who wears or uses a prosthetic or orthopedic appliance (including a wheelchair) which, in the judgment of the Administrator, tends to wear out or tear the clothing of such veteran.

The "Veterans' Benefits Improvement and Health-Care Authorization Act of 1986" increased compensation rates for veterans, DIC rates for spouses and children, and the veterans' clothing allowance by 1.5 percent effective December 1, 1986.

Caseload and cost tables are shown below and reflect the 1.5 percent rate increase:

#### AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS

Veterans:	1986 actual	1987 est.	1988 est.
Spanish-American War	1		
Mexican border period	2	2	2
World War I	10,947	8,726	6,838
World War II	1,030,684	996,243	960,101
Korean conflict	221,173	218,399	215,662
Vietnam era	608,455	616,959	625,510
Peacetime service	360,591	377,093	393,593
Total	2,231,853	2,217,422	2,201,706

General and special funds—Continued

COMPENSATION—Continued

AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS—Continued

Average payment per case, per year .....	\$3,757	\$3,794	\$3,755
Total obligations (in thousands) .....	\$8,384,293	\$8,412,373	\$8,267,220
<b>Survivors:</b>			
Prior to Spanish-American War .....	2	2	2
Spanish-American War .....	72	66	61
Mexican border period .....	1	1	1
World War I .....	21,280	19,459	17,619
World War II .....	152,186	148,198	144,413
Korean conflict .....	37,772	37,634	37,511
Vietnam era .....	70,263	71,083	71,929
Peacetime service .....	51,898	51,781	51,669
<b>Total</b> .....	<b>333,474</b>	<b>328,224</b>	<b>323,205</b>
Average payment per case, per year .....	\$6,059	\$6,284	\$6,382
Total obligations (in thousands) .....	\$2,020,581	\$2,062,397	\$2,062,820
<b>Clothing allowance:</b>			
Number of veterans .....	61,256	60,200	60,200
Average payment per case, per year .....	\$360	\$365	\$365
Total obligations (in thousands) .....	\$22,050	\$21,960	\$21,960

COMPENSATION

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 36-0153-2-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Compensation:</b>			
<b>Veterans:</b>			
00.03 World War I .....			842
00.04 World War II .....			100,393
00.05 Korean conflict .....			26,624
00.06 Vietnam era .....			71,858
00.07 Peacetime service .....			40,783
00.91 Total veterans .....			240,500
<b>Survivors:</b>			
01.02 Spanish-American War .....			11
01.04 World War I .....			3,228
01.05 World War II .....			24,844
01.06 Korean conflict .....			6,939
01.07 Vietnam era .....			14,378
01.08 Peacetime service .....			10,300
01.91 Total survivors .....			59,700
01.92 Total compensation .....			300,200
02.01 Clothing allowance .....			800
10.00 Total obligations (object class 42.0) .....			301,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			301,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			301,000
74.40 Obligated balance, end of year .....			-30,000
90.00 Outlays .....			271,000

Legislation will be proposed to index compensation benefits to the annual change in the Consumer Price Index. If enacted, this proposal would guarantee a full and timely cost-of-living adjustment (COLA) to all compensation beneficiaries, including DIC spouses and children. The increase which would be effective with the payments made on January 1, 1988, is expected to be 3.5 percent.

PENSIONS

For the payment of pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508), \$3,840,600,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code 36-0154-0-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Pensions:</b>			
<b>Veterans:</b>			
00.01 Improved law .....	2,099,893	2,147,435	2,192,764
00.02 Prior law .....	394,683	326,335	274,397
00.03 Old law and service .....	7,586	5,359	3,762
00.91 Total veterans .....	2,502,162	2,479,129	2,470,923
<b>Survivors:</b>			
01.01 Improved law .....	931,865	994,527	1,063,478
01.02 Prior law .....	399,818	339,707	293,882
01.03 Old law and service .....	16,221	13,737	11,717
01.91 Total survivors .....	1,347,904	1,347,971	1,369,077
03.01 Vocational training .....	113	400	600
10.00 Total obligations (object class 42.0) .....	3,850,179	3,827,500	3,840,600
<b>Financing:</b>			
39.00 Budget authority .....	3,850,179	3,827,500	3,840,600
<b>Budget authority:</b>			
40.00 Appropriation .....	3,838,000	3,824,000	3,840,600
42.00 Transferred from other accounts .....	12,179	3,500	
43.00 Appropriation (adjusted) .....	3,850,179	3,827,500	3,840,600
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,850,179	3,827,500	3,840,600
72.40 Obligated balance, start of year .....	317,982	293,793	290,793
74.40 Obligated balance, end of year .....	-293,793	-290,793	-291,893
90.00 Outlays .....	3,874,368	3,830,500	3,839,500

This appropriation provides for the payment of pension benefits to veterans and survivors. Previously, funds for this program were appropriated under the title "Compensation and Pensions."

Pension benefits may be paid to veterans or their survivors. Veteran's entitlement is based on active duty service of a specific length (normally 90 days or more) during a designated war period; disabilities considered permanent and total; and countable income below established levels. There is no disability requirement for survivor cases. Income support is provided at established benefit levels.

Veterans who are under the age 55 and who begin receiving pension during the test period, February 1, 1985 to January 31, 1989, will be evaluated to determine whether a vocational goal is reasonably feasible. Those for whom a vocational goal is feasible are eligible, during the test period, for a temporary program of vocational training.

Automatic annual cost-of-living increases comparable to annual social security increases are provided for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. These increases, effective with payments made on January 1, are based on the same percentage as social security benefits are increased. The January 1, 1988 increase is expected to be 3.5 percent.

AVERAGE NUMBER OF PENSION CASES AND PAYMENTS

<b>Veterans:</b>	1986 actual	1987 est.	1988 est.
Improved law .....	421,110	430,400	436,400
Prior law .....	243,724	206,700	176,000
Old law and service .....	8,144	5,800	4,100
<b>Total</b> .....	<b>672,978</b>	<b>642,900</b>	<b>616,500</b>

Average payment per case, per year.....	\$3,718	\$3,856	\$4,008
Total obligations (in thousands).....	\$2,502,162	\$2,479,129	\$2,470,923
<b>Survivors:</b>			
Improved law.....	256,462	268,800	278,200
Prior law.....	431,040	370,600	321,700
Old law and service.....	24,931	21,700	18,600
Total.....	712,433	661,100	618,500
Average payment per case, per year.....	\$1,892	\$2,039	\$2,214
Total obligations (in thousands).....	\$1,347,904	\$1,347,971	\$1,369,077
<b>Vocational training:</b>			
Trainees.....	102	330	440
Average benefit per year.....	\$1,108	\$1,212	\$1,364
Total obligations (in thousands).....	\$113	\$400	\$600

Outlays.....			-35,550
Total:			
Budget authority.....	129,314	128,487	106,137
Outlays.....	121,909	135,908	106,137

Status of Direct Loans (in thousands of dollars)

Identification code 36-0155-0-1-701	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	15	13	13
1264 Adjustments: Other adjustments, net <sup>1</sup> .....	-2		
1290 Outstanding, end of year.....	13	13	13

<sup>1</sup> Adjustment to outstanding balances.

BURIAL BENEFITS AND MISCELLANEOUS ASSISTANCE

For the payment of burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 412, 777, and 806, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$141,687,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code 36-0155-0-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Burial benefits:</b>			
00.01 Burial allowance.....	40,664	45,270	45,546
00.02 Burial plot.....	41,866	46,500	47,250
00.03 Service-connected deaths.....	7,764	8,918	8,961
00.04 Burial flags.....	8,368	9,914	10,507
00.05 Headstones/markers.....	13,981	15,615	19,529
00.06 Headstone allowance.....	3,279	4,118	4,370
00.91 Total burial benefits.....	115,922	130,335	136,163
<b>Miscellaneous assistance:</b>			
01.01 Retired officers.....	592	500	449
01.02 Adjusted service and dependence pay.....	3	2	2
01.03 Special allowance dependents.....	818	813	823
01.04 Mortgage insurance.....	4,566	4,250	4,250
01.91 Total miscellaneous assistance.....	5,979	5,565	5,524
10.00 Total obligations (object class 42.0).....	121,901	135,900	141,687
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-7,413	
24.40 Unobligated balance available, end of year.....	7,413		
39.00 Budget authority.....	129,314	128,487	141,687
<b>Budget authority:</b>			
40.00 Appropriation.....	130,999	134,400	141,687
41.00 Transferred to other accounts.....	-3,000	-5,913	
42.00 Transferred from other accounts.....	1,315		
43.00 Appropriation (adjusted).....	129,314	128,487	141,687
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	121,901	135,900	141,687
72.40 Obligated balance, start of year.....	178	170	162
74.40 Obligated balance, end of year.....	-170	-162	-162
90.00 Outlays.....	121,909	135,908	141,687

This appropriation provides for the payment of burial and other miscellaneous benefits to certain veterans and survivors. Previously, funds for this program were appropriated under the title "Compensation and Pensions."

**Burial benefits.**—Provides for: (a) the payment of an allowance of \$300 (plus transportation charges where death occurs under VA care) to reimburse, in part, the burial and funeral expense of an eligible deceased veteran; (b) the payment of \$150 for a plot allowance where an eligible veteran is not buried in a national cemetery or other cemetery under the jurisdiction of the United States; (c) the payment of a burial allowance up to \$1,100 when a veteran dies as the result of service-connected disability; (d) furnishing a flag to drape the casket of each deceased veteran entitled thereto; and (e) furnishing a headstone or marker for the grave of a veteran and, in certain cases, eligible dependents; or (f) an allowance toward the purchase of a marker.

NUMBER OF BURIAL BENEFITS

	1986 actual	1987 est.	1988 est.
Burial allowance.....	115,936	123,500	123,300
Burial plot.....	295,489	310,000	315,000
Service-connected death.....	8,187	8,700	8,700
Burial flags.....	325,435	354,100	359,800
Headstone markers.....	247,232	257,000	272,000
Headstone allowance.....	50,330	58,000	60,700

**Miscellaneous assistance.**—Provides for: (a) payments to emergency officers of World War I and certain officers of the Regular Establishment who have retired because of service-connected disability; (b) payments for claims made pursuant to the provision of the World War Adjusted Compensation Act of 1924, as amended; (c) a special allowance (38 U.S.C. 412) to dependents of certain veterans who died after December 31, 1956, but who were not fully and currently insured under the Social Security Act; (d) mortgage protection life insurance for service-connected disabled veterans who have received grants for specially adapted housing; (e) payment of claims arising from the guarantee of premiums due on commercial life insurance policies held by service persons while in service and for 2 years after discharge.

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	129,314	128,487	141,687
Outlays.....	121,909	135,908	141,687
Proposed for later transmittal under proposed legislation:			
Budget authority.....			-35,550

MISCELLANEOUS ASSISTANCE CASELOAD

	1986 actual	1987 est.	1988 est.
Retired officers.....	72	60	52
Adjusted service and dependence pay.....	2	2	2
Special allowance dependents.....	221	217	212
Mortgage insurance.....	5,658	5,602	5,542

General and special funds—Continued

BURIAL BENEFITS AND MISCELLANEOUS ASSISTANCE  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 36-0155-2-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.02 Burial benefits: Burial plot .....			-31,300
01.04 Miscellaneous assistance: Mortgage insurance .....			-4,250
10.00 Total obligations (object class 42.0) .....			-35,550
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....			-35,550
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			-35,550
90.00 Outlays .....			-35,550

Legislation will be proposed to change the eligibility for plot allowances to be consistent with the eligibility requirements for the basic burial allowance. In addition, legislation will be proposed to authorize the funding of the veterans mortgage protection life insurance program from the "Veterans Insurance and Indemnities" appropriation rather than this appropriation.

REINSTATED ENTITLEMENT PROGRAM FOR SURVIVORS UNDER PUBLIC LAW 97-377

Program and Financing (in thousands of dollars)

Identification code 36-0200-0-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Benefit payments .....	40,578	45,573	45,287
00.02 Administrative expenses, VA .....	804	740	755
00.03 Administrative expenses paid to Social Security Administration .....	14	17	18
00.91 Subtotal .....	41,396	46,330	46,060
01.01 Return of overpayment .....	3,604		
10.00 Total obligations .....	45,000	46,330	46,060
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-45,000	-46,330	-46,060
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
72.40 Obligated balance, start of year .....	14,970	5,398	
74.40 Obligated balance, end of year .....	-5,398		
77.00 Adjustments in expired accounts .....	284		
90.00 Outlays .....	9,856	5,398	

In accordance with Public Law 97-377, this program restores Social Security benefits to certain surviving spouses or children of veterans who died of service-connected causes. Financing is being provided in the form of offsetting collections from the Department of Defense.

CASELOAD AND AVERAGE COST DATA

	1986 actual	1987 est.	1988 est.
Spouses .....	1,974	2,150	2,200
Average benefit .....	\$5,411	\$5,749	\$5,809
Obligations (in thousands) .....	\$10,682	\$12,361	\$12,780
Children .....	4,799	4,650	4,300
Average benefit .....	\$6,230	\$7,142	\$7,560
Obligations (in thousands) .....	\$29,896	\$33,212	\$32,507
Administrative expenses, VA (in thousands) .....	\$804	\$740	\$755
Administrative expenses paid to Social Security Administration .....	\$14	\$17	\$18

Object Classification (in thousands of dollars)

Identification code 36-0200-0-1-701	1986 actual	1987 est.	1988 est.
25.0 Other services .....	818	757	773
42.0 Insurance claims and indemnities .....	40,578	45,573	45,287
44.0 Refunds .....	3,604		
99.9 Total obligations .....	45,000	46,330	46,060

REINSTATED ENTITLEMENT PROGRAM FOR SURVIVORS UNDER PUBLIC LAW 97-377

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 36-0200-2-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Benefit payments (total obligations—object class 42.0) .....			340
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....			-340
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

Legislation will be proposed to provide a cost-of-living adjustment to surviving spouses in receipt of Dependency and Indemnity Compensation (DIC) effective December 1, 1986. The increase is expected to be 3.5 percent. Under section 156, Public Law 97-377, any such increases must also be granted to spouses under this program.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34-36, 39, 51, 53, 55, and 61), **[\$741,150,000]** **\$625,700,000**, to remain available until expended.

Note.—Public laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 36-0137-0-1-702	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Education and training:</b>			
00.01 Vietnam era veterans .....	648,797	503,500	385,170
00.02 Sons and daughters .....	111,690	102,489	91,646
00.03 Spouses and widow(ers) .....	11,012	10,160	9,176
00.91 Total education and training .....	771,499	616,149	485,992
<b>Special assistance to disabled veterans:</b>			
01.01 Vocational rehabilitation .....	103,159	106,500	105,840
01.02 Housing grants .....	14,498	13,910	13,170
01.03 Automobiles, adaptive equipment, maintenance and repair .....	15,785	15,695	15,398
01.91 Total special assistance to disabled veterans ..	133,442	136,105	134,408
02.01 All-Volunteer Force Educational Assistance: Veterans' basic benefits .....	1	400	20,400
02.93 Total direct program .....	904,942	752,654	640,800
<b>Reimbursable program:</b>			
<b>All-Volunteer Force Educational Assistance:</b>			
03.01 Veterans' supplementary benefits .....	1	500	15,000
03.02 Reservists' benefits .....	24,169	75,287	105,957

04.01	Debt collection activity: Payment to contractors .....	720	480	
04.92	Total reimbursable .....	24,170	76,507	121,437
10.00	Total obligations .....	929,112	829,161	762,237
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-160	-787	-957
13.00	Trust funds .....	-24,010	-75,000	-120,000
14.00	Non-Federal sources .....		-720	-480
21.40	Unobligated balance available, start of year .....	-17,042	-13,604	-8,600
22.40	Unobligated balance transferred, net .....	-5,935	-6,500	-6,500
24.40	Unobligated balance available, end of year .....	13,604	8,600	
39.00	<b>Budget authority .....</b>	<b>895,569</b>	<b>741,150</b>	<b>625,700</b>
Budget authority:				
40.00	Appropriation .....	877,569	741,150	625,700
42.00	Transferred from other accounts .....	18,000		
43.00	<b>Appropriation (adjusted) .....</b>	<b>895,569</b>	<b>741,150</b>	<b>625,700</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	904,942	752,654	640,800
72.40	Obligated balance, start of year .....	49,606	36,492	32,849
74.40	Obligated balance, end of year .....	-36,492	-32,849	-27,649
90.00	<b>Outlays .....</b>	<b>918,056</b>	<b>756,297</b>	<b>646,000</b>

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	895,569	741,150	625,700
Outlays .....	918,056	756,297	646,000
Proposed for later transmittal under proposed legislation:			
Budget authority .....			-20,400
Outlays .....			-19,700
Total:			
Budget authority .....	895,569	741,150	605,300
Outlays .....	918,056	756,297	626,300

This appropriation finances the education and training of veterans and servicepersons whose service was, at least in part, between February 1, 1955 and December 31, 1976 (post-Korean conflict veterans and Vietnam era veterans). It also finances educational assistance allowances for certain peacetime veterans and for eligible dependents of those veterans: (a) who died from service-connected causes or have a total and permanent rated service-connected disability; and (b) servicepersons who were captured or missing in action. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with the associated approved adaptive equipment. The funding level in 1988 will be \$135.9 million less than in 1987. This is due primarily to the decline in the number of Vietnam-era veterans eligible for benefits and the legislative proposal that would have the Department of Defense fund all program costs for the All-Volunteer Force Educational Assistance Program (New GI Bill).

**Education and training.**—The 1988 decrease in Vietnam era veteran and serviceperson trainees is attributable to veterans having used their entitlement or reaching their delimiting date.

The following table provides a comparison of trainees and costs for the three types of trainees included in education and training.

**NUMBER OF TRAINEES AND COST**

Vietnam era veterans:	1986 actual	1987 est.	1988 est.
Number of trainees .....	307,637	233,600	182,900
Average cost per trainee .....	\$2,109	\$2,155	\$2,106
Total cost (in thousands) .....	\$648,797	\$503,500	\$385,170

Sons and daughters:			
Number of trainees .....	48,356	43,200	38,600
Average cost per trainee .....	\$2,310	\$2,372	\$2,374
Total cost (in thousands) .....	\$111,690	\$102,489	\$91,646
Spouses and widow(ers):			
Number of trainees .....	5,877	5,200	4,700
Average cost per trainee .....	\$1,874	\$1,954	\$1,952
Total cost (in thousands) .....	\$11,012	\$10,160	\$9,176

**Special assistance to disabled veterans.**—Service disabled veterans requiring vocational rehabilitation receive assistance to cover the costs of subsistence, tuition, books, supplies, and equipment.

Specially adapted housing grants, up to a maximum of \$35,500, are provided to certain severely disabled veterans. Veterans who suffer service-connected blindness or who have lost the use of both upper extremities can receive up to \$6,000.

An allowance, up to a maximum of \$5,000, is provided to certain service-disabled veterans and servicepersons toward the purchase price of an automobile. Adaptive equipment and the maintenance and replacement of such equipment is also provided.

The following table shows a caseload and cost comparison for these beneficiaries.

**CASELOAD AND AVERAGE COST DATA**

Disabled veterans:	1986 actual	1987 est.	1988 est.
Number of trainees .....	25,776	25,000	24,500
Average cost per trainee .....	\$4,002	\$4,260	\$4,320
Total cost (in thousands) .....	\$103,159	\$106,500	\$105,840
Housing grants:			
Number of housing grants .....	499	450	425
Average cost per grant .....	\$29,054	\$30,911	\$30,988
Total cost (in thousands) .....	\$14,498	\$13,910	\$13,170
Automobiles or other conveyances:			
Number of conveyances .....	909	800	750
Average cost per conveyance .....	\$4,783	\$5,000	\$5,000
Total cost (in thousands) .....	\$4,348	\$4,000	\$3,750
Adaptive equipment (including maintenance, repair and installation for automobiles):			
Number of items .....	8,591	7,300	7,000
Average cost .....	\$1,331	\$1,602	\$1,664
Total cost (in thousands) .....	\$11,437	\$11,695	\$11,648

**All Volunteer Force educational assistance (New GI Bill).**—Public Law 98-525, enacted October 19, 1984, established two new peacetime educational programs: An assistance program for veterans who enter active duty during the period beginning July 1, 1985, and ending on June 30, 1988, and an assistance program for certain members of the Selected Reserve. Under current law, the Readjustment benefits appropriation pays the basic benefit allowance for the peacetime veterans. A small number of veterans are expected to begin training in 1987. Supplementary educational assistance for peacetime veterans and the basic benefit allowance for reservists are financed by payments from the Department of Defense and the Department of Transportation.

The following table shows a caseload and cost comparison for these beneficiaries under existing legislation:

General and special funds—Continued

READJUSTMENT BENEFITS—Continued

CASELOAD AND AVERAGE COST DATA

	1986 actual	1987 est.	1988 est.
<b>Veterans:</b>			
Number of trainees.....	1	800	19,400
Average cost per trainee.....	\$1,560	\$1,125	\$1,825
Total cost (in thousands).....	\$2	<sup>1</sup> \$900	<sup>2</sup> \$35,400
<b>Reservists:</b>			
Number of trainees.....	31,678	87,800	123,600
Average cost per trainee.....	\$763	\$857	\$857
Total cost (in thousands).....	\$24,169	\$75,287	\$105,957

<sup>1</sup> Includes \$400 thousand of basic benefits (VA funded under existing legislation) and \$500 thousand of supplemental benefits (DOD funded).  
<sup>2</sup> Includes \$20,400 thousand of basic benefits (VA funded under existing legislation) and \$15,000 thousand of supplemental benefits (DOD funded).

**Debt Collection Activity.**—Public Law 97-365, the Debt Collection Act of 1982, authorizes the VA to employ the services of private collection agencies (PCAs) to aid in the collection of delinquent debt. The PCA's receive a percentage of what is collected. Payment amounts for these services are based on a GSA Federal supply schedule, and the age and amounts of the debt collected.

The following table shows the costs for this activity which are offset by collections (dollars in thousands):

	1986 actual	1987 est.	1988 est.
Payments to contractors.....		\$720	\$480

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0137-0-1-702			
25.0 Other services.....		720	480
41.0 Grants, subsidies, and contributions.....	795,670	692,336	627,349
42.0 Insurance claims and indemnities.....	133,442	136,105	134,408
99.9 Total obligations.....	929,112	829,161	762,237

READJUSTMENT BENEFITS

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0137-2-1-702			
<b>Program by activities:</b>			
<b>Direct program:</b>			
02.01 All-Volunteer Force Educational Assistance: Veterans' basic benefits.....			-20,400
<b>Reimbursable program:</b>			
03.01 All-Volunteer Force Educational Assistance: Veterans supplementary benefits.....			20,400
03.02 Reservists' benefits.....			20,000
10.00 Total obligations (object class 41.0).....			20,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....			-20,400
13.00 Trust funds.....			-20,000
40.00 Budget authority (appropriation).....			-20,400
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-20,400
74.40 Obligated balance, end of year.....			700
90.00 Outlays.....			-19,700

Legislation will be proposed to fund the All-Volunteer Force Educational Assistance Program (New GI Bill) basic benefit allowance through the Department of Defense rather than through the Readjustment benefits appropriation. The Veterans Administration will continue to administer the program. In addition, legislation

will be proposed in the Department of Defense's budget to establish a permanent education assistance program, funded by the Department of Defense and administered by the Veterans Administration. In 1988, it is estimated that the program would cost an additional \$20 million for reservist education benefits.

VETERANS JOB TRAINING

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0103-0-1-702			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	31,000	21,562	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-17,562	-21,562	
24.40 Unobligated balance available, end of year.....	21,562		
39.00 Budget authority.....	35,000		
<b>Budget authority:</b>			
40.00 Appropriation.....			
42.00 Transferred from other accounts.....	35,000		
43.00 Appropriation (adjusted).....	35,000		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	31,000	21,562	
72.40 Obligated balance, start of year.....	37,022	33,830	5,498
74.40 Obligated balance, end of year.....	-33,830	-5,498	
77.00 Adjustments in expired accounts.....		-8,157	
90.00 Outlays.....	34,192	41,737	5,498

Eligible veterans may begin job training under the program until January 2, 1988. It is anticipated that all funds will be obligated in fiscal year 1987. No additional funds will be requested.

SUMMARY OF WORKLOAD AND OBLIGATIONS

	1986 actual	1987 est.	1988 est.
Veterans entered in job training programs.....	10,507	6,300	
Average obligations.....	\$2,950	\$3,423	
Total obligations (dollars in thousands).....	\$31,000	\$21,562	
Veterans completed training.....	5,912	8,800	3,752
Average benefit.....	\$2,551	\$1,898	\$1,013
Total outlays (dollars in thousands).....	\$15,081	\$16,700	\$3,800
Veterans terminated.....	5,827	6,500	1,608
Average benefit.....	\$1,420	\$2,892	\$1,056
Total outlays (dollars in thousands).....	\$8,275	\$18,800	\$1,698
Veterans in training, end of year.....	14,360	5,360	
Average benefit.....	\$755	\$1,164	
Total outlays (dollars in thousands).....	\$10,836	\$6,237	
Combined outlays (dollars in thousands).....	\$34,192	\$41,737	\$5,498

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, and service-disabled veterans insurance, as authorized by law (38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487), [\$4,770,000] \$14,290,000, to remain available until expended.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0120-0-1-701			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Military and naval insurance:</b>			
00.01 Payment to U.S. Government life insurance fund.....	-3	13	12
00.02 Direct payments to policyholders and beneficiaries..	106	83	61
<b>National service life insurance:</b>			
00.03 Payment to national service life insurance fund.....	1,598	2,090	2,030

00.04	Direct payments to policyholders and beneficiaries ..	892	1,042	1,024
00.05	Payment to service-disabled veterans insurance fund...	7,796	2,195	11,538
00.91	Total operating expenses .....	10,389	5,423	14,665
01.01	Capital investment: Policy loans .....	66	87	85
10.00	Total obligations .....	10,455	5,510	14,750
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Interest on loans .....	-43	-44	-41
14.00	Premiums earned .....	-345	-298	-286
14.00	Optional income settlements .....	-10	-12	-10
14.00	Policy loan repayments .....	-134	-133	-120
14.00	Policy lien repayments .....	-1	-3	-3
21.40	Unobligated balance available, start of year .....	-502	-324	-74
24.40	Unobligated balance available, end of year .....	324	74	74
40.00	Budget authority (appropriation) .....	9,745	4,770	14,290
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	9,923	5,020	14,290
72.40	Obligated balance, start of year .....	128	115	108
74.40	Obligated balance, end of year .....	-115	-108	-108
90.00	Outlays .....	9,936	5,027	14,290

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	9,745	4,770	14,290
Outlays .....	9,936	5,027	14,290
Proposed for later transmittal under proposed legislation:			
Budget authority .....			4,250
Outlays .....			4,250
Total:			
Budget authority .....	9,745	4,770	18,540
Outlays .....	9,936	5,027	18,540

**Military and naval insurance.**—Payments are made to the U.S. Government life insurance fund for certain World War I veterans for extra hazards of military service and for claims on war risk insurance issued to servicemen and veterans of World War I.

**National service life insurance.**—Payments are made to the national service life insurance fund for certain World War II veterans for: (a) the extra hazards of service; (b) gratuitous insurance granted to certain persons unable to apply for national service life insurance; (c) death claims on policies under waiver of premiums while the insured was on active duty.

Payments are also made to policyholders and beneficiaries on nonparticipating national service life insurance policies issued to World War II veterans with service-connected disabilities and on worthy exceptional cases that would not have been covered under the law in effect at the time of death.

The general decline in the number of policies and the amount of insurance in force is expected to continue in 1988 as indicated in the following table (dollars in thousands).

	1986 actual	1987 est.	1988 est.
Number of policies .....	2,946	2,775	2,615
Amount of insurance .....	\$15,592	\$14,592	\$13,655

**Payment to service-disabled veterans insurance fund.**—Payments are made to the service-disabled veterans insurance fund to supplement the premiums and other receipts of the fund in amounts necessary to pay claims on insurance policies issued to veterans with service-connected disabilities.

**Object Classification (in thousands of dollars)**

Identification code	36-0120-0-1-701	1986 actual	1987 est.	1988 est.
33.0	Investments and loans .....	66	87	85
41.0	Grants, subsidies, and contributions .....	9,391	4,298	13,580
42.0	Insurance claims and indemnities .....	998	1,125	1,085
99.9	Total obligations .....	10,455	5,510	14,750

**VETERANS INSURANCE AND INDEMNITIES**  
(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	36-0120-2-1-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Mortgage insurance (total obligations, object class 42.0) .....			4,250
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....			4,250
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			4,250
90.00	Outlays .....			4,250

Legislation will be proposed to authorize the funding of the veterans mortgage protection life insurance program from this appropriation rather than from the "Burial Benefits and Miscellaneous Assistance" appropriation.

**MEDICAL CARE\***

\*See Part II for additional information.

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Veterans Administration, including care and treatment in facilities not under the jurisdiction of the Veterans Administration, and furnishing recreational facilities, supplies and equipment; funeral, burial and other expenses incidental thereto for beneficiaries receiving care in Veterans Administration facilities; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Veterans Administration, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); aid to State homes as authorized by law (38 U.S.C. 641); and not to exceed \$2,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 5010(a)(5); **[\$9,411,817,000] \$9,967,608,000**, plus reimbursements: *Provided, That \$28,809,000 of the sum appropriated shall remain available until September 30, 1989, to fund central procurement contracts for the acquisition of automated data processing equipment and contracts for major systems support in amounts not less than \$1,000,000 for the Decentralized Hospital Computer Program and the Integrated Hospital Computer System.*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	36-0160-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
Maintenance and operation of VA facilities:				
00.01	VA hospital care .....	4,936,057	5,130,859	5,302,315
00.02	Nursing home care .....	438,693	491,191	561,858
00.03	Domiciliary care .....	94,871	105,991	115,170
00.04	Outpatient care .....	1,806,923	1,973,537	2,041,234
00.05	Miscellaneous benefits and services .....	394,326	343,455	341,168
00.06	Education and training .....	483,051	499,700	518,756
Contract care:				
00.10	Hospitalization .....	160,885	171,117	191,981

General and special funds—Continued

MEDICAL CARE—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	36-0160-0-1-703	1986 actual	1987 est.	1988 est.
00.11	Community nursing home care .....	301,844	326,445	348,504
	Grants for State home care:			
00.15	Domiciliary .....	13,620	13,008	13,111
00.16	Nursing home .....	51,307	55,366	60,200
00.17	Hospitalization .....	3,386	3,410	3,596
	Civilian health and medical program of the Veterans Administration:			
00.20	Hospitalization .....	59,356	66,874	70,246
00.21	Outpatient care .....	28,328	34,206	35,826
00.91	Total operating expenses .....	8,772,647	9,215,159	9,603,965
	Capital investment:			
	Maintenance and operation of VA facilities:			
01.01	VA hospital care .....	301,102	283,810	249,310
01.02	Nursing home care .....	13,704	12,917	11,347
01.03	Domiciliary care .....	4,399	4,146	3,642
01.04	Outpatient care .....	114,551	107,973	94,848
01.05	Miscellaneous benefits and services .....	1,063	1,002	880
01.06	Education and training .....	1,916	3,500	3,616
01.91	Total capital investment .....	436,735	413,348	363,643
01.92	Total direct program .....	9,209,382	9,628,507	9,967,608
02.01	Reimbursable program .....	65,898	60,000	60,000
10.00	Total obligations .....	9,275,280	9,688,507	10,027,608
	Financing:			
	Offsetting collections from:			
11.00	Federal funds .....	-31,934	-29,076	-29,076
14.00	Non-Federal sources (38 U.S.C. 611) .....	-33,964	-30,924	-30,924
21.40	Unobligated balance available, start of year .....	-55,272		
22.40	Unobligated balance transferred, net .....	-25,000		
25.00	Unobligated balance lapsing .....	705		
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	321		
39.00	Budget authority .....	9,130,137	9,628,507	9,967,608
	Budget authority:			
40.00	Appropriation .....	9,138,137	9,411,817	9,967,608
41.00	Transferred to other accounts .....	-8,000		
42.00	Transferred from other accounts .....		10,395	
43.00	Appropriation (adjusted) .....	9,130,137	9,422,212	9,967,608
44.10	Supplemental for wage-board pay raises .....		5,883	
44.20	Supplemental for civilian pay raises .....		68,812	
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		131,600	
	Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	9,209,383	9,628,507	9,967,608
72.40	Obligated balance, start of year .....	1,164,421	1,228,092	1,356,094
74.40	Obligated balance, end of year .....	-1,228,092	-1,356,094	-1,474,963
77.00	Adjustments in expired accounts .....	-50,405		
89.00	Outlays .....	9,095,306	9,500,505	9,848,739
	Outlays:			
90.00	Outlays, excluding pay and retirement supplements .....	9,095,306	9,304,485	9,838,464
91.10	Outlays from wage-board pay raise supplemental .....		5,590	293
91.20	Outlays from civilian pay raise supplemental .....		65,385	3,427
91.40	Outlays from retirement contribution supplemental .....		125,045	6,555

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	9,130,137	9,628,507	9,967,608
Outlays .....	9,095,306	9,500,505	9,848,739
Rescission proposal:			
Budget authority .....		-75,000	
Outlays .....		-74,055	-945
Total:			
Budget authority .....	9,130,137	9,553,507	9,967,608
Outlays .....	9,095,306	9,426,450	9,847,794

In 1988 increased costs are associated with: (1) operational requirements of new facilities; (2) payroll increases; (3) increased cost of drugs, utilities, communications, provisions, prosthetics, medical and dental supplies and operating supplies; and (4) enhancements for the decentralized hospital computer program (DHCP).

These increased costs are offset by: (1) a one percent reduction in employment due to productivity increases; (2) savings associated with enhancements to DHCP; and (3) funding that anticipates that no-cost care would be provided to all service-disabled veterans who request it, as well as to former prisoners of war and veterans exposed to certain toxic substances and radiation. No-cost care would also be provided to veterans of wars prior to World War II and those receiving VA pensions. Among other veterans, funding would be provided for no-cost care for all earning less than \$25,000 per year (for a veteran with one dependent; \$20,000 for a single veteran); funding would not be provided for the care of those whose annual incomes exceed these levels. The VA may continue to furnish care to non-service disabled veterans with incomes above \$25,000 in locations where resources remain available.

Maintenance and operation of VA facilities—

VA hospital care.—Costs for 1988 are estimated to increase by \$136,956 thousand for operating the medical, surgical, and psychiatric bed sections in 172 VA hospitals.

Estimated operating levels are:

	1986 actual	1987 est.	1988 est.
Patients treated .....	1,327,728	1,342,198	1,313,701
Average daily census .....	56,940	55,440	53,962
Average employment (including education and training) .....	137,954	135,786	131,519
Ratio average employment to census .....	2.42	2.45	2.44

Nursing home care.—An increase of \$69,097 thousand in 1988 is estimated for operation of nursing care beds in 120 facilities.

Estimated operating levels are:

	1986 actual	1987 est.	1988 est.
Patients treated .....	23,940	24,582	26,318
Average daily nursing patient census .....	10,482	11,174	11,643
Average employment (including education and training) .....	13,241	14,104	15,017

Domiciliary care.—In 1988, an increase of \$8,675 thousand is estimated for the care of domiciliary members in 16 facilities.

Estimated operating levels are:

	1986 actual	1987 est.	1988 est.
Patients treated .....	13,250	13,335	13,290
Average daily member census .....	5,767	6,061	6,040
Average employment (including education and training) .....	2,303	2,399	2,395

Outpatient care.—An increase of \$54,572 thousand is estimated in 1988 for the cost of outpatient medical and dental care provided by staff and by physicians and dentists participating under a fee basis arrangement for certain eligible veterans.

NUMBER OF MEDICAL VISITS AND DENTAL WORKLOADS

Medical visits (in thousands):	1986 actual	1987 est.	1988 est.
Staff .....	18,458	19,000	18,675
Fee .....	1,730	1,730	1,730
Total .....	20,188	20,730	20,405
Dental:			
Staff:			
Examinations .....	183,757	186,000	186,000

Treatments.....	171,162	173,000	173,000
Total.....	354,919	359,000	359,000
Fee: Cases completed.....	22,152	22,000	22,000
Average employment (including education and training).....	33,899	35,382	34,977

**Miscellaneous benefits and services.**—This covers such items of nondirect medical care and treatment as beneficiary travel, care of the dead, operation of personnel quarters at medical facilities, and the cost of furnishing supply, engineering, housekeeping, and other administrative support services to other departments on a nonreimbursable basis. It also includes the cost of the readjustment counseling program. Most of the decrease in the estimated cost in 1988 from 1987 of \$2,409 thousand reflects a government-wide motor vehicle operations reduction. Beneficiary travel would be funded for special mode and emergency transportation.

Average employment.....	1986 actual 6,124	1987 est. 6,124	1988 est. 6,067
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**Education and training.**—An increase of \$19,172 thousand is estimated in 1988 for residency and other health training services.

Average employment (all education and training average employment has been apportioned to the respective activities).....	1986 actual 9,116	1987 est. 9,091	1988 est. 9,092
Number of trainees.....	103,213	103,520	103,526

**Contract care—**

**Hospitalization.**—An increase of \$20,864 thousand is estimated in 1988 for rate adjustments to support an average daily census of 700 for hospitalization of patients for service and non-service-connected disabilities in other Federal hospitals when VA facilities are not available. VA beneficiaries, such as, women veterans of any war, emergency cases and veterans requiring hospitalization to prevent interruption of vocational rehabilitation training are also provided care in non-Federal hospitals under the provisions of title 38, U.S.C., sections 601 and 1506.

Average daily patient census.....	1986 actual 776	1987 est. 700	1988 est. 700
Patients treated.....	29,468	26,615	26,688

**Community nursing home care.**—An increase of \$22,059 thousand is estimated in 1988 for nursing care in private facilities.

Average daily nursing census.....	1986 actual 12,026	1987 est. 12,179	1988 est. 12,147
Patients treated.....	41,124	40,876	40,839

**Grants for State home care—**

**Domiciliary.**—An increase of \$103 thousand in 1988 is estimated for the cost of domiciliary care of veterans in State homes.

Average daily member census.....	1986 actual 4,322	1987 est. 4,429	1988 est. 4,422
Members treated.....	8,272	8,606	8,604

**Nursing home.**—An increase of \$4,834 thousand in 1988 is estimated for the cost of nursing care of veterans in State homes.

Average daily nursing census.....	1986 actual 8,030	1987 est. 8,571	1988 est. 9,299
Patients treated.....	13,914	14,541	15,794

**Hospitalization.**—An increase of \$186 thousand is estimated in 1988 for the cost of hospital care of veterans in State homes.

Average daily patient census.....	1986 actual 510	1987 est. 512	1988 est. 536
Patients treated.....	3,827	3,849	4,039

Average employment (for support of all non-VA facility workloads).....	932	932	932
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**Civilian health and medical program of the Veterans Administration.**—An increase of \$4,992 thousand is estimated in 1988 for private hospital and outpatient care for dependents and survivors of certain veterans.

Average daily hospital census.....	1986 actual 345	1987 est. 338	1988 est. 321
Outpatient visits (in thousands).....	337	353	337
Average employment.....			7

**Object Classification (in thousands of dollars)**

Identification code 36-0160-0-1-703	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	4,125,278	4,279,982	4,243,609
11.3 Other than full-time permanent.....	556,916	577,801	572,891
11.5 Other personnel compensation.....	362,207	375,791	372,597
11.9 Total personnel compensation.....	5,044,401	5,233,574	5,189,097
<b>Personnel benefits:</b>			
12.1 Retirement.....	386,590	558,226	801,823
12.1 Other benefits.....	295,613	306,728	304,122
13.0 Benefits for former personnel.....	8,634	8,950	8,873
<b>Travel and transportation of persons:</b>			
21.0 Employee travel.....	9,962	17,937	18,791
21.0 Beneficiary travel.....	106,559	68,000	51,850
21.0 Interagency motor pool payments.....	7,140	7,436	5,906
21.0 All other.....	1,211	1,238	1,364
22.0 Transportation of things.....	18,839	19,727	22,714
23.1 Rental payments to GSA.....	13,918	16,627	18,775
23.2 Rental payments to others.....	19,361	21,687	24,646
23.3 Communications, utilities, and miscellaneous charges.....	326,840	335,078	368,447
24.0 Printing and reproduction.....	10,115	11,874	12,354
25.0 Other services.....	409,974	421,748	445,518
25.0 Outpatient dental fees.....	11,228	11,175	11,231
25.0 Medical and nursing fees.....	145,867	151,554	159,589
25.0 Community nursing homes.....	281,482	305,021	325,833
25.0 Contract hospitalization.....	156,853	166,805	187,333
25.0 Civilian health and medical program of the Veterans Administration.....	87,864	101,080	105,879
26.0 Supplies and materials.....	1,270,740	1,288,932	1,371,975
26.0 Provisions.....	94,703	93,772	95,013
31.0 Equipment.....	331,614	319,130	262,052
32.0 Lands and structures.....	105,121	94,218	101,591
41.0 Grants, subsidies, and contributions.....	64,753	67,990	72,832
99.0 Subtotal, direct obligations.....	9,209,382	9,628,507	9,967,608
99.0 Reimbursable obligations <sup>1</sup> .....	65,898	60,000	60,000
99.9 Total obligations.....	9,275,280	9,688,507	10,027,608

<sup>1</sup> Includes other personnel benefits as follows: 1986, \$2,803 thousand; 1987, \$2,524 thousand; 1988, \$3,416 thousand.

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions.....	171,754	172,145	168,792
Total compensable workyears:			
Full-time equivalent employment.....	193,071	193,510	189,741
Full-time equivalent of overtime and holiday hours.....	3,608	3,616	3,546
<b>Reimbursable:</b>			
Total number of full-time permanent positions.....	1,229	1,082	1,043
Total compensable workyears:			
Full-time equivalent employment.....	1,382	1,217	1,173
Full-time equivalent of overtime and holiday hours.....	26	23	22

**MEDICAL AND PROSTHETIC RESEARCH\***

\*See Part II for additional information.

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by law, to remain available until September 30, [1988, \$189,915,000] 1989, \$198,766,000, plus reimbursements.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

General and special funds—Continued

MEDICAL AND PROSTHETIC RESEARCH—Continued

Program and Financing (in thousands of dollars)

Identification code	36-0161-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Medical research .....	149,260	160,401	163,736
00.02	Rehabilitation research .....	14,337	16,285	16,105
00.03	Health services research .....	6,232	7,783	8,232
00.91	Total operating expenses .....	169,829	184,469	188,073
Capital investment:				
01.01	Medical research .....	11,068	18,221	16,862
01.02	Rehabilitation research .....	1,038	1,460	1,479
01.03	Health services research .....	247	348	352
01.91	Total capital investment .....	12,353	20,029	18,693
01.92	Total direct program .....	182,182	204,498	206,766
02.01	Reimbursable program .....	3,998	5,200	5,200
10.00	Total obligations .....	186,180	209,698	211,966
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-3,998	-5,200	-5,200
21.40	Unobligated balance available, start of year .....	-1,843	-731	-9,031
24.40	Unobligated balance available, end of year .....	731	9,031	1,031
25.00	Unobligated balance lapsing .....	57		
39.00	Budget authority .....	181,127	212,798	198,766
Budget authority:				
40.00	Appropriation .....	181,127	189,915	198,766
42.00	Transferred from other accounts .....		20,000	
43.00	Appropriation (adjusted) .....	181,127	209,915	198,766
44.20	Supplemental for civilian pay raises .....		1,859	
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		1,024	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	182,182	204,498	206,766
72.40	Obligated balance, start of year .....	32,751	33,672	25,441
74.40	Obligated balance, end of year .....	-33,672	-25,441	-25,131
77.00	Adjustments in expired accounts .....	-15		
89.00	Outlays .....	181,246	212,729	207,076
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals .....	181,246	210,156	206,766
91.20	Outlays from civilian pay raise supplemental .....		1,659	200
91.40	Outlays from retirement contribution supplemental .....		914	110

**Medical research.**—This program is comprised of institutional and special research. In addition to the broad spectrum of biomedical research projects, priority is given to research on agent orange and conditions that frequently occur among veterans such as aging, alcoholism, schizophrenia, delayed stress disorders, and spinal cord injury and tissue regeneration. Cooperative studies include surgical treatment of angina pectoris, adjunct treatment of diabetes, and relative potency and side-effect liability of new and marketed sedatives. This budget request includes \$3,950 thousand for continuation of an Agent Orange Epidemiological Study being conducted by the Centers for Disease Control, Department of Health and Human Services. In 1987, \$20 million in budget authority was transferred on a one-time basis from the Department of Defense to fund an experimental cooperative research program.

**Rehabilitation research.**—This program is dedicated to the development and application of science and technology to improve the care of the physically disabled veteran through prostheses for the amputee, improved

wheelchairs for the paralyzed, and better joint functions for the arthritic. It also includes care for those with visual, hearing and speech disorders.

**Health services research.**—This program provides support for health services projects at VA medical centers for improving the effectiveness and economy of delivery of health services and improving the accessibility of services to veterans.

Object Classification (in thousands of dollars)

Identification code	36-0161-0-1-703	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	42,024	45,410	45,593
11.3	Other than full-time permanent .....	67,184	72,651	72,938
11.5	Other personnel compensation .....	1,886	2,041	2,050
11.9	Total personnel compensation .....	111,094	120,102	120,581
Personnel benefits:				
12.1	Retirement .....	8,743	10,277	13,559
12.1	Other benefits .....	5,098	5,821	6,310
13.0	Benefits for former personnel .....	201	224	231
Travel and transportation of persons:				
21.0	Employee travel .....	1,442	1,852	1,658
21.0	Beneficiary travel .....	19	34	34
21.0	Interagency motor pool payments .....	31	13	14
21.0	All other .....	15	14	20
22.0	Transportation of things .....	323	425	385
23.3	Communications, utilities, and miscellaneous charges .....	851	1,381	1,250
24.0	Printing and reproduction .....	233	385	347
25.0	Other services .....	22,924	23,202	21,815
26.0	Supplies and materials .....	18,855	20,739	21,869
31.0	Equipment .....	12,102	19,738	18,426
32.0	Lands and structures .....	251	291	267
99.0	Subtotal, direct obligations .....	182,182	204,498	206,766
99.0	Reimbursable obligations .....	3,998	5,200	5,200
99.9	Total obligations .....	186,180	209,698	211,966

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions .....	2,884	3,016	2,823
Total compensable workyears:			
Full-time equivalent employment .....	4,287	4,502	4,277
Full-time equivalent of overtime and holiday hours .....	16	16	16
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	76	92	92
Total compensable workyears: Full-time equivalent employment .....	114	140	140

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law, **[\$41,194,000]** \$49,848,000, plus reimbursements.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	36-0152-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Medical, hospital, nursing home, and domiciliary administration .....	40,270	41,527	43,050
00.02	Postgraduate and inservice training .....	8,524		
00.03	Health professional scholarship .....	337		6,000
00.91	Total operating expenses .....	49,131	41,527	49,050
Capital investment:				
01.01	Medical, hospital, nursing home, and domiciliary administration .....	1,254	748	798

01.02	Postgraduate and inservice training.....	10		
01.91	Total capital investment.....	1,264	748	798
10.00	Total obligations.....	50,395	42,275	49,848
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	827		
39.00	<b>Budget authority.....</b>	<b>51,222</b>	<b>42,275</b>	<b>49,848</b>
Budget authority:				
40.00	<b>Appropriation.....</b>	<b>51,222</b>	<b>41,194</b>	<b>49,848</b>
44.20	Supplemental for civilian pay raises.....		736	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		345	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	50,395	42,275	49,848
72.40	Obligated balance, start of year.....	15,362	10,017	8,875
74.40	Obligated balance, end of year.....	-10,017	-8,875	-14,742
77.00	Adjustments in expired accounts.....	-960		
89.00	Outlays.....	54,780	43,417	43,981
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	54,780	42,452	43,865
91.20	Outlays from civilian pay raise supplemental.....		657	79
91.40	Outlays from retirement contribution supplemental.....		308	37

**Medical, hospital, nursing home, and domiciliary administration.**—Central office staff elements will continue to provide executive direction of all agency medical programs through program development, implementation, and administration of policies, plans, and objectives.

**Postgraduate and inservice training.**—Program assisted Department of Medicine and Surgery and certain other VA personnel in maintaining and upgrading their knowledge and skills. In 1987, funding for this program was transferred to the Medical care appropriation and to the Medical, hospital, nursing home, and domiciliary administration program within this appropriation to support the continuing education needs of employees whose salaries are paid by each of the two appropriations.

**Health professional scholarship.**—To assist in the recruitment and retention of staff, this program provides grants for tuition, stipend, and other educational expenses for eligible students in programs leading to a degree in nursing or physical therapy.

**Object Classification (in thousands of dollars)**

Identification code 36-0152-0-1-703		1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....	26,812	24,327	24,929
11.3	Other than full-time permanent.....	100		
11.5	Other personnel compensation.....	1,456	1,677	1,746
11.9	Total personnel compensation.....	28,368	26,004	26,675
Personnel benefits:				
12.1	Retirement.....	1,947	2,218	3,592
12.1	Other benefits.....	1,206	1,275	1,287
Travel and transportation of persons:				
21.0	Employee travel.....	6,232	889	934
22.0	Transportation of things.....	56	161	170
23.1	Rental payments to CSA.....	2,606	2,700	2,828
23.3	Communications, utilities, and miscellaneous charges.....	1,871	2,460	2,685
24.0	Printing and reproduction.....	479	475	535
25.0	Other services.....	4,880	4,472	3,887
26.0	Supplies and materials.....	1,149	873	907
31.0	Equipment.....	1,264	748	848
41.0	Grants, subsidies, and contributions.....	337		5,500
99.9	Total obligations.....	50,395	42,275	49,848

**Personnel Summary**

Total number of full-time permanent positions.....	651	640	644
Total workyears:			
Full-time equivalent employment.....	659	591	595
Full-time equivalent of overtime and holiday hours.....	2	1	1

**GENERAL OPERATING EXPENSES\***

\*See Part II for additional information.

For necessary operating expenses of the Veterans Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law; not to exceed \$3,000 for official reception and representation expenses; cemeterial expenses as authorized by law; purchase of [eleven] six passenger motor vehicles, for use in cemeterial operations, and hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; [\$760,000,000 Provided, That none of the funds appropriated by this or any other Act shall be obligated to effect the closing of the St. Paul Insurance Center during the period beginning on the date of the enactment into law of this Act and ending on September 30, 1987] \$816,100,000: Provided, That \$26,700,000 of the sums appropriated shall remain available until September 30, 1989, to fund contracts in amounts not less than \$1,000,000 for the acquisition of automated data processing equipment and services to support the modernization program in the Department of Veterans Benefits.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 36-0151-0-1-705		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Veterans benefits:				
00.01	Executive direction.....	17,956	21,907	22,993
00.02	Veterans services.....	67,643	66,918	67,869
00.03	Compensation, pension, and education.....	124,146	123,365	120,778
00.04	Loan guaranty.....	56,021	58,746	61,909
00.05	Insurance.....	8,790	9,271	11,730
00.06	Vocational rehabilitation and counseling.....	21,907	22,804	23,294
00.07	Support services.....	165,871	167,511	182,450
00.08	ADP System Management.....	12,272	47,354	60,259
00.10	Memorial affairs.....	41,865	44,742	47,746
00.11	General administration.....	196,098	206,624	217,072
00.91	Total direct program.....	712,569	769,242	816,100
01.01	Reimbursable program.....	17,842	25,785	24,440
10.00	Total obligations.....	730,411	795,027	840,540
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-17,842	-25,785	-24,440
25.00	Unobligated balance lapsing.....	1,250		
39.00	<b>Budget authority.....</b>	<b>713,819</b>	<b>769,242</b>	<b>816,100</b>
Budget authority:				
40.00	Appropriation.....	704,835	760,000	816,100
42.00	Transferred from other accounts.....	8,984		
43.00	<b>Appropriation (adjusted).....</b>	<b>713,819</b>	<b>760,000</b>	<b>816,100</b>
44.40	<b>Supplemental for retirement contribution (P.L. 99-335).....</b>		<b>9,242</b>	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	712,569	769,242	816,100
72.40	Obligated balance, start of year.....	79,013	59,793	73,751
74.40	Obligated balance, end of year.....	-59,793	-73,751	-87,905
77.00	Adjustments in expired accounts.....	-2,267		
89.00	Outlays.....	729,522	755,284	801,946
Outlays:				
90.00	Outlays, excluding retirement contribution supplemental.....	729,522	746,504	801,484
91.40	Outlays from retirement contribution supplemental.....		8,780	462

General and special funds—Continued

GENERAL OPERATING EXPENSES—Continued

This appropriation provides for the administration of nonmedical veterans benefits through the Department of Veterans Benefits (DVB); operation and maintenance of 109 national cemeteries by the Department of Memorial Affairs; and top management direction and administrative support, including data processing, fiscal, personnel, and legal services through agency-level staff offices.

**Veterans benefits.**—Determines eligibility and adjudicates all claims for compensation, pensions, educational assistance, housing loan assistance, and insurance awards. Beginning in 1987, greater efficiencies will be achieved as a result of an initiative to modernize the data processing and telecommunications capabilities of DVB. A summary of program objectives and anticipated workload is included in the following paragraphs:

**Veterans services.**—Provides information, advice, and assistance concerning the availability and procurement of benefits under the law to all veterans, their dependents, and survivors.

WORKLOAD IN THOUSANDS

	1986 actual	1987 est.	1988 est.
Veterans assistance contacts .....	13,471	14,217	14,615
Field examinations .....	97	92	87

**Compensation, pension, and education.**—Provides timely and efficient service to veterans and their dependents related to compensation, pension, and education benefits under the various laws enacted by Congress.

WORKLOAD IN THOUSANDS

	1986 actual	1987 est.	1988 est.
Compensation and pensions:			
Original claims .....	708	695	695
Adjustments/supplemental claims .....	2,610	2,553	2,469
Ancillary actions/claims .....	397	391	384
Education:			
Original claims .....	129	129	145
Adjustments/supplemental claims .....	1,194	1,100	1,049

**Loan guaranty.**—Facilitates the extension of private capital, on more liberal terms than generally available to nonveterans, to assist veterans and servicepersons in obtaining housing credits, provides grants to aid permanently and totally disabled veterans in acquiring specially adapted housing, and assists veterans to retain their homes during periods of temporary economic difficulty through intensive supplemental servicing.

WORKLOAD IN THOUSANDS

	1986 actual	1987 est.	1988 est.
Certificates of reasonable value (CRV's) issued .....	817	499	485
GI loans closed/rejected .....	342	385	374
Liquidations/claims vouchered .....	42	38	36
Properties acquired/disposed .....	58	55	52

**Memorial affairs.**—Provides for the administration of the National Cemetery System. Cemeterial operations include overall program administration, maintenance of grounds and equipment, and headstone procurement and assignment. Key workload forecasts are as follows:

WORKLOAD IN THOUSANDS

	1986 actual	1987 est.	1988 est.
Headstone applications .....	291	300	308
Interments .....	52	55	56

**General administration.**—Contains agency executive direction and supporting offices, the Inspector General, the General Counsel, the Board of Veterans Appeals, the Board of Contract Appeals, and the Office of Information Systems and Telecommunications.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0151-0-1-705			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	441,528	444,623	440,663
11.3 Other than full-time permanent .....	6,235	6,125	6,230
11.5 Other personnel compensation .....	8,099	7,615	7,094
11.9 Total personnel compensation .....	455,862	458,363	453,987
Personnel benefits:			
12.1 Retirement .....	33,583	42,204	67,938
12.1 Other benefits .....	27,964	29,629	27,644
Travel and transportation of persons:			
21.0 Employee travel .....	6,632	7,935	7,848
21.0 Beneficiary travel .....	705		
21.0 Interagency motor pool payments .....	1,986	2,486	2,293
22.0 Transportation of things .....	1,321	1,460	1,511
23.1 Rental payments to GSA .....	58,333	57,713	67,606
23.3 Communications, utilities, and miscellaneous charges .....	56,605	62,686	64,926
24.0 Printing and reproduction .....	5,415	6,125	6,268
25.0 Other services .....	43,959	68,073	67,024
26.0 Supplies and materials .....	11,641	13,767	14,432
31.0 Equipment .....	8,310	18,551	34,368
42.0 Insurance claims and indemnities .....	253	250	255
99.0 Subtotal, direct obligations .....	712,569	769,242	816,100
99.0 Reimbursable obligations .....	17,842	25,785	24,440
99.9 Total obligations .....	730,411	795,027	840,540

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	17,381	17,287	16,830
Total compensable workyears:			
Full-time equivalent employment .....	17,654	17,491	17,029
Full-time equivalent of overtime and holiday hours .....	148	110	100
Reimbursable:			
Total number of full-time permanent positions .....	92	108	116
Total compensable workyears: Full-time equivalent employment .....	94	110	118

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, or for any of the purposes set forth in sections 1004, 1006, 5002, 5003, 5006, 5008, 5009, and 5010 of title 38, United States Code, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is \$2,000,000 or more or where funds for a project were made available in a previous major project appropriation, **[\$382,708,000] \$400,556,000**, to remain available until expended: *Provided*, That, except for advance planning of projects funded through the advance planning fund and the design of projects funded through the Design Fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further*, That funds provided in the appropriation "Construction, major projects" for fiscal year **[1987] 1988**, for each approved project shall be obligated (1) by the awarding of a working drawings contract by September 30, **[1987] 1988** and (2) by the awarding of a construction contract by September 30, **[1988] 1989**: *Provided further*, That the Administrator shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93-344): *Provided further*, That no funds from any other account, except the "Parking garage revolving fund", may be obligated for constructing, altering, extending, or improving a project which

was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Veterans Administration of the project or any part thereof with respect to that part only: *Provided further*, That prior to the issuance of a bidding document for any construction contract for a project approved under this heading (excluding completion items), the director of the affected Veterans Administration medical facility must certify that the design of such project is acceptable from a patient care standpoint.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 36-0110-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Replacement and modernization.....	89,489	426,197	291,290
00.02 Nursing home care.....	18,433	21,348	17,062
00.03 Domiciliaries.....	14,340	16,113	9,206
00.04 Research and education.....	389	18,405	7,972
00.05 Outpatient improvements.....	65,812	13,223	25,064
00.06 Other improvements.....	255,074	350,224	225,063
00.07 National cemeteries.....	7,743	12,096	4,383
00.08 Replacement or renovation of regional offices.....	29	143	484
10.00 Total obligations.....	451,309	857,749	580,524
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,172,142	-1,181,377	-702,336
22.40 Unobligated balance transferred, net.....	25,000	4,000	.....
24.40 Unobligated balance available, end of year.....	1,181,377	702,336	522,368
40.00 Budget authority (appropriation).....	485,544	382,708	400,556
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	451,309	857,749	580,524
72.40 Obligated balance, start of year.....	594,009	655,809	1,061,347
74.40 Obligated balance, end of year.....	-655,809	-1,061,347	-1,170,793
90.00 Outlays.....	389,509	452,211	471,078

The major construction request emphasizes correction of deficiencies in existing facilities. Funding is provided for the construction of a replacement medical center at Dayton, OH, a modernization project at North Chicago, IL, and the design of a modernization project at Atlanta, GA, a new medical center at Palm Beach, FL, and a replacement medical center at Pittsburgh, PA. Additional funds are included to remove asbestos when it is encountered during construction.

The request contains projects which will address fire and safety improvements. In addition, construction funding is provided for one domiciliary project, one outpatient improvement project, two clinical improvement projects, a regional office project and a new national cemetery.

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Replacement and modernization.....	401,204	292,400	190,100
Outpatient and extended care.....	34,173	1,500	34,470
Safety deficiencies.....	33,367	7,840	26,116
Functional modernization and plant maintenance.....	190,859	137,368	131,770
Other departments.....	5,941	600	18,100
Reprogramming.....	-180,000	-57,000	.....
Total budget authority.....	485,544	382,708	400,556

**Object Classification (in thousands of dollars)**

Identification code 36-0110-0-1-703	1986 actual	1987 est.	1988 est.
11.3 Personnel compensation: Other than full-time permanent..	1,807	2,161	2,183
12.1 Personnel benefits: Civilian.....	120	151	153
22.0 Transportation of things.....	4	20	18
23.3 Communications, utilities, and miscellaneous charges.....	313	596	623
24.0 Printing and reproduction.....	2	.....	.....
25.0 Other services.....	28,598	49,749	31,638

26.0 Supplies and materials.....	1,027	1,898	1,516
31.0 Equipment.....	2,707	4,214	3,562
32.0 Lands and structures.....	416,731	798,960	540,831
99.9 Total obligations.....	451,309	857,749	580,524

**Personnel Summary**

Total compensable workyears: Full-time equivalent employment.....	56	60	60
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**CONSTRUCTION, MINOR PROJECTS**

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, including planning, architectural and engineering services, and site acquisition, or for any of the purposes set forth in sections 1004, 1006, 5002, 5003, 5006, 5008, 5009, and 5010 of title 38, United States Code, where the estimated cost of a project is less than \$2,000,000, **[\$80,000,000]** \$121,038,000 to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than \$2,000,000: *Provided*, That not more than **[\$38,000,000]** \$42,738,000 shall be available for expenses of the Office of Facilities, including research and development in building construction technology: *Provided further*, That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Veterans Administration which are necessary because of loss or damage caused by any natural disaster or catastrophe and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 36-0111-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Nursing home care.....	118	2,268	6,507
00.02 Research and education.....	4,400	3,796	5,264
00.03 Outpatient improvements.....	59	5,060	2,374
00.04 Other improvements.....	106,617	133,704	56,617
00.05 Emergency fund.....	10	631	508
00.06 National cemeteries.....	4,980	7,065	10,482
00.07 Computer centers, additions and alterations.....	974	6,587	4,133
00.08 Replacement or renovation of regional offices.....	2,241	3,370	5,494
00.09 General administration.....	34,369	39,194	42,738
10.00 Total obligations.....	153,768	201,675	134,117
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-279,190	-220,499	-98,824
24.40 Unobligated balance available, end of year.....	220,499	98,824	85,745
39.00 Budget authority.....	95,077	80,000	121,038
<b>Budget authority:</b>			
40.00 Appropriation.....	131,061	80,000	121,038
41.00 Transferred to other accounts.....	-35,984	.....	.....
43.00 Appropriation (adjusted).....	95,077	80,000	121,038
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	153,768	201,675	134,117
72.40 Obligated balance, start of year.....	95,684	116,575	163,303
74.40 Obligated balance, end of year.....	-116,575	-163,303	-158,729
90.00 Outlays.....	132,877	154,947	138,691

The Construction, minor projects appropriation, which funds construction projects costing less than \$2 million, is used to modernize patient wards, correct code deficiencies, and update indirect patient care functions. The request includes personnel and administrative costs for the Office of Facilities, which carries out

General and special funds—Continued

CONSTRUCTION, MINOR PROJECTS—Continued

the major and minor construction programs and the parking garage revolving fund.

Object Classification (in thousands of dollars)

Identification code 36-0111-0-1-703	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	24,591	27,633	28,253
11.3 Other than full-time permanent.....	2,443	2,697	2,842
11.5 Other personnel compensation.....	399	515	536
11.9 Total personnel compensation.....	27,433	30,845	31,631
<b>Personnel benefits:</b>			
12.1 Retirement.....	1,774	2,624	4,019
12.1 Other benefits.....	1,484	1,697	1,881
21.0 Travel and transportation of persons: Employee travel (subject to limitation).....	852	1,069	1,200
22.0 Transportation of things.....	244	255	304
23.1 Rental payments to GSA.....	1,547	1,661	1,943
23.3 Communications, utilities, and miscellaneous charges.....	1,023	1,265	1,455
24.0 Printing and reproduction.....	182	240	326
25.0 Other services.....	18,475	12,050	9,394
26.0 Supplies and materials.....	1,179	1,256	1,248
31.0 Equipment.....	746	1,112	1,078
32.0 Lands and structures.....	98,829	147,601	79,638
99.9 Total obligations.....	153,768	201,675	134,117

Personnel Summary

Total number of full-time permanent positions.....	684	742	750
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	754	801	809
Full-time equivalent of overtime and holiday hours.....	5	7	9

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist the several States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by law (38 U.S.C. 5031-5037), **[\$42,400,000] \$42,000,000**, to remain available until September 30, **[1989] 1990**.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 36-0181-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	31,928	48,891	31,418
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-22,665	-11,559	-5,068
24.40 Unobligated balance available, end of year.....	11,559	5,068	15,650
40.00 <b>Budget authority</b> .....	<b>20,822</b>	<b>42,400</b>	<b>42,000</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	31,928	48,891	31,418
72.40 Obligated balance, start of year.....	39,416	54,659	73,105
74.40 Obligated balance, end of year.....	-54,659	-73,105	-70,846
90.00 Outlays.....	16,684	30,445	33,677

In 1988, the VA will obligate \$31,418 thousand to assist seven States to acquire or construct State Home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants, as authorized by law (38 U.S.C. 632), for assisting in the replacement and upgrading of equipment and in rehabilitating the physical plant and facilities of the Veterans Memorial Medical Center, \$500,000, to remain available until September 30, **[1988] 1989**.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 36-0144-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	598	572	756
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-453	-328	-256
24.40 Unobligated balance available, end of year.....	328	256	.....
40.00 <b>Budget authority</b> .....	<b>474</b>	<b>500</b>	<b>500</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	598	572	756
72.40 Obligated balance, start of year.....	450	458	421
74.40 Obligated balance, end of year.....	-458	-421	-677
77.00 Adjustments in expired accounts.....	-29	.....	.....
90.00 Outlays.....	562	608	500

Public Law 99-576, enacted to assure the continued effective care and treatment of U.S. veterans at the Veterans Memorial Medical Center (VMC), provides for an annual grant of \$500 thousand through 1989. The grant is for the replacement and upgrading of equipment and the rehabilitation of the VMC's physical plant and facilities.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

Program and Financing (in thousands of dollars)

Identification code 36-0183-0-1-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	1,765	2,500	2,839
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-8,000	-7,839	-2,839
24.40 Unobligated balance available, end of year.....	7,839	2,839	.....
25.00 Unobligated balance lapsing.....	1,235	2,500	.....
40.00 <b>Budget authority (appropriation)</b> .....	<b>2,839</b>	.....	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,765	2,500	2,839
72.40 Obligated balance, start of year.....	5,271	3,292	3,392
74.40 Obligated balance, end of year.....	-3,292	-3,392	-3,481
77.00 Adjustments in expired accounts.....	-35	.....	.....
90.00 Outlays.....	3,710	2,400	2,750

This program provides for grants to States for the establishment, expansion, and improvement of State-operated veterans cemeteries. No new budget authority is requested for 1988 because sufficient funds are available from a prior year's appropriation to meet expected requirements.

ASSISTANCE FOR HEALTH MANPOWER TRAINING INSTITUTIONS

Program and Financing (in thousands of dollars)

Identification code	36-0182-0-1-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	New State medical schools (total obligations)	-97		
<b>Financing:</b>				
25.00	Unobligated balance lapsing	97		
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net	-97		
72.40	Obligated balance, start of year	1,680	597	
74.40	Obligated balance, end of year	-597		
90.00	<b>Outlays</b>	986	597	

The legislative authorization for this program expired September 30, 1982. Funding is available to meet existing commitments made prior to May 1, 1978.

*New State medical schools.*—Grants have been awarded to assist in the establishment of five new State medical schools where such schools were located in proximity to, and operated in conjunction with, Veterans Administration medical centers.

Object Classification (in thousands of dollars)

Identification code	36-0182-0-1-703	1986 actual	1987 est.	1988 est.
22.0	Transportation of things	-1		
23.3	Communications, utilities, and miscellaneous charges	-1		
25.0	Other services	-14		
26.0	Supplies and materials	-36		
31.0	Equipment	-41		
41.0	Grants, subsidies, and contributions	-4		
99.9	<b>Total obligations</b>	-97		

Public enterprise funds:

LOAN GUARANTY REVOLVING FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out Loan Guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title), \$389,800,000, to remain available until expended.

During [1987] 1988, the resources of the loan guaranty revolving fund shall be available for expenses for property acquisitions, payment of participation sales insufficiencies, and other loan guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title): *Provided*, That the unobligated balances, including retained earnings of the direct loan revolving fund, shall be available, during [1987] 1988, for transfer to the loan guaranty revolving fund in such amounts as may be necessary to provide for the timely payment of obligations of such fund, and the Administrator of Veterans Affairs shall not be required to pay interest on amounts so transferred after the time of such transfer.

During [1987] 1988, with the resources available, gross obligations for direct loans and total commitments to guarantee loans are authorized in such amounts as may be necessary to carry out the purposes of the "Loan guaranty revolving fund".

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	36-4025-0-3-704	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Capital investment:				
00.01	Acquisition of homes	1,119,209	1,150,325	1,160,336

00.02	Property improvements	27,968	39,840	39,635
00.03	Repurchase of loans sold, net	156,775	112,504	93,763
00.05	Direct (vendee) loans	783,275	766,236	755,892
00.06	Cash advances, vendee loans	16,516	37,590	30,567
00.07	Acquisition of defaulted guaranteed loans	13,024	13,676	13,544
00.91	<b>Total capital investment</b>	2,116,767	2,120,171	2,093,737
<b>Operating expenses:</b>				
01.01	Property management expense	62,751	66,984	67,592
01.02	Sales expense	61,402	76,467	75,074
01.03	Interest expense on participation certificates	29,505	29,505	29,505
Loss on defaulted guaranteed loans:				
01.05	Individual homes	365,587	365,094	381,837
01.06	Manufactured homes	31,377	33,379	35,055
01.91	<b>Total operating expenses</b>	550,622	571,429	589,063
10.00	<b>Total obligations</b>	2,667,389	2,691,600	2,682,800
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds: Investment income from: Participation sales fund	-43,610	-42,983	-18,036
Non-Federal sources:				
Loans repaid:				
14.00	Vendee loans	-67,562	-58,600	-59,400
14.00	Acquired loans	-4,075	-1,900	-1,800
14.00	Sale of loans, net	-818,368	-690,000	-744,720
14.00	Sale of homes, cash	-409,700	-492,906	-497,382
14.00	Sale of homes, vendee loans	-783,275	-766,236	-755,892
14.00	Interest on loans	-116,601	-102,550	-88,235
14.00	Rental and other revenue	24,926	18,000	20,100
14.00	Loan origination fee	-258,111	-264,300	-269,100
14.00	Collections of claims (veterans indebtedness)	-25,636	-23,525	-24,635
21.98	Unobligated balance available, start of year: Fund balance	-256,206	-289,062	-147,462
22.98	Unobligated balance transferred, net: Fund balance	1,767	-125,000	-431,638
24.98	Unobligated balance available, end of year: Fund balance	289,062	147,462	147,516
31.00	Redemption of debt			577,684
40.00	<b>Budget authority (appropriation)</b>	200,000		389,800
Relation of obligations to outlays:				
71.00	Obligations incurred, net	165,377	266,600	243,700
72.98	Obligated balance, start of year: Fund balance	-11,510	-8,902	-20,102
74.98	Obligated balance, end of year: Fund balance	8,902	20,102	29,902
90.00	<b>Outlays</b>	162,769	277,800	253,500

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	200,000		389,800
Outlays	162,769	277,800	253,500
Proposed for later transmittal under proposed legislation:			
Budget authority			-389,800
Outlays		-91,000	-389,823
Total:			
Budget authority	200,000		
Outlays	162,769	186,800	-136,323

Status of Direct Loans (in thousands of dollars)

Identification code	36-4025-0-3-704	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public			
Obligations exempt from limitation:				
1131	Direct loans to the public	956,566	916,330	880,222
1132	Defaulted guaranteed loan claims	13,024	13,676	13,544
1150	<b>Total direct loan obligations</b>	969,590	930,006	893,766
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year	1,221,247	1,187,564	1,257,917
Disbursements:				
1231	Direct loans disbursements	799,791	803,826	786,459
1232	Disbursements for guarantee loan claims	13,024	13,676	13,544
1233	Purchases of loans assets from the public	156,775	112,504	93,763
Repayments:				
1251	Repayments and prepayments	-67,514	-55,500	-54,200

**Public enterprise funds—Continued**

**LOAN GUARANTY REVOLVING FUND—Continued**  
(INCLUDING TRANSFER OF FUNDS)—Continued

**Status of Direct Loans (in thousands of dollars)—Continued**

Identification code	36-4025-0-3-704	1986 actual	1987 est.	1988 est.
1253	Loan asset sales to public.....	-818,368	-690,000	-744,720
	Adjustments:			
1262	Write-offs for default.....	-8,766	-8,524	-9,029
1264	Other adjustments, net <sup>1</sup> .....	-108,625	-105,629	-335,567
1290	Outstanding, end of year.....	1,187,564	1,257,917	1,008,167

<sup>1</sup> Includes the adjustments made for discounts on loans sold as well as the net adjustment between the property and loan portfolios.

**Status of Guaranteed Loans (in thousands of dollars)**

Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders.....	38,280,000		
2112	Unused balance of limitation expiring.....	-3,983,067		
2131	Guaranteed loan commitments exempt from limitation.....		35,000,000	29,400,000
2150	Total guaranteed loan commitments.....	34,296,933	35,000,000	29,400,000
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year.....	134,308,514	142,562,434	153,756,150
	Disbursements:			
2231	Disbursements of new guaranteed loans.....	21,965,777	26,198,342	26,701,774
2232	Guarantees of loans sold to the public.....	818,368	634,000	
2251	Repayments and prepayments.....	-12,271,775	-13,314,745	-14,471,816
	Adjustments:			
2261	Terminations for default that result in direct loans.....	-13,024	-13,676	-13,544
2262	Terminations for default that result in acquisition of property.....	-1,528,102	-1,548,798	-1,577,228
2264	Other adjustments, net <sup>1</sup> .....	-717,324	-761,407	-821,191
2290	Outstanding, end of year.....	142,562,434	153,756,150	163,574,145

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year.....	62,766,721	67,695,038	72,017,659
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<sup>1</sup> Includes the net adjustment between the property and loan portfolios.

The purpose of the VA home loan guaranty program is to facilitate the extension of mortgage credit on favorable terms by private lenders to eligible veterans. In the event of foreclosure, the Federal guaranty protects lenders against losses up to a maximum of the lesser of 60 percent of the mortgage amount or \$27,500.

**Budget program—**

**Acquisition of homes.**—The number of acquisitions is expected to decline while the average cost is expected to increase for 1988.

	1986 actual	1987 est.	1988 est.
Number of property acquisitions processed.....	25,539	24,710	23,690
Average amount per acquisition.....	\$43,824	\$46,553	\$48,980
Total obligations (in thousands).....	\$1,119,209	\$1,150,325	\$1,160,336

**Property improvements.**—During 1988 fewer properties will be acquired and lower total expenditures for capital improvements will be necessary to place or maintain properties in the inventory in salable condition.

	1986 actual	1987 est.	1988 est.
Number of properties improved.....	29,899	27,010	25,990
Average amount per property.....	\$935	\$1,475	\$1,525
Total obligations (in thousands).....	\$27,968	\$39,840	\$39,635

**Repurchase of loans sold, net.**—The repurchase estimate for loans is estimated to decrease in 1988 due to selling portfolio loans without recourse.

	1986 actual	1987 est.	1988 est.
Number of loans repurchased.....	4,377	3,057	2,430
Average amount per repurchase.....	\$35,818	\$36,802	\$38,586
Total obligations (in thousands).....	\$156,775	\$112,504	\$93,763

**Direct (vendee) loans.**—This represents a non-cash loan extension when a VA-owned property is sold on terms.

	1986 actual	1987 est.	1988 est.
Number of new vendee loans established.....	18,444	16,830	15,715
Average amount per vendee loan.....	\$42,468	\$45,528	\$48,100
Total obligations (in thousands).....	\$783,275	\$766,236	\$755,892

**Cash advances—**

**Vendee loans.**—Small cash advances are occasionally made to borrowers to cover taxes, hazard insurance, and necessary repairs. These amounts are added to the loan balance.

	1986 actual	1987 est.	1988 est.
Total obligation (in thousands).....	\$16,516	\$37,590	\$30,567

**Acquisition of defaulted guaranteed loans.**—Guaranteed or insured loans in a default status may be purchased by the Administrator to avoid foreclosure.

	1986 actual	1987 est.	1988 est.
Number of loans acquired.....	256	260	250
Average amount per acquisition.....	\$50,875	\$52,600	\$54,176
Total obligations (in thousands).....	\$13,024	\$13,676	\$13,544

**Property management expense.**—As a result of higher average cost, property management expenses will be greater in 1988.

	1986 actual	1987 est.	1988 est.
Average number of properties.....	19,577	20,391	19,596
Average amount per property.....	\$3,205	\$3,285	\$3,449
Total obligations (in thousands).....	\$62,751	\$66,984	\$67,592

**Sales expense.**—Broker's fees are expected to decrease due to a declining inventory of properties available for sale.

	1986 actual	1987 est.	1988 est.
Number of sales.....	27,841	28,010	26,190
Average amount per sale.....	\$2,205	\$2,730	\$2,867
Total obligations (in thousands).....	\$61,402	\$76,467	\$75,074

**Interest expense on participation certificates (in thousands).**

	1986 actual	1987 est.	1988 est.
Total interest accrued on participation certificates.....	29,505	29,505	29,505
Interest accrued to Federal Assets Financing Trust (FAFT) for which insufficiencies are authorized.....	29,505	29,505	29,505
Interest on equal amount of loans in the FAFT trust.....	14,105	13,478	-11,469
Insufficiency.....	43,610	42,983	18,036

	1986 actual	1987 est.	1988 est.
Financed by:			
Investment income from participation sales fund in FAFT trust.....	-43,610	-42,983	-18,036
Carried forward to subsequent year.....	-4,300	-4,300	-4,300
Brought forward from prior year.....	4,300	4,300	4,300

**Budget authority.....**

**Loss on defaulted guaranteed loans.**—The increase in the average claim payment on foreclosed guaranteed loans will result in a higher amount of claims paid to lenders compared to the 1987 level.

	1986 actual	1987 est.	1988 est.
Individual homes:			
Number of claims.....	30,845	27,645	27,056
Average amount per payment.....	\$11,852	\$13,207	\$14,113
Total obligations (in thousands).....	\$365,587	\$365,094	\$381,837
Manufactured homes:			
Number of claims.....	3,777	3,668	3,690
Average amount per payment.....	\$8,307	\$9,100	\$9,500
Total obligations (in thousands).....	\$31,377	\$33,379	\$35,055

**Financing.**—Receipts in 1988 are estimated to be \$14.1 million more than 1987. Revenue from funding fees, vendee loan sales, and selling properties for cash and on terms are estimated to account for 93 percent of total collections. In 1988 this account will redeem participation certificates held in trust by Government National Mortgage Association for the VA loan guaranty revolving fund. Additional budget authority of \$146,046 thousand is requested for this purpose to adjust for the shortfall of reserves in the fund.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (—):</b>			
Revenue.....	416,920	398,033	355,271
Expense.....	—461,632	—435,126	—620,353
Net operating loss (—).....	—44,712	—37,093	—265,082
<b>Nonoperating income or loss (—):</b>			
Proceeds from sale of properties:			
Cash proceeds.....	409,700	492,906	497,382
Other (vendee loans).....	783,275	766,236	755,892
Cost of sales property.....	—1,214,867	—1,282,182	—1,276,192
Net nonoperating loss (—).....	—21,892	—23,040	—22,918
Net loss.....	—66,604	—60,133	—288,000

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	244,696	280,160	127,360	137,657
Accounts receivable, regular (net).....	27,376	1,653	1,700	1,800
Interest collections held by or for trustees: Participation sales fund.....	86,902	91,133	91,133	.....
Loans receivable (net):				
Vendee accounts.....	1,145,419	1,161,694	1,233,917	989,867
Acquired loans.....	75,828	25,870	24,000	18,300
Claims receivable (net).....	202,454	291,084	451,364	595,348
Real property owned (net).....	770,988	842,803	817,326	816,528
Total assets.....	2,553,663	2,694,397	2,746,800	2,559,500
<b>Liabilities:</b>				
Selected liabilities:				
Current:				
Accounts payable including funded accrued liabilities.....	94,828	99,248	95,895	88,000
Deferred credits.....	7,940	12,611	3,500	1,500
Total current liabilities.....	102,768	111,859	99,395	89,500
Long term:				
Participation certificates outstanding: Participation sales fund.....	472,540	472,540	472,540	.....
Principal collections in escrow for trustee: Participation sales fund.....	1,767	.....	.....	.....
Principal payments to be applied to redemption of participation certificates.....	—339,138	—339,135	—339,135	.....
Net long-term liabilities.....	135,169	133,405	133,405	.....
Total liabilities.....	237,937	245,264	232,800	89,500
<b>Government equity:</b>				
Selected equities:				
Unexpended balance:				
Unobligated balance.....	256,206	289,062	147,462	147,516
Invested capital, net.....	2,059,520	2,160,071	2,366,538	2,322,238
Total Government equity.....	2,315,726	2,449,133	2,514,000	2,469,754

**Analysis of changes in Government equity:**

	1986 actual	1987 est.	1988 est.
<b>Paid-in capital:</b>			
Opening balance.....	1,216,088	1,416,088	1,416,088
Transactions: Appropriations.....	200,000	.....	389,800
Closing balance.....	1,416,088	1,416,088	1,805,888

Retained income or deficit (—):			
Opening balance.....	1,099,649	1,033,045	1,097,912
Transactions:			
Net operating income or loss (—).....	—44,712	—37,093	—265,082
Net non-operating income or loss (—).....	—21,892	—23,040	—22,918
Earnings transferred from direct loan.....	.....	125,000	.....
Redemption of participation certificates (net).....	.....	.....	—146,046
Closing balance.....	1,033,045	1,097,912	663,866
Total Government equity (end of year).....	2,449,133	2,514,000	2,469,754

Note.—This statement excludes unfunded contingent liabilities under loan guarantee and insurance programs as follows: 1986, \$62 billion; 1987, \$68 billion; and 1988, \$72 billion.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
36-4025-0-3-704			
25.0 Other services.....	124,153	143,451	142,666
33.0 Investments and loans.....	2,513,731	2,518,644	2,510,629
43.0 Interest and dividends.....	29,505	29,505	29,505
99.9 Total obligations.....	2,667,389	2,691,600	2,682,800

**LOAN GUARANTY REVOLVING FUND**

(Proposal for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
36-4025-2-3-704			
<b>Program by activities:</b>			
Capital investment:			
00.03 Purchase of loans sold, net.....	.....	.....	—7,528
00.05 Direct (vendee) loans.....	.....	.....	—60,472
10.00 Total obligations (object class 33.0).....	.....	.....	—68,000
<b>Financing:</b>			
Offsetting collections from:			
Non-Federal sources:			
14.00 Sale of loans, net.....	.....	.....	42,778
14.00 Sale of homes, cash.....	.....	.....	—64,310
14.00 Sale of homes, vendee loans.....	.....	.....	60,532
14.00 Loan origination fee.....	.....	—91,000	—360,800
21.98 Unobligated balance available, start of year: Fund balance.....	.....	.....	—91,000
24.98 Unobligated balance available, end of year: Fund balance.....	.....	91,000	91,000
40.00 Budget authority (appropriation).....	.....	.....	—389,800
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	.....	—91,000	—389,800
74.98 Obligated balance, end of year: Fund balance.....	.....	.....	—23
90.00 Outlays.....	.....	—91,000	—389,823

**Status of Direct Loans (in thousands of dollars)**

**Position with respect to appropriations act limitation on obligations:**

1111 Limitation on direct loans to the public.....	.....	.....	.....
1131 Obligations exempt from limitation: Direct loans to the public.....	.....	.....	—68,000
1150 Total direct loans obligations.....	.....	.....	—68,000

**Cumulative balance of direct loans outstanding:**

Disbursements:			
1231 Direct loans disbursements.....	.....	.....	—60,472
1233 Purchase of loan assets from the public.....	.....	.....	—7,528
1253 Repayments: Loan asset sales to public.....	.....	.....	42,778
1290 Outstanding end of year.....	.....	.....	—25,222

**Status of Guaranteed Loans (in thousands of dollars)**

**Position with respect to appropriations act limitation on commitments:**

2111 Limitation on guaranteed loans made by private lenders.....	.....	.....	.....
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**Public enterprise funds—Continued**

**LOAN GUARANTY REVOLVING FUND—Continued**

**Status of Guaranteed Loans (in thousands of dollars)—Continued**

2131	Guaranteed loan commitments exempt for limitation	-1,470,000
2150	Total guaranteed loan commitments	-1,470,000
<b>Cumulative balance of guaranteed loans outstandings:</b>		
2231	Disbursements: Disbursements of new guaranteed loans	-1,335,089
2290	Outstanding, end of year	-1,335,089

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year	-587,807
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Legislation is being proposed that would increase the loan origination fee from 1 to 2.5 percent on June 1, 1987. In 1988, this legislation would increase funding fee collections by \$360.8 million. In addition, legislation will be proposed providing guidelines for the disposal of acquired properties. If enacted, between 40 and 60 percent of the properties would be sold on a vendee loan basis. The remaining properties would be sold for cash.

**DIRECT LOAN REVOLVING FUND**

During [1987] 1988, within the resources available, not to exceed \$1,000,000 in gross obligations for direct loans is authorized for specially adapted housing loans (38 U.S.C. chapter 37).

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	36-4024-0-3-704	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Capital investment:</b>				
00.01	Direct loans to veterans	119	190	191
00.02	Direct (vendee) loans	660	966	940
00.03	Cash advances and repurchases, vendee loans	752	1,176	1,183
00.04	Property improvements	34	41	43
00.91	Total capital investment	1,565	2,373	2,357
<b>Operating expenses:</b>				
01.01	Property management, selling and operating expense	1,119	480	478
01.02	Interest expense on participation certificates	6,565	6,565	6,565
01.91	Total operating expenses	7,684	7,045	7,043
10.00	Total obligations	9,249	9,418	9,400
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds: Investment income from: Participation sales fund	-14,535	-12,600	-7,000
<b>Non-Federal sources:</b>				
<b>Loans repaid:</b>				
14.00	Vendee loans	-2,154	-1,000	-900
14.00	Loans to veterans	-27,202	-27,259	-23,600
14.00	Sale of properties, cash	-354	-320	-290
14.00	Sale of properties, vendee loans	-660	-966	-940
14.00	Interest on loans	-9,660	-9,950	-8,500
14.00	Rental and other revenue	-481	-285	-270
21.98	Unobligated balance available, start of year: Fund balance	-77,320	-122,764	-40,726
22.98	Unobligated balance transferred, net: Fund balance	353	125,000	
24.98	Unobligated balance available, end of year: Fund balance	122,764	40,726	72,826
39.00	Budget authority			

<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	-45,797	-42,962	-32,100
72.98	Obligated balance, start of year: Fund balance	-16,899	-34,027	-40,089
74.98	Obligated balance, end of year: Fund balance	34,027	40,089	42,589
90.00	Outlays	-28,669	-36,900	-29,600

**Status of Direct Loans (in thousands of dollars)**

Identification code	36-4024-0-3-704	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public	946	1,000	1,000
1112	Unused balance of direct loan limitation expiring	-886	-802	-802
1131	Obligations exempt from limitation: Direct loans to the public	1,412	2,142	2,123
1150	Total direct loan obligations	1,472	2,340	2,321
1210	Outstanding, start of year	154,339	125,001	102,400
1231	Disbursements: Direct loan disbursements	1,472	2,340	2,321
1251	Repayments: Repayments and prepayments	-29,356	-24,841	-20,521
1262	Adjustments: Write-offs for default	-1,454	-100	-100
1290	Outstanding, end of year	125,001	102,400	84,100

Note.—Previous budgets misclassified some loan transactions of the direct loan revolving fund to be guaranteed loans. This account has not guaranteed loans nor does it propose to do so. The guaranteed loan schedule has been deleted.

**Budget program—**

**Direct loans to veterans.**—Direct loans are made to certain totally disabled veterans to supplement grants authorized to assist the veteran in acquiring suitable housing units, with special features made necessary by the nature of their disabilities.

In 1988, six direct loans in the amount of \$191 thousand are expected to be closed.

	1986 actual	1987 est.	1988 est.
<b>Loans approved:</b>			
Number	2	6	6
Average per loan	\$30,000	\$33,000	\$33,000
Amount (in thousands)	\$60	\$198	\$198
<b>Loans closed:</b>			
Number	4	6	6
Average per loan	\$29,750	\$31,667	\$31,834
Amount (in thousands)	\$119	\$190	\$191

**Direct (vendee) loans.**—A vendee loan is established when a VA-owned property is sold on terms to a veteran or a non-veteran.

	1986 actual	1987 est.	1988 est.
Direct (vendee) loans (in thousands)	\$660	\$966	\$940

**Cash advances and repurchases, vendee loans.**—Small cash advances are occasionally made to borrowers to cover taxes, hazard insurance and necessary repairs. These amounts are added to the current loan balance.

	1986 actual	1987 est.	1988 est.
Cash advances and repurchases, vendee loans (in thousands)	\$752	\$1,176	\$1,183

**Property improvements.**

	1986 actual	1987 est.	1988 est.
Number of properties acquired	73	62	60
Average cost per property	\$466	\$661	\$717
Total cost (in thousands)	\$34	\$41	\$43

**Property management, selling and operating expense.**

	1986 actual	1987 est.	1988 est.
Average number of properties owned	53	52	48
Average cost per property	\$21,113	\$9,231	\$9,958
Total cost (in thousands)	\$1,119	\$480	\$478

**Interest expense on participation certificates.**—This represents the amount paid by VA to the Government National Mortgage Association to pay investors in Federal assets financing trust (FAFT) (in thou-

sands of dollars). In 1988, the last participation certificate will reach maturity.

	1986 actual	1987 est.	1988 est.
Total interest accrued on participation certificates.....	6,565	6,565	6,565
Financed by:			
Investment income earned by participation sales trust.....	-14,535	-12,600	-7,000
Budget authority.....			

**Financing.**—Total collections for 1988 are estimated to decrease \$10.9 million from 1987 collections. This is due to decreases in investment income from the Participation Sales Fund and principal and interest repayments on outstanding loans.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income:</b>			
Revenue.....	24,926	22,970	15,900
Expense.....	-8,221	-7,338	-7,319
Net operating income.....	16,705	15,632	8,581
<b>Nonoperating income: Proceeds from sale of properties:</b>			
Cash.....	354	320	290
Other.....	660	966	940
Net book value of properties sold.....	-1,479	-1,708	-1,635
Net income.....	16,240	15,210	8,176

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
<b>Selected assets:</b>				
Fund balance with Treasury.....	60,421	88,737	637	30,237
Accounts receivable, regular (net).....	2,489	1,591	1,620	2,400
Interest collections held by or for trustee: Participation sales fund.....	26,711	43,668	43,669	
<b>Loans receivable (net):</b>				
Vendee loans.....	16,549	14,843	11,265	11,100
Direct loans to veterans.....	137,790	110,158	91,135	90,959
Real property owned (net).....	1,177	1,456	1,674	2,100
Total assets.....	245,137	260,453	150,000	136,796
<b>Liabilities:</b>				
<b>Selected liabilities:</b>				
<b>Current:</b>				
Accrued interest payable.....	618			
Accounts payable and accrued liabilities.....	11,344	10,743	9,644	900
Deferred credits.....	303	486	500	100
Total current liabilities.....	12,265	11,229	10,144	1,000
<b>Long term:</b>				
Participation certificates outstanding: Participation sales fund.....	105,144	105,144	105,144	
Principal collections in escrow for trustee: Participation sales fund.....	353			
Principal payments to be applied to redemption of participation certificates.....	-92,503	-92,503	-92,503	
Debt issued under borrowing authority: Borrowing from Treasury.....	1,730,078	1,730,078	1,730,078	1,730,078
Net long-term liabilities.....	1,743,072	1,742,719	1,742,719	1,730,078
Total liabilities.....	1,755,337	1,753,948	1,752,863	1,731,078
<b>Government equity:</b>				
<b>Selected equities:</b>				
<b>Unexpended balances:</b>				
Unobligated balance.....	77,320	122,767	40,726	72,826
Undisbursed loan obligations.....	36			

Invested capital, net.....	-1,587,556	-1,616,262	1,643,589	1,667,108
Total Government equity.....	-1,510,200	-1,493,495	-1,602,863	-1,594,282

**Analysis of changes in Government equity:**

<b>Retained income:</b>				
Opening balance.....	-1,510,200	-1,493,495	-1,602,863	
Transactions: Net operating income or loss (-).....	16,705	15,632	8,581	
Distribution of income: Earnings transferred to Loan guaranty revolving fund.....		-125,000		
Total Government equity (end of year).....	-1,493,495	-1,602,863	-1,594,282	

**Object Classification (in thousands of dollars)**

Identification code 36-4024-0-3-704	1986 actual	1987 est.	1988 est.
25.0 Other services.....	1,153	521	521
33.0 Investments and loans.....	1,531	2,332	2,314
43.0 Interest and dividends.....	6,565	6,565	6,565
99.9 Total obligations.....	9,249	9,418	9,400

**CANTEEN SERVICE REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code 36-4014-0-3-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Acquisitions.....	115,008	116,786	120,739
00.02 Direct operations.....	64,742	64,190	70,209
00.91 Total operating expenses.....	179,750	180,976	190,948
01.01 Capital investment: Sales program: Purchase of equipment and leasehold.....	1,947	5,340	5,232
10.00 Total obligations.....	181,697	186,316	196,180
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-183,241	-187,586	-193,246
21.98 Unobligated balance available, start of year: Fund balance.....	-10,118	-3,558	-4,828
24.98 Unobligated balance available, end of year: Fund balance.....	3,558	4,828	1,894
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	8,104		
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-1,544	-1,270	2,934
72.98 Obligated balance, start of year: Fund balance.....	25,417	22,294	19,991
74.98 Obligated balance, end of year: Fund balance.....	-22,294	-19,991	-20,853
90.00 Outlays.....	1,579	1,033	2,072

The Veterans Canteen Service was established to furnish at reasonable prices merchandise and services necessary to the comfort and well-being of veterans in VA medical facilities.

**Financing.**—Operations will be financed from current revenues.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income: Sales program:</b>			
Revenue.....	182,951	187,097	192,888
Expense.....	179,121	185,109	192,549
Net operating income, sales program.....	3,830	1,988	339
<b>Nonoperating income or loss (-):</b>			
Proceeds from sale of equipment.....	14	89	63
Net book value of assets sold.....	-110	-389	-275
Net loss from sale of equipment.....	-96	-300	-212

**Public enterprise funds—Continued**

**CANTEEN SERVICE REVOLVING FUND—Continued**

**Revenue and Expense (in thousands of dollars)—Continued**

	1986 actual	1987 est.	1988 est.
Miscellaneous income.....	276	400	295
Net nonoperating income.....	180	100	83
Net income for the year.....	4,010	2,088	422

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Cash with Treasury, in banks, on hand, and in transit.....	35,535	25,852	24,819	22,747
Accounts receivable (net).....	1,610	1,445	1,600	1,555
Inventories (net).....	24,065	24,635	23,785	24,085
Real property and equipment (net).....	13,917	13,687	16,355	18,811
Other assets (net).....	50	57	67	50
Total assets.....	75,177	65,676	66,626	67,248

<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable including funded accrued liabilities.....	20,009	14,688	13,650	13,950
Unfunded annual leave and coupon books.....	3,507	3,421	3,321	3,221
Total liabilities.....	23,516	18,109	16,971	17,171

<b>Government equity:</b>				
Selected equities:				
Unexpended balances:				
Unobligated balance.....	10,118	3,558	4,828	1,894
Undelivered orders.....	7,068	9,108	8,008	8,508
Invested capital.....	34,475	34,901	36,819	39,675
Total Government equity.....	51,661	47,567	49,655	50,077

**Analysis of changes in Government equity:**

<b>Paid-in capital:</b>				
Opening balance.....	383	383	383	383
Closing balance.....	383	383	383	383
<b>Retained income:</b>				
Opening balance.....	51,278	47,184	49,272	49,694
<b>Transactions:</b>				
Net operating income.....	3,830	1,988	339	83
Net nonoperating income.....	180	100	83	
Reduction pursuant to P.L. 99-177.....	-8,104			
Closing balance.....	47,184	49,272	49,694	
Total Government equity (end of year).....	47,567	49,655	50,077	

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	37,610	40,016	40,550
11.3 Other than full-time permanent.....	6,767	7,200	7,297
11.5 Other personnel compensation.....	531	550	560
11.9 Total personnel compensation.....	44,908	47,766	48,407
12.1 Personnel benefits: Civilian.....	7,441	8,016	10,501
21.0 Travel and transportation of persons.....	318	679	513
22.0 Transportation of things.....	155	195	164
23.3 Communications, utilities and miscellaneous charges.....	3,242	3,422	3,485
24.0 Printing and reproduction.....	255	259	269
25.0 Other services.....	1,720	1,607	1,666
26.0 Supplies and materials.....	121,711	119,032	125,943
31.0 Equipment.....	1,947	5,340	5,232
99.9 Total obligations.....	181,697	186,316	196,180

**Personnel Summary**

Total number of full-time permanent positions.....	2,979	2,949	2,949
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	3,370	3,500	3,500
Full-time equivalent of overtime and holiday hours.....	23	22	22

**SERVICE-DISABLED VETERANS INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
36-4012-0-3-701			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Death claims.....	22,316	22,910	23,580
00.02 All other.....	6,908	6,790	7,220
00.91 Total operating expenses.....	29,224	29,700	30,800
<b>Capital investment:</b>			
01.01 Policy loans.....	5,936	7,800	7,900
01.02 Policy liens.....	95	100	100
01.91 Total capital investment.....	6,031	7,900	8,000
10.00 Total obligations.....	35,255	37,600	38,800
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Payment from Veterans insurance and indemnities.....	-7,796	-2,195	-11,538
<b>Non-Federal sources:</b>			
14.00 Interest on loans.....	-2,543	-2,695	-2,800
14.00 Premiums earned.....	-21,004	-20,190	-20,180
14.00 Optional income settlements.....	-365	-310	-305
14.00 Policy loan repayments.....	-5,616	-5,840	-6,130
14.00 Policy lien repayments.....	-95	-70	-65
21.98 Unobligated balance available, start of year: Fund balance.....	-6,482	-8,646	-2,346
24.98 Unobligated balance available, end of year: Fund balance.....	8,646	2,346	4,564
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-2,164	6,300	-2,218
72.98 Obligated balance, start of year: Fund balance.....	3,094	3,463	3,563
74.98 Obligated balance, end of year: Fund balance.....	-3,463	-3,563	-3,515
90.00 Outlays.....	-2,533	6,200	-2,170

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund finances the payment of claims on nonparticipating life insurance policies issued and currently is open for new issues to veterans having service-connected disabilities. The program provides insurance coverage for service-disabled veterans at standard rates. Administrative expenses are paid from the General operating expenses appropriation.

**Operating costs—**

**Death claims.**—Represents payments to designated beneficiaries.

**All other.**—Represents payments to policyholders who surrender their policies for their cash value and hold endowment policies which have matured.

**Capital investment.**—A policyholder may borrow up to 94 percent of the value of his policy.

The trend in the number and amount of policies in force is indicated in the following table (dollars in thousands):

	1986 actual	1987 est.	1988 est.
Number of policies.....	183,953	181,690	179,140
Insurance in force.....	\$1,668,196	\$1,647,132	\$1,623,533

**Financing.**—Operations are financed from premiums and other receipts. Additional funds are received by transfer from the Veterans insurance and indemnities appropriation, instead of direct appropriations to this fund.

**Operating results and financial condition.**—Since premium and other receipts are insufficient to cover operations, the fund continues to project liabilities in excess

of assets. The deficit is expected to reach an estimated \$227 million by September 30, 1988.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue:			
Funded.....	23,934	23,195	23,285
Unfunded.....	9,255	9,311	9,363
Total revenue.....	33,189	32,506	32,648
Expense.....	-48,106	-48,626	-49,607
Net operating loss.....	-14,918	-16,120	-16,959

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	9,576	12,109	5,909	8,079
Accounts receivable (net).....	1,354	1,417	707	812
Policy loans.....	37,959	38,280	40,240	42,010
Policy liens.....	601	620	655	690
Total assets.....	49,490	52,426	47,511	51,591
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	3,177	3,607	3,055	3,112
Deferred credits.....	1,271	1,274	1,215	1,215
Operating reserves:				
Reserve for cash surrender value....	240,336	250,238	260,384	270,167
Reserve for future installments on matured contracts.....	4,873	4,595	4,070	3,731
Total liabilities.....	249,657	259,714	268,724	278,225
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	6,482	8,646	2,346	4,564
Invested capital.....	-206,649	-215,934	-223,559	-231,198
Total Government equity.....	-200,167	-207,288	-221,213	-226,634
<b>Analysis of changes in Government equity:</b>				
Paid-in capital.....	4,500	4,500	4,500	
Deficit:				
Opening balance.....	-204,666	-211,788	-225,713	
Transactions:				
Net operating loss.....	-14,918	-16,120	-16,959	
Payment from Veterans insurance and indemnities appropriation.....	7,796	2,195	11,538	
Closing balance.....	-211,788	-225,713	-231,134	
Total Government equity (end of year).....	-207,288	-221,213	-226,634	

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4012-0-3-701			
33.0 Investments and loans.....	6,031	7,900	8,000
42.0 Insurance claims and indemnities.....	29,224	29,700	30,800
99.9 Total obligations.....	35,255	37,600	38,800

VETERANS REOPENED INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4010-0-3-701			
<b>Program by activities:</b>			
Operating expenses:			
00.01 Death claims.....	19,118	20,650	21,530
00.02 Dividends.....	35,164	36,320	35,950

00.03 All other.....	66,768	14,230	13,920
00.91 Total operating expenses.....	121,050	71,200	71,400
Capital investment:			
01.01 Policy loans.....	4,980	6,970	6,370
01.02 Policy liens.....	26	30	30
01.91 Total capital investment.....	5,006	7,000	6,400
10.00 Total obligations.....	126,056	78,200	77,800
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on securities.....	-49,535	-47,620	-46,980
Non-Federal sources:			
14.00 Interest on loans.....	-2,141	-2,070	-1,830
14.00 Insurance premiums earned.....	-18,236	-19,609	-19,563
14.00 Optional income settlements.....	-539	-400	-380
14.00 Policy loan repayments.....	-13,171	-9,900	-9,900
14.00 Policy lien repayments.....	-23	-30	-30
14.00 Administrative cost premiums earned.....	-565	-531	-517
Unobligated balance available, start of year: Fund balance:			
21.98 Treasury balance.....	-561	-333	-333
21.98 U.S. securities (par).....	-509,289	-467,670	-469,630
Unobligated balance available, end of year: Fund balance:			
24.98 Treasury balance.....	333	333	333
24.98 U.S. securities (par).....	467,670	469,630	470,130
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	41,846	-1,960	-500
72.98 Obligated balance, start of year.....	5,164	6,887	9,187
74.98 Obligated balance, end of year.....	-6,887	-9,187	-10,887
90.00 Outlays.....	40,123	-4,260	-2,200

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund pays claims and administrative costs on participating life insurance policies issued during the period May 1, 1965, through May 2, 1966, under three life insurance programs: (1) service-disabled standard insurance, (2) service-disabled rated insurance, and (3) nonservice disabled insurance availing disabled World War II and Korean conflict veterans an opportunity to acquire life insurance coverage who were no longer eligible for other Government insurance.

Budget program—

**Death claims.**—Represents payments to designated beneficiaries.

**Dividends.**—Policyholders participate in the distribution of annual dividends.

**All other.**—This represents payments to the General operating expenses appropriation for the administrative costs of processing claims and maintaining the accounts, and to those policyholders who: (a) surrender their policies for cash value; (b) hold endowment policies which have matured; and (c) have purchased total disability income coverage and subsequently become disabled.

**Policy loans made.**—A policyholder may borrow up to 94 percent of the cash value of his policy at an interest rate adjusted to reflect private sector borrowing costs.

The following table reflects the decrease in the number of policies and the amount of insurance in force (dollars in thousands):

	1986 actual	1987 est.	1988 est.
Number of policies.....	132,862	129,180	125,640
Insurance in force.....	\$908,150	\$887,651	\$861,479

**Financing.**—Operations are financed from premiums collected from policyholders and interest on invest-

Public enterprise funds—Continued

VETERANS REOPENED INSURANCE FUND—Continued

ments. Excess earnings of the fund are now distributed to the policyholders in the form of an annual dividend.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue:			
Funded.....	71,016	70,230	69,270
Unfunded.....	1,736	2,409	2,529
Total revenue.....	72,752	72,639	71,799
Expense.....	-73,540	-82,778	-73,855
Net operating income or loss (-).....	-788	-10,139	-2,056

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	561	333	333	333
U.S. securities (par).....	514,453	474,557	478,817	481,017
Accounts receivable (net).....	14,013	12,869	14,079	24,410
Policy loans.....	37,733	29,542	26,612	23,982
Policy liens.....	45	48	47	46
Total assets.....	566,805	517,349	519,888	529,788
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	16,212	16,923	17,062	18,802
Deferred credits.....	2,965	2,833	2,523	2,346
Operating reserves:				
Policy reserves.....	453,155	409,002	423,390	433,114
Premium waiver disability reserves.....	15,085	13,000	15,147	15,179
Reserve for future installments on matured contracts.....	2,353	2,458	2,658	2,902
Total disability income reserves.....	17,007	16,397	19,666	21,185
Reserve for dividends.....	35,142	32,638	25,483	24,357
Total liabilities.....	541,919	493,251	505,929	517,885
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	509,850	468,003	469,963	470,463
Invested capital.....	-484,964	-443,905	-456,004	-458,560
Total Government equity.....	24,886	24,098	13,959	11,903
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....	24,886	24,098	13,959	
Transactions: Net operating income or loss (-).....	-788	-10,139	-2,056	
Closing balance.....	24,098	13,959	11,903	
Total Government equity (end of year).....	24,098	13,959	11,903	

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25.0 Other services.....	1,002	1,340	1,330
33.0 Investments and loans.....	5,006	7,000	6,400
42.0 Insurance claims and indemnities.....	83,583	32,080	32,570
43.0 Dividends and interest.....	36,465	37,780	37,500
99.9 Total obligations.....	126,056	78,200	77,800

EDUCATION LOAN FUND

During fiscal year 1988, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the "Education loan fund" (38 U.S.C. chapters 34 and 36).

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4118-0-3-702			
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	44	40	40
<b>Financing:</b>			
<b>Offsetting collections from: Non-Federal sources:</b>			
14.00 Interest on loans.....	-937	-900	-800
14.00 Loan repayments.....	-1,812	-1,800	-1,750
14.00 Collection on defaulted loans.....	-3,187	-3,577	-3,927
14.00 Loan fees.....	-1	-1	-1
14.00 Recoveries of prior year write-offs.....	-2	-2	-2
21.98 Unobligated balance available, start of year: Fund balance.....	-465	-425	-165
22.98 Unobligated balance transferred, net: Fund balance.....	5,935	6,500	6,500
24.98 Unobligated balance available, end of year: Fund balance.....	425	165	105
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-5,895	-6,240	-6,440
72.10 Receivables in excess of obligations, start of year.....	-296		
72.98 Obligated balance, start of year: Fund balance.....		57	
74.98 Obligated balance, end of year: Fund balance.....	-57		
90.00 <b>Outlays</b> .....	-6,248	-6,183	-6,440

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	1986 actual	1987 est.	1988 est.
<b>Enacted/requested:</b>			
Budget authority.....			
Outlays.....	-6,248	-6,183	-6,440
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority.....			
Outlays.....			-39
<b>Total:</b>			
Budget authority.....			
Outlays.....	-6,248	-6,183	-6,479

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4118-0-3-702			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	44	40	40
1150 Total direct loan obligations.....	44	40	40
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	51,580	46,281	40,536
1231 Disbursements: Direct loan disbursements.....	44	40	40
1251 Repayments: Repayments and prepayments.....	-4,999	-5,379	-5,679
1262 Adjustments: Write-offs for default.....	-344	-406	-500
1290 Outstanding, end of year.....	46,281	40,536	34,397

This fund provides loans of up to \$2,500 to veterans who, but for having passed their delimiting date or for pursuing flight training, would be eligible for training benefits under chapter 34, title 38, U.S.C., and who are without sufficient funds to meet their education related expenses.

WORKLOAD, AMOUNT LOANED AND REPAID

	1986 actual	1987 est.	1988 est.
Number of loans made.....	45	40	40
Average per loan.....	\$978	\$1,000	\$1,000
Number of loans outstanding.....	54,448	47,689	40,467
Average amount per loan outstanding.....	\$850	\$850	\$850
Total amount of loans made (in thousands).....	\$44	\$40	\$40
Repayment of loans (in thousands).....	-\$4,999	-\$5,379	-\$5,679

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	938	901	801
Expense.....	-344	-408	-502
Net operating income.....	594	493	299

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	169	482	165	105
Loans receivable (net).....	51,580	46,281	40,536	34,397
Accounts receivable (net).....	296			
Total assets.....	52,045	46,763	40,701	34,502
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....		57		
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	465	425	165	105
Invested capital.....	51,580	46,281	40,536	34,397
Total Government equity.....	52,045	46,706	40,701	34,502
<b>Analysis of changes in Government equity:</b>				
Paid-in capital:				
Opening balance.....	40,923	34,990	28,492	
Transactions:				
Transfer to other accounts.....	-5,935	-6,500	-6,500	
Other.....	2	2	2	
Closing balance.....	34,990	28,492	21,994	
Retained income:				
Opening balance.....	11,122	11,716	12,209	
Net operating income.....	594	493	299	
Closing balance.....	11,716	12,209	12,508	
Total Government equity (end of year).....	46,706	40,701	34,502	

EDUCATION LOAN FUND

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4118-2-3-702			
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....			-40
<b>Financing:</b>			
14.00 Offsetting collections from: Interest on loans.....			1
24.98 Unobligated balance available, end of year: Fund balance.....			39
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			-39
90.00 Outlays.....			-39

Status of Direct Loans (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....			-40
1150 Total direct loan obligations.....			-40
<b>Cumulative balance of direct loans outstanding:</b>			
1231 Disbursements: Direct loan disbursements.....			-40
1264 Adjustments: Other adjustments, net <sup>1</sup> .....			1
1290 Outstanding, end of year.....			-39

<sup>1</sup> Loan fee adjustment.

Legislation will be requested to repeal the authority permitting the Veterans Administration to make education loans, effective October 1, 1987. The VA Education Loan Program has experienced excessively high default rates. Congress has previously acted to repeal loans available to most veterans. Full repeal of this program would reduce debts owed the government and reduce obligations by \$40 thousand in 1988.

VOCATIONAL REHABILITATION REVOLVING FUND

During fiscal year 1988, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the "Vocational rehabilitation revolving fund" (38 U.S.C. chapter 31).

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4114-0-3-702			
<b>Program by activities:</b>			
10.00 Total obligations (object class 33.0).....	821	900	900
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Loan repayments.....	-899	-890	-885
21.98 Unobligated balance available, start of year: Fund balance.....	-1,362	-1,440	-1,430
24.98 Unobligated balance available, end of year: Fund balance.....	1,440	1,430	1,415
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	-78	10	15
72.98 Obligated balance, start of year: Fund balance.....	17		1
74.98 Obligated balance, end of year: Fund balance.....		-1	-1
90.00 Outlays.....	-61	9	15

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-4114-0-3-702			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	821	900	900
1150 Total direct loan obligations.....	821	900	900
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	404	325	332
1231 Disbursements: Direct loan disbursements.....	821	899	900
1251 Repayments: Repayments and prepayments.....	-899	-890	-885
1262 Adjustments: Write-offs for defaults.....	-1	-2	-2
1290 Outstanding, end of year.....	325	332	345

This fund provides loans up to \$620 to veterans enrolled in a program of vocational rehabilitation who are temporarily in need of additional funds to meet expenses.

**Budget program.**—Interest-free direct loans are granted to veterans in vocational rehabilitation training. The loans are repaid over a period of 10 months by offsets from benefit payments.

**Financing.**—With initial capitalization through an appropriation, the fund is financed solely by repayments. Administrative expenses are borne by the general operating expenses appropriation.

**Operating results.**—The following table presents operating results:

Public enterprise funds—Continued

VOCATIONAL REHABILITATION REVOLVING FUND—Continued

WORKLOAD, AMOUNT LOANED AND REPAID

	1986 actual	1987 est.	1988 est.
Number of loans made.....	4,263	4,100	4,000
Average per loan.....	\$193	\$220	\$225
Number of loans outstanding.....	3,187	3,083	3,035
Average amount per loan outstanding.....	\$102	\$108	\$114
Total amount of loans made (in thousands).....	\$821	\$900	\$900
Repayment of loans (in thousands).....	\$899	\$890	\$885

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating loss (—):			
Expense, net operating loss.....	-1	-3	-2
Analysis of changes in Government equity:			
Paid-in capital: Opening balance.....	1,847	1,847	1,847
Deficit: Opening balance.....	-81	-82	-85
Net operating loss.....	-1	-3	-2
Closing balance.....	-82	-85	-87
Total Government equity (end of year).....	1,765	1,762	1,760

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	1,379	1,440	1,430	1,415
Loans receivable (net).....	404	325	333	346
Total assets.....	1,783	1,765	1,763	1,761
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities.....	17		1	1
<b>Government equity:</b>				
Selected equities:				
Unexpended balances: Unobligated balance.....	1,362	1,440	1,430	1,415
Invested capital.....	404	325	332	345
Total Government equity.....	1,766	1,765	1,762	1,760

SERVICEMEN'S GROUP LIFE INSURANCE FUND

Program and Financing (in thousands of dollars)

Identification code 36-4009-0-3-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Premium payments.....	131,197	154,670	154,660
00.02 Payment to General operating expenses appropriation.....	319	330	340
10.00 Total obligations (object class 25.0).....	131,516	155,000	155,000
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on securities.....	-12,499	-12,800	-13,200
14.00 Non-Federal sources: Withholdings from service pay ....	-128,550	-155,000	-155,000
Unobligated balance available, start of year: Fund balance:			
21.98 Treasury balance.....	-9,037	-5,869	-5,869
21.98 U.S. securities (par).....	-120,497	-133,198	-145,998
Unobligated balance available, end of year: Fund balance:			
24.98 Treasury balance.....	5,869	5,869	5,869
24.98 U.S. securities (par).....	133,198	145,998	159,198
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-9,533	-12,800	-13,200
72.10 Receivables in excess of obligations, start of year.....	-2,998	-6,805	-3,005
74.10 Receivables in excess of obligations, end of year.....	6,805	3,005	3,305
90.00 Outlays.....	-5,726	-16,600	-12,900

*Budget program.*—This fund finances the payment of group life insurance premiums to private insurance companies under the Servicemen's Group Life Insurance Act of 1965, as amended.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (—):			
Revenue.....	141,049	167,800	168,200
Expense.....	-131,516	-155,000	-155,000
Net operating income or loss (—).....	9,533	12,800	13,200

SPECIAL THERAPEUTIC AND REHABILITATION ACTIVITIES FUND

Program and Financing (in thousands of dollars)

Identification code 36-4048-0-3-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	2,140	2,400	2,500
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources (38 U.S.C. 618).....	-2,081	-2,400	-2,500
21.98 Unobligated balance available, start of year: Fund balance.....	-1,148	-989	-989
24.98 Unobligated balance available, end of year: Fund balance.....	989	989	989
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	100		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	59		
72.10 Receivables in excess of obligations, start of year.....	-140	-140	-110
74.10 Receivables in excess of obligations, end of year.....	140	110	80
90.00 Outlays.....	59	-30	-30

This revolving fund, established pursuant to the Veterans Omnibus Health Care Act of 1976, Public Law 94-581, provides a mechanism for the furnishing of rehabilitative services to certain veteran beneficiaries who are receiving medical care and treatment from the Veterans Administration.

Funds to operate the various rehabilitative activities and provide for the therapeutic work for remuneration for patients and members in Veterans' Administration health care facilities are derived from contractual arrangements with private industry or nonprofit entities. This is a self-sustaining fund, and therefore no appropriation is required to support these activities.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (—):			
Revenue.....	2,081	2,400	2,500
Expense.....	-2,031	-2,400	-2,500
Net operating income.....	50		

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Fund balance with Treasury.....	1,009	850	880	910
Accounts receivable (net).....	218	250	250	250
Real property and equipment (net).....	279	361	361	361
Total assets.....	1,506	1,461	1,491	1,521

**Liabilities:**

Selected liabilities:

Accounts payable including funded accrued liabilities.....	79	84	114	144
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**Government equity:**

Selected equities:

Unexpended balances: Unobligated balance.....	1,148	1,116	1,016	1,016
Invested capital.....	279	361	361	361
Pursuant to P.L. 99-177.....	-100			
<b>Total Government equity.....</b>	<b>1,427</b>	<b>1,377</b>	<b>1,377</b>	<b>1,377</b>

**Analysis of changes in Government equity:**

Paid-in capital:

Opening balance.....		1,427	1,377	1,377
Net operating income.....		50		
Pursuant to P.L. 99-177.....		-100		71
<b>Closing balance.....</b>		<b>1,377</b>	<b>1,377</b>	<b>1,377</b>
<b>Total Government equity (end of year).....</b>		<b>1,377</b>	<b>1,377</b>	<b>1,377</b>

**Object Classification (in thousands of dollars)**

Identification code 36-4048-0-3-703	1986 actual	1987 est.	1988 est.
25.0 Other services.....	1,870	2,098	2,185
26.0 Supplies and materials.....	270	302	315
<b>99.9 Total obligations.....</b>	<b>2,140</b>	<b>2,400</b>	<b>2,500</b>

**PARKING GARAGE REVOLVING FUND**

(INCLUDING TRANSFER OF FUNDS)

For the parking garage revolving fund as authorized by law (38 U.S.C. 5009), **[\$30,000,000] \$4,100,000**, together with income from fees collected, to remain available until expended [of which \$4,000,000, shall be derived by transfer from "Construction, major projects"]. Resources of this fund shall be available for all expenses authorized by 38 U.S.C. 5009.

**[During 1987, within the resources available, gross obligations of the "Parking garage revolving fund" shall not exceed \$31,000,000.]**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 36-4538-0-3-703	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Parking leases: Fee-initiated.....		374	374
00.02 Parking leases: Others.....		201	220
00.91 Total operating expense.....		575	594
01.01 Capital investment parking construction program: Capital investment.....		17,805	12,948
<b>10.00 Total obligations.....</b>		<b>18,381</b>	<b>13,542</b>
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			-200
21.40 Unobligated balance available, start of year.....			-11,619
22.40 Unobligated balance, transferred net.....		-4,000	
24.40 Unobligated balance, end of year.....		11,619	2,377
<b>40.00 Budget authority (appropriation).....</b>		<b>26,000</b>	<b>4,100</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		18,381	13,342
72.40 Obligated balance, start of year.....			17,688
74.40 Obligated balance, end of year.....		-17,688	-24,536
<b>90.00 Outlays.....</b>		<b>693</b>	<b>6,494</b>

This project will provide funding for a new 330 car parking garage at the Huntington, WV, Medical Center. This project is an integral part of the planned clinical addition at Huntington, for which funds are being re-

quested in 1988 through the construction, major projects account.

**Object Classification (in thousands of dollars)**

Identification code 36-4538-0-3-703	1986 actual	1987 est.	1988 est.
99.0 Reimbursable obligations.....		575	594
22.0 Land and structures: Parking garages.....		17,806	12,948
<b>99.9 Total obligations.....</b>		<b>18,381</b>	<b>13,542</b>

**Intragovernmental funds:**

**SUPPLY FUND**

**Program and Financing (in thousands of dollars)**

Identification code 36-4537-0-4-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Procurement, distribution, and services program:</b>			
00.01 Cost of goods sold.....	677,814	769,890	819,513
00.02 Other.....	22,554	24,471	24,990
<b>Publication and reproduction program:</b>			
00.03 Cost of goods sold.....	10,090	9,665	10,130
00.04 Other.....	4,464	4,594	4,753
<b>00.91 Total operating expenses.....</b>	<b>714,922</b>	<b>808,620</b>	<b>859,386</b>
<b>Capital investment:</b>			
01.01 Procurement, distribution, and services program: Purchase of equipment.....	526	930	611
01.02 Publication and reproduction program: Purchase of equipment.....	86	450	3
<b>01.91 Total capital investment.....</b>	<b>612</b>	<b>1,380</b>	<b>614</b>
<b>10.00 Total obligations.....</b>	<b>715,534</b>	<b>810,000</b>	<b>860,000</b>
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-715,896	-805,629	-859,736
21.98 Unobligated balance available, start of year: Fund balance.....	-44,046	-44,408	-40,037
24.98 Unobligated balance available, end of year: Fund balance.....	44,408	40,037	39,773
<b>39.00 Budget authority.....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	-362	4,371	264
72.98 Obligated balance, start of year: Fund balance.....	121,011	103,189	107,560
74.98 Obligated balance, end of year: Fund balance.....	-103,189	-107,560	-107,824
<b>90.00 Outlays.....</b>	<b>17,460</b>		

Under the provisions of 38 U.S.C. 5021, the Supply fund finances, on a reimbursable basis, the cost of warehouse inventories at depots and field stations and selected items of equipment procured centrally. It also finances, on the same basis, items and services to other Federal agencies who either request or are assigned to the Veterans Administration for support by the Office of Federal Procurement Policy.

**Budget program.**—The fund provides financial support for: (1) maintenance of depot and field station inventories; (2) maintenance and operation of three supply depots; (3) operation of a service and reclamation program operating out of the supply depots; (4) centralized periodical procurement; (5) a marketing center or central buying office; and (6) a publications depot that provides forms for VA installations on a centralized basis.

The supply fund does not finance costs for the operation and administration of supply activities at VA field stations. These costs are charged directly to applicable appropriations.

**Intragovernmental funds—Continued**  
**SUPPLY FUND—Continued**

**Financing.**—Costs of supplies, equipment, and services acquired through the Supply fund and Supply fund operating costs are recovered through reimbursements from the VA appropriations and other Government agencies receiving goods and services. For 1988 Supply fund sales are estimated to reach \$824 million. Average inventory needed to support those sales will be \$120 million.

**Operating results.**—The fund operated at a profit of \$3.5 million in 1986. The new total of retained earnings is \$49.3 million, which has been used to finance inventory growth. Operating expense as related to sales was 4.8 percent.

**Object Classification (in thousands of dollars)**

Identification code 36-4537-0-4-705	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	15,140	15,615	15,130
11.3 Other than full-time permanent.....	138	200	225
11.5 Other personnel compensation.....	283	406	414
11.9 Total personnel compensation.....	15,561	16,221	15,769
12.1 Personnel benefits: Civilian.....	2,096	2,183	2,129
<b>Travel and transportation of persons:</b>			
21.0 Employee travel.....	408	662	721
21.0 Interagency motor pool payments.....	32	47	51
21.0 All other.....	4	7	7
22.0 Transportation of things.....	1,319	1,387	1,439
23.1 Rental payments to GSA.....	1,533	1,680	1,680
23.2 Rental payments to others.....	251	435	456
23.3 Communications, utilities, and miscellaneous charges.....	815	1,106	901
24.0 Printing and reproduction.....	10,258	9,929	10,409
25.0 Other services.....	2,959	2,784	3,608
26.0 Supplies and materials.....	584,602	647,179	702,216
31.0 Equipment for use of fund.....	612	1,380	614
31.0 Equipment for sale to others.....	95,084	125,000	120,000
99.9 Total obligations.....	715,534	810,000	860,000

**Personnel Summary**

Total number of full-time permanent positions.....	610	606	560
<b>Total compensable workyears:</b>			
Full-time equivalent employment.....	608	609	563
Full-time equivalent of overtime and holiday hours.....	7	7	7

**Trust Funds**

**POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT**

**Program and Financing (in thousands of dollars)**

Identification code 36-8133-0-7-702	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Payment to post-Vietnam era trainees.....	121,929	137,060	142,450
00.02 Payment to section 901 trainees.....	1,717	3,210	2,860
00.03 Participant disenrollments.....	103,417	93,600	74,400
10.00 Total obligations.....	227,063	233,870	219,710
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-551,678	-648,491	-655,871
24.40 Unobligated balance available, end of year.....	648,491	655,871	638,021
60.00 Budget authority (appropriation) (permanent, indefinite).....	323,875	241,250	201,860
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	227,063	233,870	219,710
72.40 Obligated balance, start of year.....	1,845	3,657	4,027
74.40 Obligated balance, end of year.....	-3,657	-4,027	-4,137
90.00 Outlays.....	225,251	233,500	219,600

This account consists of voluntary contributions by eligible servicepersons and matching contributions provided by the Department of Defense. The fund provides educational assistance payments to participants who entered the service after December 31, 1976, and are pursuing training under chapter 32, title 38. U.S.C. Public Law 96-342, the Department of Defense Authorization Act, 1981, added two educational assistance programs for certain individuals who enlisted or reenlisted in the Army, Navy, Air Force or Marine Corps after September 30, 1980 and before October 1, 1981. Section 901 of that act is a non-contributory program with educational assistance provided by the Department of Defense. Section 903 authorizes the Department of Defense to make monthly contributions for certain post Vietnam-era participants. Public Law 98-525, enacted October 19, 1984, precluded new enrollments into this program during the period July 1, 1985 to June 30, 1988. Public Law 99-576, enacted October 28, 1986, closed the program permanently for new enrollments but does provide a grace period for new enrollments of eligible servicepersons until March 31, 1987. The estimated activity in the fund follows:

**CONTRIBUTIONS, PARTICIPANTS, DISENROLLMENTS, REFUNDS AND TRAINEES**

	[In thousands]		
	1986 actual	1987 est.	1988 est.
Total budget authority.....	\$323,875	\$241,250	\$201,860
<b>Servicepersons.....</b>			
Transferred from Department of Defense (bonus).....	\$46,517	\$57,400	\$61,700
Transferred from Department of Defense (matching).....	\$64,286	\$67,640	\$70,300
Transferred from Department of Defense (Section 901).....	\$1,876	\$3,210	\$2,860
Transferred from Department of Defense (Section 903).....	\$2,076	\$2,000	\$2,000
Total participants (end of year).....	628,630	550,630	488,630
Total contributors (end of year).....	294,907	150,000	100,000
Average contribution per contributor (actual dollars).....	\$709	\$740	\$650
Number of disenrollments.....	94,365	78,000	62,000
Total refunds.....	\$103,417	\$93,600	\$74,400
Total trainees.....	63,221	71,200	74,000
Total trainee cost.....	\$121,929	\$137,060	\$142,450
Average cost per trainee (actual dollars).....	\$1,929	\$1,925	\$1,925
Section 901 trainees.....	679	1,200	1,000
Section 901 trainee cost.....	\$1,717	\$3,210	\$2,860

The status of the fund, excluding noncash transactions, is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Undisbursed balance of fund, start of year.....	553,523	652,148	659,898
<b>Cash income during the year: Proprietary receipts (contributions from servicepersons).....</b>			
	209,120	111,000	65,000
<b>Intrabudgetary transactions: (contributions from Department of Defense).....</b>			
	114,755	130,250	136,860
Total annual income.....	323,875	241,250	201,860
<b>Cash outlays during the year:</b>			
Payments to trainees.....	121,834	139,900	145,200
Refunds to participants (disenrollments).....	103,417	93,600	74,400
Total cash outlay.....	225,251	233,500	219,600
Undisbursed balance of fund, end of year.....	652,148	659,898	642,158

**Object Classification (in thousands of dollars)**

Identification code 36-8133-0-7-702	1986 actual	1987 est.	1988 est.
41.0 Grants, subsidies, and contributions.....	123,646	140,270	145,310
44.0 Refunds.....	103,417	93,600	74,400
99.9 Total obligations.....	227,063	233,870	219,710

**GENERAL POST FUND, NATIONAL HOMES**

**Program and Financing (in thousands of dollars)**

Identification code	36-8180-0-7-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Religious, recreational, and entertainment activities (total obligations)	11,187	13,000	14,000
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance	-1,272	-1,687	-2,011
21.40	U.S. securities (par)	-16,930	-19,324	-20,500
Unobligated balance available, end of year:				
24.40	Treasury balance	1,687	2,011	1,911
24.40	U.S. securities (par)	19,324	20,500	21,600
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>13,996</b>	<b>14,500</b>	<b>15,000</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	11,187	13,000	14,000
72.10	Receivables in excess of obligations, start of year		-411	-411
72.40	Obligated balance, start of year: Treasury balance	246		
74.10	Receivables in excess of obligations, end of year	411	411	411
90.00	Outlays	11,844	13,000	14,000

This fund consists of gifts, bequests, and proceeds of sale of property left in the care of the facilities by former beneficiaries, patient's fund balances and proceeds of sale of effects of beneficiaries who die leaving no heirs or without having otherwise disposed of their estate. Such funds are used to promote the comfort and welfare of veterans at hospitals, nursing homes, and domiciliaries where no general appropriation is available. (38 U.S.C. chs. 83 and 85.)

**Object Classification (in thousands of dollars)**

Identification code	36-8180-0-7-705	1986 actual	1987 est.	1988 est.
23.3	Communications, utilities, and miscellaneous charges	1,628	1,892	2,038
25.0	Other services	803	933	1,005
26.0	Supplies and materials	5,130	5,962	6,422
31.0	Equipment	3,257	3,784	4,076
32.0	Lands and structures	335	389	419
44.0	Refunds	34	40	40
99.9	<b>Total obligations</b>	<b>11,187</b>	<b>13,000</b>	<b>14,000</b>

**NATIONAL SERVICE LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code	36-8132-0-7-701	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Death claims	498,361	517,050	544,370
00.02	Disability claims	24,872	25,300	25,480
00.03	Matured endowments	66,454	59,950	50,570
00.04	Cash surrenders	54,435	56,090	54,390
00.05	Dividends	764,086	817,000	860,000
00.06	Interest paid on dividend credits and deposits	45,289	49,610	53,990
00.07	Other expenses	-959		
00.91	<b>Total operating expenses</b>	<b>1,452,538</b>	<b>1,525,000</b>	<b>1,588,800</b>
Capital investment:				
01.01	Policy loans	91,542	98,200	96,900
01.02	Policy liens	264	300	300
01.91	<b>Total capital investment</b>	<b>91,806</b>	<b>98,500</b>	<b>97,200</b>
10.00	<b>Total obligations</b>	<b>1,544,344</b>	<b>1,623,500</b>	<b>1,686,000</b>
<b>Financing:</b>				
Offsetting collections from: Non-Federal sources:				
14.00	Optional income settlements	-9,982	-9,720	-9,330
14.00	Policy loan repayments	-147,094	-136,520	-131,500

14.00	Policy lien repayments	-198	-270	-270
14.00	Income offsets and adjustments (net)	-289,933	-356,890	-390,000
21.98	Unobligated balance available, start of year: U.S. securities (par)	-8,841,478	-9,111,354	-9,363,054
24.98	Unobligated balance available, end of year: U.S. securities (par)	9,111,354	9,363,054	9,583,254
60.00	<b>Budget authority (appropriation) (permanent, indefinite)</b>	<b>1,367,013</b>	<b>1,371,800</b>	<b>1,375,100</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net	1,097,137	1,120,100	1,154,900
Obligated balance, start of year:				
72.40	Treasury balance	16,221	8,587	8,587
72.40	U.S. securities (par)	589,546	656,909	730,409
Obligated balance, end of year:				
74.40	Treasury balance	-8,587	-8,587	-8,587
74.40	U.S. securities (par)	-656,909	-730,409	-799,409
90.00	Outlays	1,037,408	1,046,600	1,085,900

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1940 for the World War II servicemen's and veterans' insurance program. Over 22 million policies have been issued under this program. Activity of the fund reflects a rising claim workload. The trend in the number and amount of policies in force is shown as follows (dollars in thousands):

	1986 actual	1987 est.	1988 est.
Number of policies	3,007,746	2,917,830	2,829,240
Insurance in force	\$21,678,912	\$21,836,998	\$21,627,365

The status of the fund, excluding noncash transactions, is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Undisbursed balance of fund, start of year	9,447,245	9,776,850	10,102,050
Cash income during the year: Proprietary receipts	440,963	403,110	402,310
Intrabudgetary transactions: Interest and profits on investments in securities	924,451	966,600	970,760
Payment from general and special funds	1,598	2,090	2,030
<b>Total annual income</b>	<b>1,367,013</b>	<b>1,371,800</b>	<b>1,375,100</b>
Cash outlay during the year:			
Benefit payments	1,092,894	1,084,890	1,120,470
Net lending	-55,486	-38,290	-34,570
<b>Total cash outlay</b>	<b>1,037,408</b>	<b>1,046,600</b>	<b>1,085,900</b>
Undisbursed balance of fund, end of year	9,776,850	10,102,050	10,391,250

This fund is operated on a commercial basis to the extent possible except that administrative expenses are charged to the General operating expenses account.

The income of the fund is derived from premium receipts, interest on investments, and payments which are made to the fund from the Veterans insurance and indemnities appropriation.

Assets of the fund, which are largely invested in special Treasury interest-bearing securities and in policy loans, are expected to increase from \$11,322 million as of September 30, 1987 to \$11,583 million as of September 30, 1988. The actuarial estimate of policy obligations as of September 30, 1987, total \$11,262 million, leaving a balance of \$60 million for contingency reserves.

**Object Classification (in thousands of dollars)**

Identification code	36-8132-0-7-701	1986 actual	1987 est.	1988 est.
33.0	Investments and loans	91,806	98,500	97,200
42.0	Insurance claims and indemnities	643,163	658,390	674,810

**NATIONAL SERVICE LIFE INSURANCE FUND—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code	1986 actual	1987 est.	1988 est.
36-8132-0-7-701			
43.0 Dividends and interest.....	809,375	866,610	913,990
99.9 Total obligations.....	1,544,344	1,623,500	1,686,000

**UNITED STATES GOVERNMENT LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
36-8150-0-7-701			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Death claims.....	28,811	27,030	24,400
00.02 Disability claims.....	1,260	1,070	910
00.03 Matured endowments.....	1,614	2,220	2,420
00.04 Cash surrenders.....	1,008	1,300	1,210
00.05 Dividends.....	14,667	13,650	12,570
00.06 Interest paid on dividend credits and deposits.....	1,273	1,260	1,240
00.91 Total operating expenses.....	48,633	46,530	42,750
<b>Capital investment:</b>			
01.01 Policy loans.....	1,464	1,790	1,390
01.02 Policy liens.....	23	30	30
01.91 Total capital investment.....	1,487	1,820	1,420
10.00 Total obligations.....	50,120	48,350	44,170
<b>Financing:</b>			
<b>Offsetting collections from: Non-Federal sources:</b>			
14.00 Optional income settlements.....	-408	-480	-450
14.00 Policy loan repayments.....	-4,746	-4,090	-3,700
14.00 Policy lien repayments.....	-27	-30	-30
14.00 Income offsets and adjustments (net).....	-1,143	-1,010	-920
21.98 Unobligated balance available, start of year: U.S. securities (par).....	-246,518	-222,366	-197,156
24.98 Unobligated balance available, end of year: U.S. securities (par).....	222,366	197,156	173,606
60.00 Budget authority (appropriation) (permanent, indefinite).....	19,644	17,530	15,520
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	43,796	42,740	39,070
<b>Obligated balance, start of year:</b>			
72.40 Treasury balance.....	1,331	310	310
72.40 U.S. securities (par).....	22,435	22,513	22,163
<b>Obligated balance, end of year:</b>			
74.40 Treasury balance.....	-310	-310	-310
74.40 U.S. securities (par).....	-22,513	-22,163	-21,603
90.00 Outlays.....	44,739	43,090	39,630

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1919 to receive premiums and pay claims on insurance issued under the provisions of the War Risk Insurance Act. The general decline in the activity of the fund is indicated in the following table (dollars in thousands):

	1986 actual	1987 est.	1988 est.
Number of policies.....	58,144	52,250	46,970
Insurance in force.....	\$222,854	\$198,280	\$175,428

The status of the fund, excluding noncash transactions, is as follows (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Undisbursed balance of fund, start of year.....	270,284	245,189	219,629
Cash income during the year: Proprietary receipts.....	143		
Intrabudgetary transactions:			
Interest and profits on investments in securities.....	19,504	17,517	15,508

Payments from general and special funds.....	-3	13	12
Total annual income.....	19,644	17,530	15,520
<b>Cash outlay during the year:</b>			
Benefit payments.....	48,025	45,390	41,940
Net lending.....	-3,286	-2,300	-2,310
Total annual outlay.....	44,739	43,090	39,630
Undisbursed balance of fund, end of year.....	245,189	219,629	195,519

The fund is operated on a commercial basis to the extent possible except that administrative expenses are charged to the General operating expenses account.

The income of the fund is derived from interest on investments and payments from the Veterans insurance and indemnities appropriation. Effective January 1, 1983, premiums were discontinued since reserves held in the fund were adequate to meet future liabilities of the program.

Assets of the fund, which are largely invested in interest-bearing securities and policy loans, are estimated to decrease from \$246 million as of September 30, 1987, to \$219 million as of September 30, 1988, as an increasing number of policies mature through death or disability. The actuarial evaluation of policy obligations as of September 30, 1987, totals \$241 million, leaving a balance of \$5 million for contingency reserves.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
36-8150-0-7-701			
33.0 Investments and loans.....	1,487	1,820	1,420
42.0 Insurance claims and indemnities.....	32,693	31,620	28,940
43.0 Dividends and interest.....	15,940	14,910	13,810
99.9 Total obligations.....	50,120	48,350	44,170

**VETERANS SPECIAL LIFE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
36-8455-0-8-701			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Death claims.....	23,040	25,930	27,470
00.02 Cash surrenders.....	9,174	10,680	10,980
00.03 Dividends.....	69,020	75,180	79,350
00.04 All other.....	8,242	8,810	10,900
00.91 Total operating expenses.....	109,476	120,600	128,700
<b>Capital investment:</b>			
01.01 Policy loans.....	11,081	12,270	12,270
01.02 Policy liens.....	14	30	30
01.91 Total capital investment.....	11,095	12,300	12,300
10.00 Total obligations.....	120,571	132,900	141,000
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Interest on securities.....	-90,079	-97,240	-102,480
<b>Non-Federal sources:</b>			
14.00 Interest on loans.....	-4,865	-4,860	-4,820
14.00 Premiums earned.....	-74,159	-78,730	-77,900
14.00 Optional income settlements.....	-548	-490	-460
14.00 Policy loan repayments.....	-12,723	-12,450	-12,410
14.00 Policy lien repayments.....	-11	-30	-30
21.98 Unobligated balance available, start of year: Fund balance: U.S. securities (par).....	-899,275	-961,089	-1,021,989
24.98 Unobligated balance available, end of year: Fund balance: U.S. securities (par).....	961,089	1,021,989	1,079,089
39.00 Budget authority.....			

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-61,814	-60,900	-57,100
	Obligated balance, start of year: Fund balance:			
72.98	Treasury balance.....	578	487	487
72.98	U.S. securities (par).....	42,599	53,032	54,232
	Obligated balance, end of year: Fund balance:			
74.98	Treasury balance.....	-487	-487	-487
74.98	U.S. securities (par).....	-53,032	-54,232	-57,032
90.00	Outlays.....	-72,156	-62,100	-59,900

Note.—The Veterans Administration insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund finances the payment of claims on life insurance policies issued before January 3, 1957, to veterans who served in the Armed Forces subsequent to April 1, 1951. No new policies can be issued. Policyholders may elect to purchase total disability income coverage with the payment of additional premiums.

**Budget program—**

**Death claims.**—Represents payments to designated beneficiaries.

**Cash surrenders.**—A policyholder may terminate his or her insurance by cashing in the policy for its cash value.

**Dividends.**—Policyholders participate in the distribution of annual dividends.

**All other.**—Classified in this category are payments to policyholders who: (a) hold endowment policies which have matured; (b) have purchased total disability income coverage and subsequently become disabled; and (c) are paid interest on dividend credits and deposits.

The following table reflects the decrease in the number of policies and the amounts of insurance in force (dollars in thousands):

	1986 actual	1987 est.	1988 est.
Number of policies.....	357,148	337,710	320,320
Insurance in force.....	\$3,162,200	\$3,041,484	\$2,913,708

**Financing.**—Payments from this fund are financed primarily from premium receipts and interest on investments.

**Operating results and financial condition.**—Favorable mortality experience on insurance written against this fund has kept death claim payments well below the amount of premium and interest receipts, thereby producing an annual increase in the total revenue of the fund. Excess earnings of the fund are now distributed to the policyholders in the form of an annual dividend.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Operating income:			
Revenue:			
Funded.....	169,651	181,320	185,660
Unfunded.....	2,229	2,409	2,529
Total revenue.....	171,880	183,729	188,189
Expense.....	-172,504	-185,333	-189,375
Net operating income or loss (-).....	-624	-1,604	-1,186

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
Assets:				
Selected assets:				
Fund balance with Treasury.....	578	487	487	487
U.S. securities (par).....	941,874	1,014,121	1,076,221	1,136,121

Accounts receivable (net).....	23,760	26,298	16,596	16,690
Policy loans.....	79,643	78,001	77,821	77,681
Policy liens.....	46	49	49	49
Total assets.....	1,045,901	1,118,956	1,171,174	1,231,028

Liabilities:				
Selected liabilities:				
Accounts payable including funded accrued liabilities.....	47,845	58,503	55,233	58,705
Deferred credits.....	19,091	21,313	16,081	15,503
Operating reserves:				
Policy reserves.....	752,811	805,512	870,358	926,343
Premium waiver disability reserves..	70,258	69,715	66,845	64,938
Reserve for future installments on matured contracts.....	6,354	6,100	5,726	5,435
Reserve for dividends.....	69,126	76,330	77,800	82,000
Total disability income reserves.....	50,166	51,857	51,109	51,266
Total liabilities.....	1,015,651	1,089,330	1,143,152	1,204,192

Government equity:				
Selected equities:				
Unexpended balances: Unobligated balance.....	899,275	961,089	1,021,989	1,079,089
Invested capital.....	-869,026	-931,463	-993,967	-1,052,253
Total Government equity.....	30,250	29,626	28,022	26,836

Analysis of changes in trust equity:				
Retained income:				
Opening balance.....	30,250	29,626	28,022	
Transactions: Net operating income or loss.....	-624	-1,604	-1,186	
Closing balance—total trust equity (end of year).....	29,626	28,022	26,836	

**Object Classification (in thousands of dollars)**

Identification code 36-8455-0-8-701	1986 actual	1987 est.	1988 est.
33.0 Investments and loans.....	11,095	12,300	12,300
42.0 Insurance claims and indemnities.....	36,178	40,850	44,580
43.0 Dividends and interest.....	73,298	79,750	84,120
99.9 Total obligations.....	120,571	132,900	141,000

**ADMINISTRATIVE PROVISIONS**

**(INCLUDING TRANSFER OF FUNDS)**

Not to exceed 5 per centum of any appropriation for 1987 for ["Compensation and pensions"] "Compensation", "Pensions", "Burial benefits and miscellaneous assistance", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations, but not to exceed 10 per centum of the appropriations so augmented.

Appropriations available to the Veterans Administration for "Parking garage revolving fund" may be increased by a transfer from "Construction, major" and "Construction, minor" not to exceed 10 per centum of the appropriation so augmented.]

Such sums may be transferred from the "Compensation and pensions" appropriation to the "Medical care" appropriation as may be necessary to provide for increased pay costs to maintain an average employment of 194,140 in the "Medical care" appropriation.]

Average employment for administration support in fiscal year 1987 in the "Medical care" appropriation shall not exceed 37,700.]

Appropriations available to the Veterans Administration for [1987] 1988 for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

No part of the appropriations in this Act for the Veterans Administration (except the appropriations for "Construction, major projects" and "Construction, minor projects") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

One or more pilot programs shall be conducted to determine the effectiveness of utilizing private contractual services to assist in the

**administrative collection of various types of delinquent debts or other funds due the Government.】**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

## OTHER INDEPENDENT AGENCIES

### ACTION

#### Federal Funds

##### General and special funds:

##### OPERATING EXPENSES\*

\*See Part II for additional information.

For expenses necessary for ACTION to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, [\$153,287,000, of which \$19,000,000 shall be available to carry out title I, part A of said Act, and of which \$2,000,000 shall be available for the VISTA Literacy Corps.] \$152,997,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

[For an additional amount for substance abuse prevention and education activities as authorized by the Domestic Volunteer Service Act of 1973, \$3,000,000.] (Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.)

##### Program and Financing (in thousands of dollars)

Identification code 44-0103-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Volunteers in Service to America .....	19,029	22,368	22,078
00.02 Citizen participation and volunteer demonstration programs.....	1,723	4,801	1,801
00.03 Older American volunteer programs .....	99,341	103,806	103,806
00.04 Program support.....	24,583	25,312	25,312
00.91 Total direct program .....	144,676	156,287	152,997
01.01 Reimbursable program.....	1,112	2,271	.....
10.00 Total obligations.....	145,788	158,558	152,997
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-575	-1,741	.....
14.00 Non-Federal funds.....	-537	-530	.....
25.00 Unobligated balance lapsing .....	106	.....	.....
40.00 Budget authority (appropriation).....	144,782	156,287	152,997
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	144,676	156,287	152,997
72.40 Obligated balance, start of year.....	76,658	61,442	65,955
74.40 Obligated balance, end of year.....	-61,442	-65,955	-64,880
77.00 Adjustments in expired accounts.....	-5,486	.....	.....
90.00 Outlays.....	154,406	151,744	154,072

**Volunteers in Service to America.**—The service-learning programs will assist secondary and post-secondary educational institutions to establish and maintain service-learning activities for both students and their communities. In 1988, the VISTA program will provide 2,400 volunteer service years to assist communities working to resolve local poverty-related problems in the areas of literacy, youth (child abuse, runaways, etc.), refugees, food banks, and other agency emphasis areas.

**Citizen participation and volunteer demonstration programs.**—These programs stimulate and encourage the innovative use of volunteer services and provide community groups with small grants for project development. In 1988, these grants will aid the expansion of private volunteer activities and programs addressing drug abuse, illiteracy, and families in crisis.

**Older American volunteer programs.**—These programs provide opportunities for people aged 60 and over to volunteer their services to the community in many socially useful activities and by working with the emotionally disturbed, the mentally retarded and physically disabled, the infirm, and the isolated and infirm elderly. In 1988, approximately 23,800 Foster Grandparent volunteers will serve about 61,000 children. Emphasis will be on preventing institutionalization of children and on returning children to communities. The Retired Senior Volunteer program will support 392,000 part-time volunteers providing service in the areas of literacy, health, nutrition, education, the problems of troubled youth, refugee assistance, crime prevention, and other community services. Approximately 7,000 volunteers in the Senior Companion program will provide long-term care services to about 24,400 frail and elderly Americans.

**Program support.**—Costs of program direction and administration are financed by this activity.

##### Object Classification (in thousands of dollars)

Identification code 44-0103-0-1-506	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	16,452	16,632	15,595
11.3 Other than full-time permanent.....	253	254	100
11.5 Other personnel compensation.....	232	136	80
11.8 Special personal services payments.....	14,555	16,757	16,644
11.9 Total personnel compensation .....	31,492	33,779	32,419
12.1 Personnel benefits: Civilian .....	2,090	2,801	4,120
21.0 Travel and transportation of persons .....	1,068	1,789	1,322
22.0 Transportation of things.....	9	12	12
23.1 Rental payments to GSA.....	1,849	2,440	2,764
23.3 Communications, utilities, and miscellaneous charges..	1,592	1,685	1,696
24.0 Printing and reproduction .....	170	310	249
25.0 Other services.....	3,413	4,928	3,085
26.0 Supplies and materials.....	228	196	176
31.0 Equipment.....	196	200	75
41.0 Grants, subsidies, and contributions .....	102,564	108,145	107,076
42.0 Insurance claims and indemnities .....	5	2	3
99.0 Subtotal, direct obligations.....	144,676	156,287	152,997
99.0 Reimbursable obligations.....	1,112	2,271	.....
99.9 Total obligations.....	145,788	158,558	152,997

##### Personnel Summary

Total number of full-time permanent positions.....	506	492	492
Total compensable workyears:			
Full-time equivalent employment .....	483	511	511
Full-time equivalent of overtime and holiday hours.....	1	2	2

## ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

#### Federal Funds

##### General and special funds:

##### SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as

General and special funds—Continued

SALARIES AND EXPENSES—Continued

amended (5 U.S.C. 571 et seq.) including not to exceed \$1,000 for official reception and representation expenses; **[\$1,469,000]** \$1,681,000. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, Section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 95-1700-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	1,367	1,517	1,681
01.01 Reimbursable program .....	212	50	50
10.00 Total obligations .....	1,579	1,567	1,731
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-212	-50	-50
25.00 Unobligated balance lapsing .....	2		
39.00 Budget authority .....	1,369	1,517	1,681
<b>Budget authority:</b>			
40.00 Appropriation .....	1,369	1,469	1,681
44.20 Supplemental for civilian pay raises .....		34	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		14	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,367	1,517	1,681
72.40 Obligated balance, start of year .....	394	484	542
74.40 Obligated balance, end of year .....	-484	-542	-681
89.00 Outlays .....	1,278	1,459	1,542
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	1,278	1,411	1,542
91.20 Outlays from civilian pay raise supplemental .....		34	
91.40 Outlays from retirement contribution supplemental .....		14	

The Conference assists the President, the Congress, and the Federal departments and agencies in improving administrative procedure. It conducts studies of the efficiency, adequacy, and fairness of the procedures that the agencies and departments use to determine the rights, privileges, and obligations of private persons. The Conference issues formal recommendations for improvements and then encourages their implementation.

In addition to its research activities, the Conference also arranges for the interchange among administrative agencies of information useful in improving administrative procedure and, on an ongoing basis, furnishes assistance and advice on matters of administrative procedure to the agencies, Congress, and others.

The Conference receives funds from other Federal agencies for special projects carried out by the Conference pursuant to agreements with these agencies.

Object Classification (in thousands of dollars)

Identification code 95-1700-0-1-751	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	615	755	795
11.3 Other than full-time permanent .....	117	131	130
11.5 Other personnel compensation .....	22	17	15
11.9 Total personnel compensation .....	754	903	940
12.1 Personnel benefits: Civilian .....	74	108	189
21.0 Travel and transportation of persons .....	42	72	72
23.1 Rental payments to GSA .....	99	174	174
23.3 Communications, utilities, and miscellaneous charges .....	76	72	80
24.0 Printing and reproduction .....	62	72	76
25.0 Other services .....	158	51	95
26.0 Supplies and materials .....	42	45	45

31.0 Equipment .....	60	20	10
99.0 Subtotal, direct obligations .....	1,367	1,517	1,681
99.0 Reimbursable obligations .....	212	50	50
99.9 Total obligations .....	1,579	1,567	1,731

Personnel Summary

Total number of full-time permanent positions .....	16	19	19
Total compensable workyears: Full-time equivalent employment .....	25	25	25

ADVISORY COMMITTEE ON FEDERAL PAY

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306; **[\$201,000]** \$206,000. (Treasury, Postal Service, and General Government Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 95-1800-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	168	201	206
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	33		
40.00 Budget authority (appropriation) .....	201	201	206
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	168	201	206
72.40 Obligated balance, start of year .....	19	6	6
74.40 Obligated balance, end of year .....	-6	-6	-6
77.00 Adjustments in expired accounts .....	-12		
90.00 Outlays .....	168	201	206

The Advisory Committee on Federal Pay was appointed in accordance with the Federal Pay Comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise. The Committee reviews the annual report of the President's pay agent and considers the recommendations of representatives of Federal employees and other officials of the Federal Government. The Committee then prepares for the President an independent report with its findings and recommendations.

The Committee meets jointly throughout the year with the President's pay agent and the Federal Employees Pay Council in an attempt to reach early resolution of issues between them. It provides advisory opinions on unresolved issues.

Object Classification (in thousands of dollars)

Identification code 95-1800-0-1-805	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	95	113	116
11.3 Other than full-time permanent .....	10	15	15
11.9 Total personnel compensation .....	105	128	131
12.1 Personnel benefits: Civilian .....	9	12	14
21.0 Travel and transportation of persons .....	6	10	10
23.1 Rental payments to GSA .....	23	25	33
23.3 Communications, utilities, and miscellaneous charges .....	3	3	3
24.0 Printing and reproduction .....	2	2	2
25.0 Other services .....	19	20	12
26.0 Supplies and materials .....	1	1	1
99.9 Total obligations .....	168	201	206

**Personnel Summary**

Total number of full-time permanent positions.....	2	3	3
Total compensable workyears: Full-time equivalent employment .....	2	3	3

**ADVISORY COUNCIL ON HISTORIC PRESERVATION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, as amended, **[\$1,533,000]** **\$1,734,000**: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code 95-2300-0-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program.....	1,507	1,533	1,734
01.01 Reimbursable program.....	61	150	150
10.00 Total obligations.....	1,568	1,683	1,884
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-61	-150	-150
40.00 Budget authority (appropriation).....	1,507	1,533	1,734
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,507	1,533	1,734
72.40 Obligated balance, start of year.....	127	96	129
74.40 Obligated balance, end of year.....	-96	-129	-103
77.00 Adjustments in expired accounts.....	-15		
90.00 Outlays.....	1,523	1,500	1,760

The Council provides independent advice to the President and the Congress relating to the national historic preservation program.

**Object Classification (in thousands of dollars)**

Identification code 95-2300-0-1-303	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	727	687	745
11.3 Other than full-time permanent.....	280	298	327
11.5 Other personnel compensation.....	4	5	5
11.9 Total personnel compensation.....	1,011	990	1,077
12.1 Personnel benefits: Civilian.....	98	108	179
21.0 Travel and transportation of persons.....	45	75	88
23.1 Rental payments to GSA.....	185	136	163
23.3 Communications, utilities, and miscellaneous charges.....	25	30	29
24.0 Printing and reproduction.....	18	30	36
25.0 Other services.....	109	106	105
26.0 Supplies and materials.....	12	20	25
31.0 Equipment.....	4	38	32
99.0 Subtotal, direct obligations.....	1,507	1,533	1,734
99.0 Reimbursable obligations.....	61	150	150
99.9 Total obligations.....	1,568	1,683	1,884

**Personnel Summary**

Total number of full-time permanent positions.....	21	25	25
Total compensable workyears: Full-time equivalent employment .....	33	31	33

**Trust Funds**

**DONATIONS**

**Program and Financing (in thousands of dollars)**

Identification code 95-8298-0-7-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....	1	5	5
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite).....	1	5	5
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1	5	5
72.40 Obligated balance, start of year.....	2	1	
74.40 Obligated balance, end of year.....	-1		
90.00 Outlays.....	2	6	5

The Advisory Council on Historic Preservation accepts and uses donated moneys for purposes of the Council (16 U.S.C. 470).

**AMERICAN BATTLE MONUMENTS COMMISSION**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; **[\$11,673,000]** **\$12,925,000**; *Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it: *Provided further*, That **[section 409 of the general provisions carried in title IV of this Act shall not apply to the funds provided under this heading.] notwithstanding any other provision of this Act, funds provided under this head for personnel compensation and benefits shall be available for other object classifications set forth in the budget estimates submitted for this account.**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 74-0100-0-1-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Administration and U.S. memorials.....	727	778	778
00.02 European memorials and cemeteries.....	8,351	8,522	9,377
00.03 Mediterranean memorials and cemeteries.....	1,572	1,645	1,839
00.04 Asian memorials and cemeteries.....	759	691	648
00.05 Latin memorials and cemeteries.....	511	302	283
10.00 Total obligations.....	11,920	11,938	12,925
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-22		
21.40 Unobligated balance available, start of year.....	-39	-61	-61

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued			
Identification code 74-0100-0-1-705	1986 actual	1987 est.	1988 est.
24.40 Unobligated balance available, end of year.....	61	61	61
39.00 Budget authority.....	11,921	11,938	12,925
Budget authority:			
40.00 Appropriation.....	11,921	11,673	12,925
44.10 Supplemental for wage-board pay raises.....		205	
44.20 Supplemental for civilian pay raises.....		43	
44.30 Supplemental for military pay raises.....		17	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	11,920	11,938	12,925
72.40 Obligated balance, start of year.....	3,785	3,200	3,651
74.40 Obligated balance, end of year.....	-3,200	-3,651	-3,627
77.00 Adjustments in expired accounts.....	-64		
78.00 Adjustments in unexpired accounts.....	-22		
89.00 Outlays.....	12,420	11,487	12,949
Outlays:			
90.00 Outlays, excluding pay raise supplemental.....	12,420	11,232	12,939
91.10 Outlays from wage-board pay raise supplemental.....		197	8
91.20 Outlays from civilian pay raise supplemental.....		41	2
91.30 Outlays from military pay raise supplemental.....		17	

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(in thousands of dollars)			
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	11,921	11,938	12,925
Outlays.....	12,420	11,487	12,949
Supplemental under existing legislation:			
Budget authority.....		1,424	
Outlays.....		1,424	
Total:			
Budget authority.....	11,921	13,362	12,925
Outlays.....	12,420	12,911	12,949

The American Battle Monuments Commission is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces since April 6, 1917, controlling erection of monuments and markers by U.S. citizens and organizations in foreign countries, and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries.

Object Classification (in thousands of dollars)

Identification code 74-0100-0-1-705	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	5,216	4,874	6,181
11.3 Other than full-time permanent.....	28	26	27
11.5 Other personnel compensation.....	47	69	74
11.8 Special personal services payments.....	1,064	1,368	1,359
11.9 Total personnel compensation.....	6,355	6,337	7,641
12.1 Personnel benefits: Civilian.....	2,011	1,819	2,273
13.0 Benefits for former personnel.....	81	131	95
21.0 Travel and transportation of persons.....	117	184	158
22.0 Transportation of things.....	93	113	138
23.2 Rental payments to others.....	65	48	49
23.3 Communications, utilities, and miscellaneous charges.....	434	565	548
24.0 Printing and reproduction.....	30	24	24
25.0 Other services.....	911	841	586
26.0 Supplies and materials.....	1,017	835	785
31.0 Equipment.....	381	404	307
32.0 Lands and structures.....	425	637	321
99.9 Total obligations.....	11,920	11,938	12,925

Personnel Summary

Total number of full-time permanent positions.....	387	387	387
Total compensable workyears:			
Full-time equivalent employment.....	387	387	387
Full-time equivalent of overtime and holiday hours.....	4	4	4

Trust Funds

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code 74-8569-0-7-705	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Purchase of flowers.....	29	29	29
00.02 Repair of non-Federal war memorials.....	55	50	50
10.00 Total obligations.....	84	79	79
Financing:			
21.40 Unobligated balance available, start of year.....	-66	-75	-75
24.40 Unobligated balance available, end of year.....	75	75	75
60.00 Budget authority (appropriation) (permanent, indefinite).....	93	79	79
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	84	79	79
72.40 Obligated balance, start of year.....	2	1	1
74.40 Obligated balance, end of year.....	-1	-1	-1
90.00 Outlays.....	84	79	79

*Purchase of flowers.*—Private citizens contribute funds for the purchase of flowers to decorate graves and tablets of the missing at the cemeteries and memorials administered by the Commission.

*Repair of non-Federal war memorials.*—When requested to do so and upon receipt of the necessary funds, the Commission arranges for and oversees the repair of war memorials to U.S. Forces erected in foreign countries by American citizens, States, municipalities, or associations.

Object Classification (in thousands of dollars)

Identification code 74-8569-0-7-705	1986 actual	1987 est.	1988 est.
25.0 Other services.....	55	50	50
26.0 Supplies and materials.....	29	29	29
99.9 Total obligations.....	84	79	79

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, [1,890,000] \$2,040,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 95-3200-0-1-751	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations.....	1,887	1,890	2,040

Financing:			
25.00	Unobligated balance lapsing .....	3	
40.00	<b>Budget authority (appropriation) .....</b>	<b>1,890</b>	<b>1,890 2,040</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	1,887	1,890 2,040
72.40	Obligated balance, start of year .....	1,123	927 730
74.40	Obligated balance, end of year .....	-927	-730 -768
77.00	Adjustments in expired accounts .....	-56	
90.00	<b>Outlays .....</b>	<b>2,026</b>	<b>2,087 2,002</b>

The Architectural and Transportation Barriers Compliance Board was established by Section 502 of the Rehabilitation Act of 1973 to ensure compliance with the Architectural Barriers Act of 1968. Its primary role is to carry out a compliance program to ensure accessibility and usability of most Federal and Federally-funded buildings by physically handicapped persons. In 1988, the Board will continue to process, investigate, and resolve complaints of noncompliance. In 1986, 91 complaints were received. Emphasis is on voluntary, amicable resolution of access issues.

The Board also develops Federal minimum accessibility guidelines and requirements for the standards under the Architectural Barriers Act, and provides technical assistance to public and private organizations affected by Federal accessibility regulations.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-3200-0-1-751			
Personnel compensation:			
11.1	Full-time permanent .....	758	879 917
11.3	Other than full-time permanent .....	248	140 140
11.5	Other personnel compensation .....	12	12 11
11.8	Special personal services payments .....		5 2
11.9	Total personnel compensation .....	1,018	1,036 1,070
12.1	Personnel benefits: Civilian .....	108	146 188
21.0	Travel and transportation of persons .....	63	69 56
23.1	Rental payments to GSA .....	65	90 94
23.3	Communications, utilities, and miscellaneous charges .....	91	67 63
24.0	Printing and reproduction .....	20	29 38
Other services:			
25.0	Research and technical assistance .....	356	341 411
25.0	All other .....	142	102 110
26.0	Supplies and materials .....	9	9 9
31.0	Equipment .....	15	1 1
99.9	<b>Total obligations .....</b>	<b>1,887</b>	<b>1,890 2,040</b>

**Personnel Summary**

Total number of full-time permanent positions .....	19	23	23
Total compensable workyears: Full-time equivalent employment .....	26	27	27

**ARMS CONTROL AND DISARMAMENT AGENCY**

*Federal Funds*

**General and special funds:**

**ARMS CONTROL AND DISARMAMENT ACTIVITIES**

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed \$48,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), **[\$29,000,000] \$32,700,000.** (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
94-0100-0-1-153			
Program by activities:			
Direct program:			
00.01	Program operation .....	23,775	28,600 31,965
00.02	External research .....	945	700 735
00.91	Total, direct program .....	24,720	29,300 32,700
01.01	Reimbursable program .....	585	640 640
10.00	<b>Total obligations .....</b>	<b>25,305</b>	<b>29,940 33,340</b>
Financing:			
11.00	Offsetting collections from: Federal funds .....	-585	-640 -640
25.00	Unobligated balance lapsing .....	18	
39.00	<b>Budget authority .....</b>	<b>24,738</b>	<b>29,300 32,700</b>
Budget authority:			
40.00	<b>Appropriation .....</b>	<b>24,738</b>	<b>29,000 32,700</b>
44.20	Supplemental for civilian pay raises .....		124
44.40	Supplemental for retirement contributions (P.L. 99-335) .....		176
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	24,720	29,300 32,700
72.40	Obligated balance, start of year .....	14,428	11,580 12,278
74.40	Obligated balance, end of year .....	-11,580	-12,278 -13,047
77.00	Adjustment in expired accounts .....	-3,164	
89.00	<b>Outlays .....</b>	<b>24,403</b>	<b>28,602 31,931</b>
Outlays:			
90.00	Outlays, excluding pay raise and retirement contribution supplementals .....	24,403	28,302 31,931
91.20	Outlays from civilian pay raise supplemental .....		124
91.40	Outlays from retirement contribution supplemental .....		176

The Arms Control and Disarmament Agency (ACDA) advises the President and the Secretary of State on arms control and disarmament activities and participates in negotiations with other countries seeking international agreements to control, reduce, or eliminate arms. Among the activities to which ACDA resources will be devoted in 1988 are support of arms control negotiations with the Soviet Union, the nuclear safeguards program of the International Atomic Energy Agency, activities relating to arms transfer reviews, the Reduced Enrichment in Research and Test Reactors program, and the preparation of arms control impact analyses of weapons systems.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
94-0100-0-1-153			
ARMS CONTROL AND DISARMAMENT AGENCY			
Direct obligations:			
Personnel compensation:			
11.1	Full-time permanent .....	6,650	7,613 7,381
11.3	Other than full-time permanent .....	594	344 427
11.5	Other personnel compensation .....	149	150 128
11.8	Special personal services payments .....	4,813	3,913 5,144
11.9	Total personnel compensation .....	12,206	12,020 13,080
12.1	Personnel benefits: Civilian .....	786	1,236 1,708
21.0	Travel and transportation of persons .....	1,640	1,730 1,785
22.0	Transportation of things .....	19	20 25
23.1	Rental payments to GSA .....	559	980 1,153
24.0	Printing and reproduction .....	11	13 18
25.0	Other services .....	5,842	9,943 11,202
26.0	Supplies and materials .....	140	195 150
31.0	Equipment .....	47	55 57
99.0	<b>Subtotal direct obligations, Arms Control and Disarmament Agency .....</b>	<b>21,250</b>	<b>26,192 29,178</b>
99.0	Reimbursable obligations .....	585	640 640

General and special funds—Continued

ARMS CONTROL AND DISARMAMENT ACTIVITIES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code 94-0100-0-1-153	1986 actual	1987 est.	1988 est.
<b>ALLOCATION TO DEPARTMENT OF STATE</b>			
Personnel compensation:			
11.3 Other than full-time permanent.....	43	43	49
11.8 Special personal services payments.....	14		
11.9 Total personnel compensation.....	57	43	49
21.0 Travel and transportation of persons.....	181	206	233
22.0 Transportation of things.....	13	16	18
23.2 Rental payments to others.....	1,158	1,288	1,460
25.0 Other services.....	1,677	1,359	1,540
26.0 Supplies and materials.....	124	116	131
31.0 Equipment.....	260	80	91
99.0 Subtotal obligations, Department of State.....	3,470	3,108	3,522
99.9 Total obligations.....	25,305	29,940	33,340

Personnel Summary

Total number of full-time permanent positions.....	184	184	184
Total compensable workyears:			
Full-time equivalent employment.....	208	208	208
Full-time equivalent of overtime and holiday hours.....	4	4	4

**BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION**

Federal Funds

General and special funds:

【PAYMENT TO THE BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION】

【For payment to the Barry Goldwater Scholarship and Excellence in Education Fund in the Department of the Treasury, pursuant to section 5104 of the National Defense Authorization Act for fiscal year 1987 (S. 2638) as passed the Senate on August 9, 1986, as if said section had been enacted into law; \$40,000,000, to remain available until expended.】 (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

Program and Financing (in thousands of dollars)

Identification code 95-0500-0-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		40,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation).....		40,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....		40,000	
90.00 Outlays.....		40,000	

Trust Funds

BARRY GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FUND

Program and Financing (in thousands of dollars)

Identification code 95-8281-0-7-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Scholarship awards.....			1,300
00.02 Program administration.....		225	450
10.00 Total obligations.....		225	1,750

Financing:

Unobligated balance available, start of year:			
21.40 Treasury balance.....			-20
21.40 U.S. securities (par).....			-41,385
Unobligated balance available, end of year:			
24.40 Treasury balance.....		20	20
24.40 U.S. securities (par).....		41,385	42,032
39.00 Budget authority.....		41,630	2,397
Budget authority:			
40.00 Appropriation.....		40,000	
60.00 Appropriation (permanent, indefinite).....		1,630	2,397
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....		225	1,750
72.40 Obligated balance, start of year.....			25
74.40 Obligated balance, end of year.....		-25	-763
90.00 Outlays.....		200	1,012

Public Law 99-661 established the Barry Goldwater Scholarship and Excellence in Education Foundation to operate the scholarship program that is the permanent Federal tribute to the former Senator from Arizona. The Foundation will foster and encourage excellence in science and mathematics by awarding scholarships and fellowships to outstanding graduate and undergraduate students who intend to pursue careers or advanced degrees in science or mathematics. The Foundation may also award honoraria to outstanding individuals who have made significant contributions to improve the instruction of science and mathematics in secondary schools.

A board of directors will be appointed during 1987. The board will establish procedures to select award recipients, determine the size and number of awards, and appoint an executive secretary to perform the administrative operations of the Foundation. The Foundation is expected to make its first awards for the 1988-1989 school year.

Object Classification (in thousands of dollars)

Identification code 95-8281-0-7-502	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....		65	137
12.1 Personnel benefits: Civilian.....		10	15
21.0 Travel and transportation of persons.....		8	16
22.0 Transportation of things.....		1	1
23.1 Rental payments to GSA.....		15	31
23.3 Communications, utilities, and miscellaneous charges.....		10	19
24.0 Printing.....		2	5
25.0 Other services.....		110	223
26.0 Supplies and materials.....		4	3
41.0 Grants, subsidies, and contributions.....			1,300
99.9 Total obligations.....		225	1,750

Personnel Summary

Total number of full-time permanent positions.....	4	4
Total compensable workyears: Full-time equivalent employment.....	2	4

**BOARD FOR INTERNATIONAL BROADCASTING**

Federal Funds

General and special funds:

GRANTS AND EXPENSES\*

\*See Part II for additional information.

For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., 【\$140,000,000】 \$203,573,000, of which not to exceed \$52,000 may be made available for official reception and repre-

sensation expenses, and of which **[\$15,000,000, to remain available until expended, shall become available for expenditure on October 1, 1987.] \$41,948,000 shall remain available until expended. (Departments of Commerce, Justice and State, the Judiciary and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, Section 101(b); additional authorizing legislation to be proposed.)**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1145-0-1-154			
<b>Program by activities:</b>			
00.01 Administrative expenses	1,042	1,168	1,237
00.02 Grants for private broadcasting activities, RFE/RL	124,366	141,866	202,336
10.00 Total obligations	125,408	143,034	203,573
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-13,772	-3,034	
24.40 Unobligated balance available, end of year	3,034		
25.00 Unobligated balance lapsed	2,414		
40.00 Budget authority (appropriation)	117,084	140,000	203,573
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	125,408	143,034	203,573
72.40 Obligated balance, start of year	13,250	11,671	18,245
74.40 Obligated balance, end of year	-11,671	-18,245	-31,341
77.00 Adjustments in expired accounts	8		
90.00 Outlays	126,995	136,460	190,477

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority	117,084	140,000	203,573
Outlays	126,995	136,460	190,477
<b>Supplemental under existing legislation:</b>			
Budget authority		24,559	
Outlays		24,559	
<b>Total:</b>			
Budget authority	117,084	164,559	203,573
Outlays	126,995	161,019	190,477

The Board for International Broadcasting is responsible for financial and programmatic oversight and granting of funds to Radio Free Europe and Radio Liberty (RFE/RL). RFE/RL broadcasts to the peoples of the U.S.S.R., Bulgaria, Czechoslovakia, Hungary, Poland, and Romania in 21 of the languages native to these countries. The 1988 request also includes \$41.9 million for modernization of RFE/RL transmitter sites.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1145-0-1-154			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	372	478	493
11.3 Other than full-time permanent	88	90	92
11.9 Total personnel compensation	460	568	585
12.1 Personnel benefits: Civilian	36	52	84
21.0 Travel and transportation of persons	54	70	73
23.3 Communications, utilities, and miscellaneous charges	48	62	64
24.0 Printing and reproduction	6	12	12
25.0 Other services	420	392	406
26.0 Supplies and materials	7	12	13
41.0 Grants, subsidies, and contributions	124,377	141,866	202,336
99.9 Total obligations	125,408	143,034	203,573

**Personnel Summary**

Total number of full-time permanent positions	8	9	9
Total compensable workyears: Full-time equivalent employment	9	10	11

**CENTRAL INTELLIGENCE AGENCY**

*Federal Funds*

**General and special funds:**

**CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND**

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; **[\$125,800,000] \$134,700,000.**

Further, for the foregoing purposes, **\$144,500,000, to become available for obligation on October 1, 1988. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
56-3400-0-1-054				
<b>Program by activities:</b>				
10.00 Total obligations	101,400	125,800	134,700	144,500
<b>Financing:</b>				
40.00 Budget authority (appropriation)	101,400	125,800	134,700	144,500
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	101,400	125,800	134,700	144,500
90.00 Outlays	101,400	125,800	134,700	144,500

This appropriation provides for payment to the fund: (a) for interest on the unfunded liability and annuity disbursements attributable to military service; (b) for the amount of normal cost not met by the sum of statutory employee/employer contributions; and (c) for financing, in 30 equal installments, the unfunded liability created by new or liberalized benefits, new groups of beneficiaries, and salary increases. The requests for 1988 and 1989 include the eleventh and twelfth installments for the unfunded liability created by liberalized benefits authorized by Public Law 94-522; and the appropriate annual installments for salary increases authorized in prior years.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
56-3400-0-1-054				
12.1 Personnel benefits: Civilian	87,100	113,300	122,200	127,200
13.0 Benefits for former personnel	14,300	12,500	12,500	17,300
99.9 Total obligations	101,400	125,800	134,700	144,500

**ENHANCED SECURITY COUNTERMEASURES CAPABILITIES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
56-3401-0-1-054				
<b>Program by activities:</b>				
10.00 Total obligations	14,107			
<b>Financing:</b>				
21.40 Unobligated balance available, start of year	-15,300			
23.40 Reduction pursuant to P.L. 99-177 in unobligated balance	750			
25.00 Unobligated balance lapsing	443			
39.00 Budget authority				
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net	14,107			
72.40 Obligated balance, start of year	19,700	33,807	8,116	2,706
74.40 Obligated balance, end of year	-33,807	-8,116	-2,706	
90.00 Outlays		25,691	5,410	2,706

General and special funds—Continued

ENHANCED SECURITY COUNTERMEASURES CAPABILITIES—Continued

Funds were provided to the Director of Central Intelligence for the purpose of improving security countermeasures capabilities at United States Embassies and other facilities abroad in accordance with a plan developed by the Director of Central Intelligence and submitted to the Appropriations and Intelligence Committees of Congress on September 10, 1985.

Object Classification (in thousands of dollars)

Identification code 56-3401-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
21.0 Travel .....	24			
23.0 Communications .....	149			
25.0 Other services .....	3,591			
26.3 Supplies and materials .....	1,003			
31.0 Equipment .....	7,840			
32.0 Lands and structures .....	1,500			
99.9 Total obligations .....	14,107			

COMMISSION OF FINE ARTS

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), **[\$450,000] \$446,000.** (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and financing (in thousands of dollars)

Identification code 95-2600-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	360	450	446
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	4		
40.00 Budget authority (appropriation) .....	364	450	446
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	360	450	446
72.40 Obligated balance, start of year .....	29	21	21
74.40 Obligated balance, end of year .....	-21	-21	-21
77.00 Adjustments in expired accounts .....	-10		
90.00 Outlays .....	358	450	446

The Commission advises the President, Congress, and Department heads on matters of architecture, sculpture, painting, and other fine arts. The primary function is to preserve and enhance the appearance of the National Capital.

Object Classification (in thousands of dollars)

Identification code 95-2600-0-1-451	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	237	263	271
11.3 Other than full-time permanent .....		3	3
11.5 Other personnel compensation .....	7		
11.9 Total personnel compensation .....	244	266	274
12.1 Personnel benefits: Civilian .....	26	29	50
21.0 Travel and transportation of persons .....	7	15	15
23.1 Rental payments to GSA .....	54	54	62
23.3 Communications, utilities, and miscellaneous charges .....	4	4	4
24.0 Printing and reproduction .....		48	8
25.0 Other services .....	23	28	27
26.0 Supplies and materials .....	2	4	4

31.0 Equipment .....		2	2
99.9 Total obligations .....	360	450	446

Personnel Summary

Total number of full-time permanent positions .....	7	7	7
Total compensable workyears: Full-time equivalent employment .....	6	7	7

COMMISSION ON CIVIL RIGHTS

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, **[\$7,500,000, of which \$2,000,000 is for regional offices and \$700,000 is for civil rights monitoring activities: Provided, That not to exceed \$20,000 may be used to employ consultants: Provided further, That not to exceed \$185,000 may be used to employ temporary or special needs appointees: Provided further, That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: Provided further, That not to exceed \$40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: Provided further, That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days] \$9,800,000.** (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and financing (in thousands of dollars)

Identification code 95-1900-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Direct program .....	11,673	7,519	9,800
01.01 Reimbursable program .....	35		
10.00 Total obligations .....	11,708	7,519	9,800
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-35		
25.00 Unobligated balance lapsing .....	98		
39.00 Budget authority .....	11,771	7,519	9,800
<b>Budget authority:</b>			
40.00 Appropriation .....	11,771	7,500	9,800
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		19	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	11,673	7,519	9,800
72.40 Obligated balance, start of year .....	1,857	2,094	1,782
74.40 Obligated balance, end of year .....	-2,094	-1,782	-1,860
77.00 Adjustments in expired accounts .....	-51		
89.00 Outlays .....	11,385	7,831	9,722
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental .....	11,385	7,812	9,722
91.40 Outlays from retirement contribution supplemental .....		19	

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	11,771	7,519	9,800
Outlays .....	11,385	7,831	9,722
Supplemental now requested:			
Budget authority .....		375	

Outlays .....	319	56	
Total:			
Budget authority .....	11,771	7,894	9,800
Outlays .....	11,385	8,150	9,778

The Commission engages in studies concerning areas in which there may be denials of civil rights and reports on these matters to the President and the Congress. Hearings by the Commissioners are held to investigate and obtain information about denials of civil rights. Conferences and open meetings are held by staff and State Advisory Committees to gather data and issue reports providing information about civil rights problems. In addition, appraisals of Federal agencies' civil rights programs are made and complaints alleging discrimination are referred to the proper Federal agencies.

The Commission provides liaison with private groups, public groups, and the media to provide civil rights information to Government officials, organizations, and the public. This is sometimes accomplished through the issuance of Commission publications. It also provides a library resource to support civil rights research, studies, hearings, and other Commission activities, and makes this information available to the general public.

For 1988, the administration is requesting an appropriation that provides for a transition from the reduced level appropriated in 1987 to a full-funding level planned for 1989.

Object Classification (in thousands of dollars)

Identification code	95-1900-0-1-751	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	6,582	3,125	4,815
11.3	Other than full-time permanent .....	675	426	439
11.5	Other personnel compensation .....	206	285	52
11.9	Total personnel compensation .....	7,463	3,836	5,306
Personnel benefits: Civilian:				
12.1	Retirement .....	600	298	721
12.1	Other benefits .....	160	85	159
13.0	Benefits for former personnel .....	146	1,159	166
21.0	Travel and transportation of persons .....	458	295	515
22.0	Transportation of things .....	21	20	22
23.1	Rental payments to GSA .....	1,175	707	1,300
23.2	Rental payments to others .....	163	131	120
23.3	Communications, utilities, and miscellaneous charges .....	458	375	495
24.0	Printing and reproduction .....	282	150	207
25.0	Other services .....	522	340	565
26.0	Supplies and materials .....	184	113	199
31.0	Equipment .....	41	10	27
99.0	Subtotal, direct obligations .....	11,673	7,519	9,800
99.0	Reimbursable obligations .....	35		
99.9	Total obligations .....	11,708	7,519	9,800

Personnel Summary

Total number of full-time permanent positions .....	145	62	147
Total compensable workyears: Full-time equivalent employment .....	193	68	131

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28, [including hire of passenger motor vehi-

cles \$778,000] \$825,000. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code	95-2000-0-1-505	1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations .....	643	778	825
Financing:				
25.00	Unobligated balance lapsing .....	56		
40.00	Budget authority (appropriation) .....	699	778	825
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	643	778	825
72.40	Obligated balance, start of year .....	131	46	39
74.40	Obligated balance, end of year .....	-46	-39	-41
77.00	Adjustments in expired accounts .....	-73		
90.00	Outlays .....	655	785	823

The Committee for Purchase From the Blind and Other Severely Handicapped was established by the Wagner-O'Day Act of 1938, as amended. Its primary objective is to increase employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. In 1988, 17,500 blind and handicapped individuals are projected to be employed in 355 producing workshops. The committee determines which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the Act. The committee proposes to have 2,220 items on its procurement list, and estimated workshop sales of \$304 million.

The committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

Object Classification (in thousands of dollars)

Identification code	95-2000-0-1-505	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent .....	379	407	436
11.3	Other than full-time permanent .....	13	9	13
11.5	Other personnel compensation .....		5	12
11.8	Special personnel services payments .....			6
11.9	Total personnel compensation .....	392	421	467
12.1	Personnel benefits: Civilian .....	39	48	71
21.0	Travel and transportation of persons .....	49	45	63
23.1	Rental payments to GSA .....	47	53	62
23.3	Communications, utilities, and miscellaneous charges .....	21	25	31
24.0	Printing and reproduction .....	36	25	46
25.0	Other services .....	50	155	73
26.0	Supplies and materials .....	9	6	10
31.0	Equipment .....			2
99.9	Total obligations .....	643	778	825

Personnel Summary

Total number of full-time permanent positions .....	12	12	12
Total compensable workyears: Full-time equivalent employment .....	11	12	12

**COMMODITY FUTURES TRADING COMMISSION**

*Federal Funds*

**General and special funds:**

**COMMODITY FUTURES TRADING COMMISSION**

For necessary expenses to carry out the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed \$25,000 for employment under 5 U.S.C. 3109; **[\$29,761,000] \$32,813,000**; including not to exceed \$700 for official reception and representation expenses. (*Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).*)

**Program and Financing (in thousands of dollars)**

Identification code	95-1400-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Market surveillance, analysis, and research.....	7,473	7,855	8,586
00.02	Enforcement.....	10,346	11,326	12,863
00.03	Contract markets, audit and oversight.....	7,823	8,216	8,831
00.04	Proceedings.....	2,341	2,364	2,533
00.91	Total direct program.....	27,983	29,761	32,813
01.01	Reimbursable program.....		20	20
10.00	Total obligations.....	27,983	29,781	32,833
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....		-20	-20
40.00	<b>Budget authority (appropriation).....</b>	<b>27,983</b>	<b>29,761</b>	<b>32,813</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	27,983	29,761	32,813
72.40	Obligated balance, start of year.....	3,546	3,764	3,865
74.40	Obligated balance, end of year.....	-3,764	-3,865	-3,977
77.00	Adjustments in expired accounts.....	110		
90.00	Outlays.....	27,875	29,660	32,701

The Commodity Futures Trading Commission (CFTC) administers the Commodity Exchange Act of 1936, as amended. The purpose of the CFTC is to further the economic utility of the futures markets by encouraging their efficiency, assuring their integrity, and protecting participants against abusive trade practices, fraud, and deceit. The object of commodity futures trading regulation is to enable the markets to better serve their designated functions of providing a price discovery mechanism and a means of offsetting price risk. By properly serving these functions, the futures markets serve the public interest by contributing toward better planning, more efficient distribution and consumption, and more economical marketing.

**Market surveillance, analysis and research.**—Responsibilities under this program include daily surveillance of the market activity of large individual traders and fundamental economic market factors to insure orderly markets. Contract terms and conditions are reviewed to insure conformity with current cash marketing conditions and adequate deliverable supplies. This program also systematically investigates the functioning of markets and market users and develops better tools to assist in detecting and preventing price distortions.

	1986 actual	1987 est.	1988 est.
Trader and broker reports analyzed (thousands).....	595	700	800
Weekly surveillance sheets analyzed.....	2,099	2,200	2,400
Economic review of futures contract rule changes completed.....	64	68	68
Economic review of new futures contracts completed.....	22	22	22
Economic review of option rule changes completed.....	21	22	22
New options contract reviews completed.....	14	16	16

**Enforcement.**—The enforcement program is responsible for detecting, investigating, and litigating violations of the Act or regulations. These violations may include actual and attempted market manipulations, cheating and defrauding customers, and abusive trading practices such as fictitious trading, wash trading, and pre-arranged trading. This program may seek redress through the administrative process or by injunctive actions in the Federal Courts.

	1986 actual	1987 est.	1988 est.
<b>Investigations:</b>			
Open.....	70	75	80
Closed.....	86	92	98
<b>Cases:</b>			
Open.....	56	60	64
Closed.....	64	69	73

**Registration, audits, and contract markets.**—This program prevents misuse of customers' funds by futures commission merchants; assures that the rules and practices of the contract markets are in compliance with the provisions of the Commodity Exchange Act and the rules of the Commission; and performs an oversight role of the National Futures Association's registration of individuals and firms under provisions of the act.

	1986 actual	1987 est.	1988 est.
Audits and financial inspections of futures commission merchants.....	39	40	40
Contract market rules reviewed.....	1,298	1,300	1,300
Financial examinations of commodity pool operators.....	48	20	20
Registrations.....	1,278	300	300
Contract market rule enforcement reviews completed.....	7	6	6
Trade practice investigations completed.....	46	50	50
Self-Regulatory Organization: Financial rule enforcement reviews.....	6	6	6

**Proceedings.**—The proceedings program provides a forum for resolution of customer complaints against persons or firms registered under the Commodity Exchange Act.

	1986 actual	1987 est.	1988 est.
<b>Reparations:</b>			
Received and docketed.....	303	350	350
Dismissed.....	38	40	40
Referred for hearing.....	325	350	320
Pending.....	104	116	106

**Object Classification (in thousands of dollars)**

Identification code	95-1400-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent.....	16,309	17,696	18,608
11.3	Other than full-time permanent.....	690	711	752
11.5	Other personnel compensation.....	433	427	427
11.8	Special personal services payments.....	2	3	3
11.9	Total personnel compensation.....	17,434	18,837	19,790
12.1	Personnel benefits: Civilian.....	1,938	2,467	3,709
13.0	Benefits for former personnel.....	24	24	
21.0	Travel and transportation of persons.....	566	662	711
22.0	Transportation of things.....	19	23	23
23.2	Rental payments to others.....	2,814	3,918	4,306
23.3	Communications, utilities, and miscellaneous charges.....	1,337	1,334	1,334
24.0	Printing and reproduction.....	165	196	196
25.0	Other services.....	1,697	1,239	1,329
26.0	Supplies and materials.....	401	413	413
31.0	Equipment.....	1,588	648	1,002
99.0	Subtotal, direct obligations.....	27,983	29,761	32,813
99.0	Reimbursable obligations.....		20	20
99.9	Total obligations.....	27,983	29,781	32,833

**Personnel Summary**

Total number of full-time permanent positions.....	490	520	530
Total compensable workyears:			
Full-time equivalent employment .....	480	508	518
Full-time equivalent of overtime and holiday hours .....	9	9	9

**COMMUNITY SERVICES ADMINISTRATION**

*Federal Funds*

**General and special funds:**

**COMMUNITY SERVICES PROGRAM**

**Program and Financing (in thousands of dollars)**

Identification code 81-0500-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	- 659		
25.00 Unobligated balance withdrawn.....	659		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			
72.10 Receivables in excess of obligations, start of year .....		- 11,997	- 5,000
72.40 Obligated balance, start of year .....	3,660		
74.10 Receivables in excess of obligations, end of year .....	11,997	5,000	
77.00 Adjustments in expired accounts.....	- 17,834	4,997	4,000
90.00 Outlays.....	- 2,177	- 2,000	- 1,000

These funds represent closeout of obligations made by the Community Services Administration prior to 1982.

**CONSUMER PRODUCT SAFETY COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18, and not to exceed \$500 for official reception and representation expenses, **[\$34,100,000] \$34,400,000: Provided, That no more than [\$250,000] \$286,000 of these funds shall be available for personnel compensation and benefits for the Commissioners of the Consumer Product Safety Commission appointed pursuant to 15 U.S.C. 2053[: Provided further, That none of these funds shall be available after August 31, 1987, for any Commissioners' offices located in the Logan Building].**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 61-0100-0-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Hazard identification and analysis.....	4,546	4,914	4,916
00.02 Hazard assessment and reduction.....	9,207	8,691	7,400
00.03 Compliance and enforcement .....	8,639	9,761	10,280
00.04 Consumer information.....	3,160	3,356	3,544
00.05 Agency management.....	8,668	7,874	8,260
00.91 Total direct program .....	34,220	34,596	34,400
01.01 Reimbursable program.....	431	798	754
10.00 Total obligations.....	34,651	35,394	35,154
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	- 428	- 793	- 749

14.00 Non-Federal sources.....	- 3	- 5	- 5
21.40 Unobligated balance available, start of year.....	- 45		
25.00 Unobligated balance lapsing.....	277		
39.00 <b>Budget authority</b> .....	<b>34,452</b>	<b>34,596</b>	<b>34,400</b>

**Budget authority:**

40.00 <b>Appropriation</b> .....	<b>34,452</b>	<b>34,100</b>	<b>34,400</b>
44.40 <b>Supplemental for retirement contributions (P.L. 99-335)</b> .....		<b>496</b>	

Relation of obligations to outlays:

71.00 Obligations incurred, net.....	34,220	34,596	34,400
72.40 Obligated balance, start of year .....	7,624	7,016	7,023
74.40 Obligated balance, end of year.....	- 7,016	- 7,023	- 7,043
77.00 Adjustments in expired accounts.....	- 74		

89.00 Outlays.....	34,754	34,589	34,380
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**Outlays:**

90.00 Outlays, excluding retirement contribution supplemental ...	34,754	34,118	34,355
91.40 Outlays from retirement contribution supplemental .....		471	25

**Product safety and enforcement.**—The Commission addresses a number of product safety areas. These include fire and thermal burn hazards, electrical hazards, acute and chronic chemical hazards, children's and recreational product hazards, power equipment hazards, and household structural products hazards. In each program area, the Commission undertakes a wide spectrum of activities, including data collection, voluntary and mandatory standard development, enforcement, and information dissemination.

**Object Classification (in thousands of dollars)**

Identification code 61-0100-0-1-554	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	19,154	18,569	18,475
11.3 Other than full-time permanent.....	1,270	1,231	1,251
11.5 Other personnel compensation.....	216	209	212
11.8 Special personal services payments.....	105	63	63
11.9 Total personnel compensation.....	20,745	20,072	20,001
12.1 Personnel benefits: Civilian .....	2,297	2,856	3,803
13.0 Benefits for former personnel .....	51	65	65
21.0 Travel and transportation of persons .....	528	750	725
22.0 Transportation of things.....	23	33	28
23.1 Rental payments to GSA.....	2,206	2,164	2,333
23.2 Rental payments to others.....	28	35	35
23.3 Communications, utilities, and miscellaneous charges...	1,647	1,892	1,760
24.0 Printing and reproduction .....	462	504	522
25.0 Other services.....	5,352	5,534	4,639
26.0 Supplies and materials.....	393	383	334
31.0 Equipment.....	488	303	150
42.0 Insurance claims and indemnities .....		5	5
99.0 Subtotal, direct obligations.....	34,220	34,596	34,400
99.0 Reimbursable obligations .....	431	798	754
99.9 Total obligations.....	34,651	35,394	35,154

**Personnel Summary**

<b>Direct:</b>			
Total number of full-time permanent positions .....	475	478	478
Total compensable workyears:			
Full-time equivalent employment.....	556	540	532
Full-time equivalent of overtime and holiday hours.....	4	4	4
<b>Reimbursable:</b>			
Total number of full-time permanent positions .....	1	1	1
Total compensable workyears: Full-time equivalent employment.	1	1	1

**CORPORATION FOR PUBLIC BROADCASTING**

*Federal Funds*

**General and special funds:**

**PUBLIC BROADCASTING FUND**

[For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 1989, \$228,000,000: *Provided*, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for government officials or employees: *Provided further*, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex.]

*Of the funds made available under this head in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1986 (Public Law 99-178), \$44,000,000 shall be available only for the fiscal year 1990, and of the funds made available under this head in the conference version of H.R. 5233, the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act, 1987, as enacted by Public Laws 99-500 and 99-591, section 101(i), \$88,000,000 shall be available only for the fiscal year 1990: Provided, That these funds shall be subject to the same terms and conditions as contained in said public laws.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
20-0151-0-1-503			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)	159,500	200,000	170,000
<b>Financing:</b>			
24.40 Unobligated balance available, end of year			44,000
25.00 Unobligated balance lapsing			44,000
39.00 Budget authority	159,500	200,000	258,000
<b>Budget authority:</b>			
50.00 Reappropriation			44,000
60.00 Budget authority (appropriation) (permanent, definite)	159,500	200,000	214,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	159,000	200,000	170,000
90.00 Outlays	159,000	200,000	170,000

Under current authorizing legislation, the Corporation for Public Broadcasting has two major activities: (1) direct payments to public television and radio stations to be used at their discretion for purposes related primarily to program production or acquisition; and (2) support for the production and acquisition of radio and television programs for national distribution. In addition, the Corporation assists in the financing of several system-wide activities, including national satellite interconnection services and the payment of music royalty fees, and provides limited technical assistance, research, and planning services to improve system-wide capacity and performance.

The appropriation for the Corporation for Public Broadcasting is enacted two years in advance. For 1988, an appropriation of \$214 million was enacted in 1986. Although public broadcasting is an important national resource, a funding level of \$214 million is incompatible with the urgent need to reduce Federal spending. The Administration is, therefore, requesting that, of the \$214 million appropriated for 1988, \$44 million shall be

available for 1990 only, and that, of the \$228 million appropriated for 1989, \$88 million shall be available only for 1990. The table below illustrates the 1988-1990 funding levels for the Corporation for Public Broadcasting:

**Summary of Funding Levels, 1988-1990 (in thousands of dollars)**

	1988 est.	1989 est.	1990 est.
<b>Budget authority:</b>			
Reappropriation	44,000	88,000	
Budget authority (appropriation) (permanent, definite)	214,000	228,000	
<b>Obligations/Outlays:</b>			
Current appropriation	214,000	228,000	
Unobligated balance, start of year		-44,000	-132,000
Unobligated balance, end of year	-44,000	-132,000	
<b>Proposed obligations/outlays</b>	<b>170,000</b>	<b>140,000</b>	<b>132,000</b>
<b>Program level</b>	<b>170,000</b>	<b>140,000</b>	<b>132,000</b>

**DISTRICT OF COLUMBIA**

*Federal Funds*

**General and special funds:**

**FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA**

**[FEDERAL PAYMENT FOR WATER AND SEWER SERVICES]**

**[FEDERAL CONTRIBUTION TO RETIREMENT FUNDS]**

**[TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL]**

**[CRIMINAL JUSTICE INITIATIVE]**

For payment to the District of Columbia for the fiscal year ending September 30, [1987, \$444,500,000: *Provided*, That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date] 1988, \$425,000,000, as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code 47-3406).

[For payment to the District of Columbia for the fiscal year ending September 30, 1987, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, \$28,810,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).]

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), \$52,070,000.

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), [\$35,000,000] \$30,000,000.

[For the design and construction of a prison within the District of Columbia, \$20,000,000, to become available October 1, 1987 together with funds previously appropriated under this head for the fiscal years ending September 30, 1986 and September 30, 1987: *Provided*, That the District of Columbia shall award a design and construction contract on or before October 15, 1986: *Provided further*, That the District of Columbia is directed to proceed with the design and construction of a prison facility within the District of Columbia without respect to the availability of Federal funds: *Provided further*, That a plan that includes the construction of not less than a 700 bed, medium security facility on the South part of Square E-1112 as recorded in Subdivision Book 140, Page 199 in the Office of the Surveyor of the District of Columbia is hereby approved: *Provided further*, That this approval shall satisfy the provisions as set forth in the first proviso under the heading "Criminal Justice Initiative" in H.R. 3067 as enacted by reference in section 101(c) of Public Law 99-190, approved December 19, 1985: *Provided further*, That the \$50,000,000 herein and heretofore made available for the prison

project] The \$50,000,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988 for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison. (District of Columbia Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(d).)

**Program and Financing** (in thousands of dollars)

Identification code	20-1700-0-1-852	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Payment to the District of Columbia general fund.....	412,358	444,500	425,000
00.02	Payments for water and sewer services.....	29,197	28,810	.....
00.03	Retirement funds contribution.....	50,565	52,070	52,070
00.04	Special crime initiative.....	13,264	20,000	20,000
00.05	Education initiative.....	144	.....	.....
00.06	Saint Elizabeths Hospital.....	23,925	35,000	30,000
00.07	Jobs training initiative.....	478	.....	.....
00.08	Court study.....	96	.....	.....
10.00	Total obligations.....	530,027	580,380	527,070
<b>Financing:</b>				
39.00	Budget authority.....	530,027	580,380	527,070
<b>Budget authority:</b>				
40.00	Appropriation.....	530,027	560,380	507,070
60.00	Appropriation (permanent, indefinite).....	.....	20,000	20,000
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	530,027	580,380	527,070
90.00	Outlays.....	530,027	580,380	527,070

The Federal payment of \$425.0 million is to reimburse the government of the District of Columbia for the net cost of the Federal presence. Beginning in 1988, in order to promote efficiency and accountability, the District of Columbia will treat Federal establishments of the Judicial, Legislative, and Executive branches of government like private customers for the water and sewer services that they receive from the District of Columbia Government. Thus, in lieu of a lump sum appropriation to the District for these services, the Federal establishments will make payments directly. This appropriation also includes a contribution of \$52.1 million which represents the Federal share of payments to District of Columbia retirement funds for police officers, fire fighters, teachers and judges. Finally, this appropriation includes a payment of \$30.0 million to assist in financing St. Elizabeths Hospital as part of a six-year plan to transfer administrative and financial responsibility from the Federal Government to the District.

**Object Classification** (in thousands of dollars)

Identification code	20-1700-0-1-852	1986 actual	1987 est.	1988 est.
23.3	Communications, utilities, and miscellaneous charges.....	29,197	28,810	.....
41.0	Grants, subsidies, and contributions.....	500,830	551,570	527,070
99.9	Total obligations.....	530,027	580,380	527,070

**LOANS TO THE DISTRICT OF COLUMBIA FOR CAPITAL OUTLAY**

**Status of Direct Loans** (in thousands of dollars)

Identification code	20-0137-0-1-852	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....	1,572,059	1,008,296	715,095
1251	Repayments and prepayments.....	-563,763	-293,201	-29,770
1290	Outstanding, end of year.....	1,008,296	715,095	685,325

The Self-Government Act authorized the District of Columbia to issue tax-exempt general obligation bonds to finance capital improvements projects. Since 1985, the District has sold \$1,496 million in general obligation bonds of which \$386 million has been for this purpose.

The following table shows the status of general fund capital projects loan authorizations on a cumulative basis:

**LOANS—CUMULATIVE**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Appropriations:</b>			
District projects.....	1,896,666	1,896,666	1,896,666
Rapid rail transit.....	297,017	297,017	297,017
Total appropriations.....	2,193,683	2,193,683	2,193,683
<b>Funds withdrawn:</b>			
District projects.....	1,847,833	1,847,833	1,847,833
Rapid rail transit.....	297,017	297,017	297,017
Total borrowing.....	2,144,850	2,144,850	2,144,850
<b>Less:</b>			
Principal repaid <sup>1</sup> .....	1,124,203	1,417,404	1,447,174
MASSWF adjustment.....	12,350	12,350	12,350
Total reduction.....	1,136,553	1,429,754	1,459,524
Outstanding principal debt.....	1,008,297	715,096	685,326

<sup>1</sup> The District is required to repay only 50% of the loans advanced to the Metropolitan area sanitary sewage works fund before July 1, 1971, in accordance with sec. 502 of the act of December 15, 1971 (Public Law 92-196, 85 Stat. 654).

**EQUAL EMPLOYMENT OPPORTUNITY COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed **[\$20,000,000] \$24,200,000** for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; **\$165,000,000**, **\$193,457,000**. (The Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing** (in thousands of dollars)

Identification code	45-0100-0-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	Executive direction and program support.....	11,117	11,997	13,469
00.02	Enforcement.....	127,403	137,532	155,788
00.03	State and local grants.....	19,117	20,000	24,200
00.91	Total direct program.....	157,637	169,529	193,457
01.01	Reimbursable program.....	42	.....	.....
10.00	Total obligations.....	157,679	169,529	193,457

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 45-0100-0-1-751	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	- 42		
25.00 Unobligated balance lapsing .....	268		
<b>39.00 Budget authority .....</b>	<b>157,905</b>	<b>169,529</b>	<b>193,457</b>
Budget authority:			
40.00 <b>Appropriation .....</b>	<b>157,905</b>	<b>165,000</b>	<b>193,457</b>
44.20 Supplemental for civilian pay raises .....		2,640	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		1,889	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	157,637	169,529	193,457
72.40 Obligated balance, start of year .....	25,305	21,191	21,774
74.40 Obligated balance, end of year .....	-21,191	-21,774	-24,902
77.00 Adjustments in expired accounts .....	-2,510		
<b>89.00 Outlays .....</b>	<b>159,241</b>	<b>168,946</b>	<b>190,329</b>
Outlays:			
90.00 Outlays, excluding pay and retirement supplementals .....	159,241	164,591	190,155
91.20 Outlays from civilian pay raise supplementals .....		2,538	102
91.40 Outlays from retirement contribution supplemental .....		1,817	72

The Equal Employment Opportunity Commission (EEOC) is the Federal agency responsible for enforcement of: the Age Discrimination in Employment Act of 1967; title VII of the Civil Rights Act of 1964; the Equal Pay Act of 1963; and, in the Federal sector only, section 501 of the Rehabilitation Act of 1963. These acts prohibit employment discrimination based on race, sex, religion, national origin, age, or handicap status. The Equal Employment Opportunity Commission is also responsible for carrying out Executive Order 12067 which promotes coordination and minimizes conflict and duplication among Federal agencies which administer statutes or regulations involving employment discrimination.

WORKFLOW ANALYSIS

Title VII:	1986 actual	1987 est.	1988 est.
Charges filed .....	50,110	50,110	50,110
Charges resolved .....	46,749	48,511	52,532
Age and equal pay:			
Complaints filed .....	18,712	19,086	19,468
Complaints resolved .....	16,697	17,226	21,690

The budget for the agency supports three activities:  
**Executive direction and program support.**—This activity provides for the direction and coordination of the Commission's programs. It also provides administrative and management support services for the agency.

**Enforcement.**—This activity resolves charges of employment discrimination filed with the Commission; litigates cases against respondents unwilling to comply with title VII, the Equal Pay Act, or the Age Discrimination Employment Act; carries out systemic enforcement; and promotes the participation of handicapped individuals in the Federal work force.

**State and local grants.**—This activity provides funds to State and local fair employment practice (FEP) agencies to assist in the resolution of employment discrimination complaints.

Object Classification (in thousands of dollars)

Identification code 45-0100-0-1-751	1986 actual	1987 est.	1988 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	94,834	98,145	104,776
11.3 Other than full-time permanent .....	1,428	1,657	1,676
11.5 Other personnel compensation .....	719	796	795
11.8 Special personal services payments .....	10	20	20
11.9 Total personnel compensation .....	96,991	100,618	107,267
12.1 Personnel benefits: Civilian .....	11,907	14,829	20,954
13.0 Benefits to former personnel .....	296	340	340
21.0 Travel and transportation of persons .....	2,230	3,022	3,279
22.0 Transportation of things .....	89	100	104
23.1 Rental payments to GSA .....	11,288	12,000	13,681
23.2 Rental payments to others .....	43	75	78
23.3 Communications, utilities, and miscellaneous charges .....	5,640	5,457	5,761
24.0 Printing and reproduction .....	483	390	402
25.0 Other services .....	7,320	10,529	11,342
26.0 Supplies and materials .....	1,127	1,195	1,249
31.0 Equipment .....	1,194	939	4,765
41.0 Grants, subsidies, and contributions .....	19,026	20,000	24,200
42.0 Insurance claims and indemnities .....	3	30	30
43.0 Interests and dividends .....		5	5
99.0 Total direct obligations .....	157,637	169,529	193,457
99.0 Reimbursable obligations .....	42		
99.9 Total obligations .....	157,679	169,529	193,457

Personnel Summary

Total number of full-time permanent positions .....	3,125	3,125	3,198
Total compensable workyears:			
Full-time equivalent employment .....	3,017	3,056	3,198
Full-time equivalent of overtime and holiday hours .....	8	11	11

EXPORT-IMPORT BANK OF THE UNITED STATES

Federal Funds

Public enterprise funds:

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than nuclear-weapon State as defined in article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

LIMITATION ON PROGRAM ACTIVITY

During the fiscal year [1987] 1988 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [\$900,000,000, including such resources and authority as are made available in Public Law 99-349 for fiscal year 1987] \$1,000,000,000: *Provided*, That, if the Chairman of the Export-Import Bank certifies that such budget authority will not be fully utilized during the fiscal year [1987] 1988, up to [\$100,000,000] \$200,000,000 of that amount may be available, subject to the regular notification procedures of the Appropriations Committees of the Senate and House of Representatives, as tied aid credits in accordance with the provisions of the Export-Import Bank Act Amendments of 1986: *Provided further*, That there is appropriated to the Export-Import Bank of the United States an amount equal to the grant amount of tied aid credits which are made available from time to time, but not to exceed [\$100,000,000], \$200,000,000 which shall be subject to the limitation on gross obligations for the principal amount

of direct loans specified under this heading: *Provided further, That during the fiscal year [1987, total] 1988, commitments to guarantee loans [shall not exceed \$11,355,000,000 of contingent liability for loan principal] may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$10,000,000,000*: *Provided further, That the direct loan and guaranty authority provided in this paragraph shall remain available until September 30, 1988*. (*Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).*)

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01		15	13
00.02	1,771,627	1,535,116	1,331,100
00.03	431	132	
00.04	6,521	5,760	5,084
00.05	51,835	24,500	26,900
00.06	17,447	18,756	20,668
00.91	1,847,861	1,584,379	1,383,765
01.01	41	98	103
01.92	1,847,902	1,584,477	1,383,868
<b>Capital investment:</b>			
02.01	683,977	900,000	1,000,000
02.02	233	700	700
02.91	684,210	900,700	1,000,700
10.00	2,532,112	2,485,177	2,384,568
<b>Financing:</b>			
<b>Offsetting collections from: Non-Federal sources:</b>			
14.00	-2,466,135	-3,663,900	-3,154,093
14.00	-1,445,041	-938,698	-753,103
14.00	-33,078	-32,800	-35,900
17.00	-1,131,067	656,537	-480,100
21.47	-438,799	-796,669	-2,022,590
24.47	796,669	2,022,590	2,649,918
31.00	2,185,339	267,763	1,411,300
39.00			
<b>Relation of obligations to outlays:</b>			
71.00	-1,412,142	-2,150,221	-1,558,528
<b>Obligated balance, start of year:</b>			
72.47	2,999,124	1,602,974	2,296,879
72.98	109,804	129,489	330,900
<b>Obligated balance, end of year:</b>			
74.47	-1,602,974	-2,296,879	-1,911,986
74.98	-129,489	-330,900	-240,700
78.00	-1,131,067	656,537	-480,100
90.00	-1,166,744	-2,389,000	-1,563,535

**Status of Direct Loans** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	1,058,620	900,000	1,000,000
1112	-480,243		
1150	578,377	900,000	1,000,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210	15,875,647	14,350,887	10,670,087
1231	906,494	771,100	693,200
1251	-2,430,123	-2,433,900	-2,207,500
1253		-1,500,000	-750,000
1262	-1,131		

1263	Other adjustments, net <sup>1</sup>	-518,000	-450,000
1290	Outstanding, end of year	14,350,887	10,670,087

<sup>1</sup> Represents discount from face value on loan asset sales.

**Status of Guaranteed Loans** (in thousands of dollars)

	1986 actual	1987 estimate	1988 estimate
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111	11,484,000	11,355,000	10,000,000
2112	-5,976,238		
2150	5,507,762	11,355,000	10,000,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210	5,126,508	4,785,088	5,487,888
2231	3,167,226	4,893,500	5,288,600
2251	-3,508,646	-4,190,700	-4,610,600
2290	4,785,088	5,487,888	6,165,888
<b>MEMORANDUM</b>			
2299	4,785,088	5,487,888	6,165,888

The purpose of the Export-Import Bank is to aid in financing and promoting U.S. exports.

To accomplish its objectives, the Bank's authority and resources are used to: assume commercial and political risks that exporters or private institutions are unwilling or unable to undertake; overcome maturity and other limitations in private sector export financing; assist U.S. exporters to meet foreign officially sponsored export credit competition; and provide leadership and guidance in export financing to the U.S. exporting and banking communities and to foreign borrowers. The bank is also actively assisting small- and medium-sized businesses to increase their exports by publicizing the Bank's programs.

In 1987, Congress appropriated \$100 million for a special fund to counteract predatory export financing practices. This fund will promote efforts by the United States to eliminate through negotiations unfair export financing, \$200 million is proposed for 1988.

A limitation of \$1.0 billion for direct loans and of \$10 billion for loan guarantees is proposed for 1988.

**NEW PROGRAM ACTIVITY AT 100%**

	1986 actual	1987 estimate	1988 estimate
<b>(In thousands of U.S. dollars)</b>			
<b>(Recapitulation of authorizations—Guarantees, insurance, and loans)</b>			
Financial guarantees	716,026	2,885,000	2,700,000
Medium-term guarantees	411,834	950,000	790,000
FCIA insurance	4,379,902	7,520,000	6,500,000
Total guarantees and insurance	5,507,762	11,355,000	10,000,000
Plus loan program	578,377	900,000	1,000,000
Total activity at 100%	6,086,139	12,255,000	11,000,000

**DATA ON DIRECT LOANS**

	1986 actual	1987 estimate	1988 estimate
<b>(In millions of dollars)</b>			
Undisbursed loan authorizations, end of year	2,380.3	1,937.0	1,884.0
Credit authorizations	578.4	900.0	1,000.0
Credit cancellations	891.5	624.2	478.8
Loan disbursements	696.1	719.1	574.2
Capitalized interest	210.4	52.0	119.0
Loan principal repayments	2,430.1	3,933.9	2,957.5
Loan write-offs	1.1		
Loans outstanding, end of year	14,350.9	11,188.1	8,923.8

## Public enterprise funds—Continued

EXPORT-IMPORT BANK OF THE UNITED STATES—Continued  
LIMITATION ON PROGRAM ACTIVITY—Continued

## DATA ON REGULAR LOANS

[In millions of dollars]

	1986 actual	1987 estimate	1988 estimate
Undisbursed loan authorizations, end of year.....	2,292.3	1,885.6	1,841.0
Credit authorizations.....	563.5	880.0	980.0
Credit cancellations.....	848.1	583.3	459.1
Loan disbursements.....	685.5	703.5	565.5
Capitalized interest.....	210.4	52.0	119.0
Loan principal repayments.....	2,382.1	3,908.3	2,935.4
Loan write-offs.....	1.1		
Loans outstanding, end of year.....	14,302.8	11,150.0	8,899.1

## DATA ON SMALL BUSINESS CREDITS

[In millions of dollars]

	1986 actual	1987 estimate	1988 estimate
Undisbursed loan authorizations, end of year.....	87.9	51.4	43.0
Credit authorizations.....	14.8	20.0	20.0
Credit cancellations.....	43.4	40.9	19.7
Loan disbursements.....	10.6	15.6	8.7
Loan principal repayments.....	48.1	25.6	22.1
Loans outstanding, end of year.....	48.1	38.1	24.7

## DATA ON DIRECT TIED-AID CREDIT

[In millions of dollars]

	1986 actual	1987 estimate	1988 estimate
Subsidized loans.....		100	200
Estimated outlays.....		8	38

## DATA ON GUARANTEES AND INSURANCE

[In thousands of dollars]

	1986 actual	1987 estimate	1988 estimate
Balance, beginning of year: Guarantees and insurance issued subject to fractional reserve basis.....	14,513,962	14,215,321	18,737,021
New authorizations: Guarantees and insurance issued subject to fractional reserve basis.....	5,501,284	11,355,000	10,000,000
Repayments, cancellations, and expirations: Guarantees and insurance issued subject to fractional reserve.....	-5,799,925	-6,833,300	-8,434,000
Balance at end of year: Guarantees and insurance issued subject to fractional reserve.....	14,215,321	18,737,021	20,303,021
Less amount not charged to lending authority under fractional reserve basis.....	-10,661,491	-14,052,766	-15,227,266
Total.....	3,553,830	4,684,255	5,075,755
Less balance, beginning of year.....	-3,628,491	-3,553,830	-4,684,255
Change during year.....	-74,661	1,130,425	391,500
Statutory limitation.....	25,000,000	25,000,000	25,000,000
Charge at end of year.....	-14,215,321	-18,737,021	-20,303,021
Unused balance.....	10,784,679	6,262,979	4,696,979

**Operating results and financial condition.**—The Bank is a wholly owned Government corporation. Capital stock of \$1 billion was purchased by the U.S. Treasury. In addition, the Bank is authorized to borrow from the Treasury up to \$6 billion; the Bank pays interest on such borrowings.

The Bank's net operating loss is estimated to be \$638 million in 1988, compared with a loss of \$598 million in 1987 and an operating loss of \$343 million in 1986. Total investment of the Government in the corporation is estimated to be \$527 million on September 30, 1988.

## POSITION WITH RESPECT TO LENDING, GUARANTEE AND INSURANCE AUTHORITY

[In thousands of dollars]

	1985 actual	1986 actual	1987 est.	1988 est.
Statutory authority.....	40,000,000	40,000,000	40,000,000	40,000,000
Charges against authority:				
Loan program:				
Loans outstanding.....	15,875,647	14,350,887	11,188,087	8,923,787
Loans undisbursed.....	3,387,700	2,380,257	1,936,957	1,883,957
Subtotal.....	19,263,347	16,731,144	13,125,044	10,807,744

## Export guarantees and insurance program:

Short-term: Foreign Credit Insurance Association.....	1,895,851	1,828,576	2,250,426	2,210,926
Medium-term:				
Foreign Credit Insurance Association.....	133,911	155,715	223,915	241,240
Export-Import Bank of the United States.....	1,598,729	1,569,539	2,209,914	2,623,589
Subtotal.....	3,628,491	3,553,830	4,684,255	5,075,755
Total charges against authority.....	22,891,838	20,284,974	17,809,299	15,883,499
Unused authority.....	17,108,162	19,715,026	22,190,701	24,116,501

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Loan program:			
Revenue.....	1,452,374	1,223,900	1,006,200
Expense.....	-1,792,641	-1,550,522	-1,346,490
Net operating income or loss (-), before write-offs.....	-340,267	-326,622	-340,290
Less: Write-offs.....	-1,770	-270,000	-300,000
Net operating income, loan program.....	-342,037	-596,622	-640,290
Guarantee and insurance program:			
Revenue.....	34,892	32,800	39,500
Expense.....	-8,703	-9,378	-10,410
Net operating income before claims paid.....	26,189	23,422	29,090
Less: Claims paid (net).....	-27,283	-24,600	-26,900
Net operating income or loss (-), guarantee and insurance program.....	-1,094	-1,178	2,190
Net operating income for the year.....	-343,131	-597,800	-638,100

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Treasury balance.....	36,912	4,327	500	500
U.S. Securities (par).....	72,800	124,400	330,900	240,700
Accounts receivable, net.....	694,727	612,052	565,925	471,725
Prepaid expenses.....	46	9	15	15
Loans receivable.....	15,875,648	14,350,888	11,188,087	8,923,787
Excess of estimated recoveries over estimated claim payments.....	1,028,558	1,147,012	1,122,012	1,097,012
Furniture and equipment, net.....	499	731	1,351	1,956
Total assets.....	17,709,190	16,239,419	13,208,790	10,735,695
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	176,813	192,487	167,387	148,187
Deferred credits.....	9,129	10,223	9,123	8,623
Total current liabilities.....	185,942	202,710	176,510	156,810
Debt issued under borrowing authority:				
Federal Financing Bank borrowings outstanding.....	15,409,046	14,268,398	11,867,659	10,052,364
Borrowings from U.S. institutions.....	8,650	5,890		
Total liabilities.....	15,603,638	14,476,998	12,044,169	10,209,174
<b>Government equity:</b>				
Unexpended budget authority:				
Undelivered orders: Undisbursed loan obligations.....	3,435,810	2,380,257	1,936,957	1,883,957
Unfunded budget authority:				
Borrowing authority.....	-2,806,273	-1,842,188	-1,216,142	-1,327,842
Invested capital.....	1,476,015	1,224,352	443,806	-29,594
Total Government equity.....	2,105,552	1,762,421	1,164,621	526,521

## Analysis of changes in Government equity:

Paid-in capital: Capital stock.....	1,000,000	1,000,000	1,000,000
Retained income:			
Opening balance.....	1,105,552	762,421	164,621

OTHER INDEPENDENT AGENCIES

Transactions: Net operating income .....	- 343,131	- 597,800	- 638,100
Closing balance .....	762,421	164,621	- 473,479
Total Government equity (end of year) .....	1,762,421	1,164,621	526,521

Object Classification (in thousands of dollars)

Identification code 83-4027-0-3-155	1986 actual	1987 est.	1988 est.
25.0 Other services .....	544	698	703
31.0 Equipment .....	233	700	700
33.0 Investments and loans .....	683,977	900,000	1,000,000
42.0 Insurance claims and indemnities .....	51,835	24,600	26,900
43.0 Interest and dividends .....	1,778,076	1,540,423	1,335,597
93.0 Administrative expenses (see separate schedule) .....	17,447	18,756	20,668
99.9 Total obligations .....	2,532,112	2,485,177	2,384,568

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed **[\$18,371,500] \$20,668,000** (to be computed on an accrual basis) shall be available during fiscal year **[1987] 1988** for administrative expenses, including hire of passenger motor vehicles and services as authorized by section 3109 of title 5, United States Code, and not to exceed **[\$16,000] \$18,000** for official reception and representation expenses for members of the Board of Directors: *Provided*, That (1) fees or dues to international organizations of credit institutions engaged in financing foreign trade, (2) necessary expenses (including special services performed on a contract or a fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Export-Import Bank or in which it has an interest, including expenses of collections of pledged collateral, or the investigation or appraisal of any property in respect to which an application for a loan has been made, and (3) expenses (other than internal expenses of the Export-Import Bank) incurred in connection with the issuance and servicing of guarantees, insurance, and reinsurance, shall be considered as nonadministrative expenses for the purposes of this heading. *(Foreign Assistance and Related Programs Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(f).)*

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activity:</b>			
Administration (total obligations) .....	17,447	18,756	20,668
<b>Financing:</b>			
Unobligated balance lapsing .....	121		
<b>Limitation .....</b>	<b>17,568</b>	<b>18,372</b>	<b>20,668</b>
<b>Supplemental for retirement contributions (P.L. 99-335) .....</b>	<b>227</b>		
<b>Transfers in for civilian pay raises .....</b>	<b>157</b>		
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	17,192	18,981	20,388
Obligated balance, start of year .....	1,519	1,264	1,489
Obligated balance, end of year .....	- 1,264	- 1,489	- 1,209
Outlays from limitations .....	17,447	18,756	20,668

Object Classification (in thousands of dollars)

Identification code 83-4027-0-3-155	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	11,173	11,167	12,287
11.3 Other than full-time permanent .....	537	539	555
11.5 Other personnel compensation .....	- 29	422	413
11.9 Total personnel compensation .....	11,681	12,128	13,255
12.1 Personnel benefits: Civilian .....	1,454	1,638	2,423
21.0 Travel and transportation of persons .....	283	460	360
22.0 Transportation of things .....	28	34	34
23.1 Rental payments to GSA .....	1,907	1,801	2,108
23.2 Rental payments to others .....	597	582	610
23.3 Communications, utilities, and miscellaneous charges .....	615	654	660
24.0 Printing and reproduction .....	177	167	164

25.0 Other services .....	490	946	754
26.0 Supplies and materials .....	215	346	300
93.0 Administrative expenses included in schedule for fund as a whole .....	- 17,447	- 18,756	- 20,668
99.9 Total administrative expenses .....			

Personnel Summary

Total number of full-time permanent positions .....	307	320	326
Total compensable workyears:			
Full-time equivalent employment .....	326	339	345
Full-time equivalent of overtime and holiday hours .....	2	3	3

FARM CREDIT ADMINISTRATION

Federal Funds

Public enterprise funds:

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

Not to exceed \$39,420,000 (from assessments collected from farm credit system banks) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249. *(Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(a).)*

Program and Financing (in thousands of dollars)

Identification code 78-4131-0-3-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	21,855	38,099	39,420
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	- 33,327	- 31,682	- 39,420
Unobligated balance available, start of year: Fund balance:			
21.98 Unreserved .....	- 827	- 6,417	
21.98 Reserved .....	- 5,294	- 9,855	- 9,855
Unobligated balance available, end of year: Fund balance:			
24.98 Unreserved .....	6,417		
24.98 Reserved .....	9,855	9,855	9,855
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	1,321		
39.00 <b>Budget authority .....</b>			
<b>Limitation .....</b>	<b>23,176</b>	<b>39,420</b>	<b>39,420</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	- 11,472	6,417	
72.10 Receivables in excess of obligations, start of year .....	- 169	- 3,816	- 3,816
74.10 Receivables in excess of obligations, end of year .....	3,816	3,816	3,816
90.00 <b>Outlays .....</b>	<b>- 7,825</b>	<b>6,417</b>	

The Farm Credit Administration examines and regulates a coordinated agricultural credit system of farm credit banks and associations which lend to farmers, ranchers and their cooperatives.

The System is comprised of 12 Federal land banks, 12 Federal intermediate credit banks, 13 Banks for cooperatives, the Farm Credit System Capital Corporation, various System service organizations and approximately 370 Federal land bank associations and production credit associations.

Assessments based upon estimated administrative expenses are collected from institutions in the Farm Credit System and are available for administrative expenses. Obligations are incurred within fiscal year budgets approved by the Farm Credit Administration Board.

Public enterprise funds—Continued

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES—Continued

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Revenue.....	30,914	39,420	39,420
Expense.....	-22,364	-39,420	-39,420
Net income for the year.....	8,550		

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	5,952	13,777	6,039	6,039
Accounts receivable (net).....	4,300	9,085	9,085	9,085
Advances made.....	223	503	503	503
Total assets.....	10,475	23,365	15,627	15,627
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	3,226	3,831	3,831	3,831
Advances from the public.....	5,294	9,855	9,855	9,855
Total liabilities.....	8,520	13,686	13,686	13,686
<b>Government equity:</b>				
Unexpended balances:				
Unobligated balance:				
Unreserved.....	827	6,417		
Reserved.....	5,294	9,855	9,855	9,855
Undelivered orders.....	1,128	1,941	1,941	1,941
Unfilled customers' orders.....	-5,294	-9,855	-9,855	-9,855
Total Government equity.....	1,955	8,358	1,941	1,941
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....	1,955	8,358	1,941	
Transactions: Net operating income.....	7,229			
Refund of prior period assessments <sup>1</sup> .....	-827	-6,417		
Closing balance.....	8,358	1,941	1,941	
Total Government equity (end of year).....	8,358	1,941	1,941	

<sup>1</sup> Amounts of refunds in future years will be reflected as reductions in total obligations.

Object Classification (in thousands of dollars)

Identification code 78-4131-0-3-351	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,028	19,371	19,812
11.3 Other than full-time permanent.....	587	468	477
11.5 Other personnel compensation.....	241	559	374
11.8 Special personal services payments.....	163	452	462
11.9 Total personnel compensation.....	13,019	20,850	21,125
12.1 Personnel benefits: Civilian.....	1,961	4,672	5,385
13.0 Benefits for former personnel.....	28		
21.0 Travel and transportation of persons.....	1,892	6,426	6,285
22.0 Transportation of things.....	249	606	503
23.3 Communications, utilities, and miscellaneous charges.....	1,064	954	1,025
24.0 Printing and reproduction.....	275	341	372
25.0 Other services.....	1,365	2,679	3,417
26.0 Supplies and materials.....	559	716	790
31.0 Equipment.....	1,443	855	518
99.9 Total obligations.....	21,855	38,099	39,420

Personnel Summary

Total number of full-time permanent positions.....	484	573	577
Total compensable workyears:			
Full-time equivalent employment.....	353	596	600
Full-time equivalent of overtime and holiday hours.....	3	4	4

CAPITAL CORPORATION INVESTMENT FUND

Program and Financing (in thousands of dollars)

Identification code 78-4136-0-3-351	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.98 Unobligated balance available, start of year: Fund balance.....	-259,799	-259,799	-259,799
24.98 Unobligated balance available, end of year: Fund balance.....	259,799	259,799	259,799
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

The Farm Credit Amendments Act of 1985 merges the Banks for Cooperatives fund and the short-term credit investment fund, and makes available to the Farm Credit Administration this fund for the purchase, on behalf of the United States, of capital stock and other objections of the Farm Credit System Capital Corporation.

FEDERAL COMMUNICATIONS COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed **[\$700,000]** \$300,000 for land and structures; not to exceed **[\$200,000]** \$300,000 for improvement and care of grounds and repair to buildings; not to exceed **[\$3,000]** \$4,000 for official reception and representation expenses: purchase (not to exceed ten) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; **[\$95,000,000]** \$107,250,000, of which not to exceed \$300,000 of the foregoing amount shall remain available until September 30, [1988] 1989, for research and policy studies: *Provided*, That notwithstanding any other provision of law, the Federal Communications Commission, during fiscal year 1987, may recover the costs incurred to assess and collect charges authorized by section 5002 of Public Law 99-272 from receipts generated by such charges: *Provided further*, That none of the funds appropriated to the Federal Communications Commission by this Act may be used to diminish the number of VHF channel assignments reserved for non-commercial educational television stations in the Television Table of Assignments (section 73.606 of title 47, Code of Federal Regulations): *Provided further*, That funds appropriated to the Federal Communications Commission by this Act shall be used to consider alternative means of administration and enforcement of the Fairness Doctrine and to report to the Congress by September 30, 1987. (Public Law 99-272; Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 27-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Commissioners.....	2,028	2,451	2,669
00.02 Mass media.....	18,156	19,521	21,530
00.03 Common carrier.....	17,404	18,525	20,424
00.04 Private radio.....	8,112	9,480	10,755
00.05 Field operations.....	19,068	23,994	22,424
00.06 Science and technology.....	5,280	5,869	6,344
00.07 Support.....	20,788	22,170	23,104
00.91 Total direct program.....	90,836	102,010	107,250
01.01 Reimbursable program.....	522	550	550
10.00 Total obligations.....	91,358	102,560	107,800

Financing:			
Offsetting collections from:			
11.00	Federal funds.....	-479	-500
14.00	Non-Federal sources.....	-43	-50
21.40	Unobligated balance available, start of year.....	-740	-145
24.40	Unobligated balance available, end of year.....	145	
25.00	Unobligated balance lapsing.....	100	
39.00	<b>Budget authority</b> .....	<b>90,341</b>	<b>101,865</b>
Current authority:			
40.00	<b>Appropriation</b> .....	<b>90,341</b>	<b>95,000</b>
44.20	Supplemental for civilian pay raise.....	755	
44.00	Supplemental for retirement contributions (P.L. 99-335).....	1,199	
Permanent authority:			
60.00	<b>Appropriation (permanent, indefinite) (P.L. 99-272)</b> .....	<b>4,911</b>	
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	90,836	102,010
72.40	Obligated balance, start of year.....	9,263	7,169
74.40	Obligated balance, end of year.....	-7,587	-7,169
77.00	Adjustments in expired accounts.....	-303	
89.00	<b>Outlays</b> .....	<b>92,209</b>	<b>102,428</b>
Outlays:			
90.00	Outlays, excluding pay and retirement supplementals.....	92,209	100,534
91.20	Outlays from civilian pay raise supplemental.....	732	23
91.40	Outlays from retirement contribution supplemental.....	1,162	37

**Commissioners.**—This activity includes the top adjudicatory, policymaking, planning, and decision-making for the Commission's basic functions.

**Mass media.**—This activity licenses and regulates broadcasting (AM, FM, TV) and its associated auxiliary services. This activity also is responsible for regulating cable television and its associated auxiliary services. In 1988, the mass media activity will continue to authorize existing audio and video services to the public in the most expeditious manner possible.

**Common carrier.**—This activity regulates the service offerings, facilities, rates and practices of interstate and international common carriers. In 1988, this activity will continue to authorize new services' entry into the common carrier services and to monitor the restructuring of the telecommunications industry.

**Private radio.**—This activity includes the licensing, regulation and enforcement of seven major radio services: aviation, marine, land mobile, microwave, general mobile, amateur, and restricted permits.

**Field operations.**—This activity performs licensing, enforcement, and public service at various field locations throughout the United States and its territories.

**Science and technology.**—This activity acts as the staff adviser on broad scientific and technical matters and coordinates non-Federal spectrum allocation. Additionally, this activity is responsible for the operation of the agency's equipment testing and certification program.

**Support.**—This activity provides the Commission with expert advice, assistance, and centralized staff support.

Object Classification (in thousands of dollars)			
Identification code 27-0100-0-1-376			
		1986 actual	1987 est.
Direct obligations:			
Personnel compensation:			
11.1	Full-time permanent.....	61,500	63,360
11.3	Other than full-time permanent.....	1,040	1,282
11.5	Other personnel compensation.....	669	688
11.8	Special personal services payments.....	8	5
11.9	<b>Total personnel compensation</b> .....	<b>63,217</b>	<b>65,335</b>

12.1	Personnel benefits: Civilian.....	7,298	8,773	12,744
13.0	Benefits for former personnel.....	100	100	100
21.0	Travel and transportation of persons.....	603	907	1,201
22.0	Transportation of things.....	173	251	367
23.1	Rental payments to GSA.....	8,512	8,069	9,453
23.2	Rental payments to others.....	311	325	333
23.3	Communications, utilities, and miscellaneous charges.....	4,060	4,838	5,218
24.0	Printing and reproduction.....	1,154	1,251	1,422
25.0	Other services.....	2,322	4,080	4,184
26.0	Supplies and materials.....	1,125	1,457	1,480
31.0	Equipment.....	888	3,685	1,857
32.0	Lands and structures.....	1,059	2,925	100
42.0	Insurance claims and indemnities.....	14	14	14
99.0	Subtotal, direct obligations.....	90,836	102,010	107,250
99.0	Reimbursable obligations.....	522	550	550
99.9	<b>Total obligations</b> .....	<b>91,358</b>	<b>102,560</b>	<b>107,800</b>

**Personnel Summary**

Direct:			
Total number of full-time permanent positions.....	1,835	1,855	1,888
Total compensable workyears:			
Full-time equivalent employment.....	1,820	1,857	1,893
Full-time equivalent of overtime and holiday hours.....	7	7	7
Reimbursable:			
Total number of full-time permanent positions.....	5	5	5
Total compensable workyears: Full-time equivalent employment.....	5	5	5

**FEDERAL DEPOSIT INSURANCE CORPORATION**

The Federal Deposit Insurance Corporation was created by the Banking Act of 1933 to provide protection for bank depositors and to foster sound banking practices. The deposit insurance ceiling protection has been \$100,000 since March 31, 1980. In order to accomplish its varied functions in the protection of bank depositors, the Corporation is authorized to promulgate and enforce rules and regulations relating to the supervision of insured banks and to perform other regulatory and supervisory duties consistent with its responsibilities as insurer. The major portion of the Corporation's operations consists of the examination of State banks that are not members of the Federal Reserve System and liquidation activities attendant to insured banks that have closed.

The insurance fund is supported by an authorization to borrow up to \$3 billion from the Treasury of the United States. No borrowing under this authorization has been made to date and none is anticipated in 1987 and 1988.

**Trust Funds**

FEDERAL DEPOSIT INSURANCE CORPORATION

Program and Financing (in thousands of dollars)

Identification code 51-8419-0-8-371			
		1986 actual	1987 est.
Program by activities:			
00.01	Total operating expenses.....	461,838	276,825
00.02	Capital investment: Assets acquired in insured banks and other.....	4,601,995	8,947,206
10.00	<b>Total obligations</b> .....	<b>5,063,833</b>	<b>9,224,031</b>
Financing:			
Offsetting collections from:			
11.00	Federal funds.....	-1,641,108	-1,703,000
Non-Federal sources:			
14.00	Recoveries on assets acquired in receivership and deposit assumption transactions.....	-1,340,670	-2,200,000

## FEDERAL DEPOSIT INSURANCE CORPORATION—Continued

## Program and Financing (in thousands of dollars)—Continued

Identification code	51-8419-0-8-371	1986 actual	1987 est.	1988 est.
14.00	Insurance assessments and others .....	-2,038,010	-2,130,000	-2,221,000
17.00	Recovery of prior year obligations .....	-67,518		
	Unobligated balance, start of year:			
21.98	Fund balance (available) .....	-11,495,361	-11,518,834	-8,327,803
21.98	Fund balance (unavailable) .....		-472,000	-3,954,000
	Unobligated balance, end of year:			
24.98	Fund balance (available) .....	11,518,834	8,327,803	7,233,203
24.98	Fund balance (unavailable) .....	472,000	3,954,000	2,903,000
31.00	Redemption of debt .....		472,000	3,954,000
67.10	<b>Budget authority (authority to borrow)</b> <b>(64 Stat. 873)</b> .....	<b>472,000</b>	<b>3,954,000</b>	<b>2,903,000</b>
	Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	44,045	3,191,031	1,094,600
72.98	Obligated balance, start of year: Fund balance .....	4,652,077	3,894,426	3,039,457
74.98	Obligated balance, end of year: Fund balance .....	-3,894,426	-3,039,457	-2,599,057
78.00	Adjustments in unexpired accounts .....	-67,518		
90.00	Outlays .....	734,178	4,046,000	1,535,000

## NOTES

Operating expenses include Merger Assistance Transactions.

Budget authority and outlays include the value of notes issued as part of assistance agreements to acquirers of failing banks. (Inadvertently, budget authority for all years was omitted from other budget data and in Treasury reporting for 1986; outlays of \$472 million for notes issued in 1986 were omitted from other budget data and Treasury reporting.)

## Status of Direct Loans (in thousands of dollars)

Identification code	51-8419-0-8-371	1986 actual	1987 est.	1988 est.
	<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	Limitation on direct loans to the public .....			
1131	Obligations exempt from limitation: Direct loans to the public .....	127,500		
1150	Total direct loan obligations .....	127,500		
	<b>Cumulative balance of direct loans outstanding:</b>			
1210	Outstanding, start of year .....	3,617,391	3,423,150	3,370,031
1231	Disbursements: Direct loan disbursements .....	127,500		
1251	Repayments: Repayments and prepayments .....	-321,741	-53,119	-1,000
1290	Outstanding, end of year .....	3,423,150	3,370,031	3,369,031

In order to facilitate deposit assumptions and mergers, or to assist operating banks, the Corporation is authorized to purchase notes issued by the assuming or acquiring bank, or in the case of direct assistance, notes issued by the operating bank. The above schedule reflects the outstanding principal amounts of these notes, projected repayments based on the notes agreements, and estimated additional disbursements and repayments during 1987 and 1988.

Income of the Corporation is derived principally from insurance assessments paid by insured banks and interest on investment in U.S. Government securities. As of September 30, 1986, the deposit insurance fund amounted to \$18.8 billion. The entire fund represents the accumulated net income of the Corporation and is reserved for the protection of depositors in insured banks and for payment of administrative and insurance expenses. No funds derived from taxes or Federal appropriation are allocated to or used by the Corporation in any of its operations.

The estimates for 1987 and 1988 in these statements make provision for losses and expenses which might occur by reason of the closing of any bank after September 30, 1986.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Revenue:</b>			
Income from U.S. securities .....	1,641,108	1,703,000	1,500,000
Insurance assessments .....	1,577,907	1,730,000	1,821,000
Other .....	460,102	400,000	400,000
<b>Total revenue .....</b>	<b>3,679,117</b>	<b>3,833,000</b>	<b>3,721,000</b>
<b>Expenses:</b>			
Administrative and operating expenses .....	185,278	226,725	276,600
Expenses incurred in protecting depositors in insured banks .....	3,353,853	5,458,000	3,803,000
Losses and expenses incurred in assisting merged banks .....	181,937	50,000	50,000
<b>Total expenses .....</b>	<b>3,721,068</b>	<b>5,734,725</b>	<b>4,129,600</b>
<b>Net loss for year .....</b>	<b>-41,951</b>	<b>-1,901,725</b>	<b>-408,600</b>

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Cash .....	17,912	29,525	29,525	29,525
Investment in U.S. securities (at par) .....	16,129,526	15,855,735	15,735,735	17,078,735
Accounts receivable .....	784,135	1,184,836	1,184,836	1,184,836
Fixed assets—office buildings (net) .....	44,703	47,990	75,990	100,990
Assets acquired in assistance to banks (net) .....	7,012,387	6,234,508	8,072,508	8,758,508
<b>Total assets .....</b>	<b>23,988,663</b>	<b>23,352,594</b>	<b>25,098,594</b>	<b>27,152,594</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities .....	482,716	454,764	454,764	454,764
Notes to acquiring banks .....		472,000	3,954,000	2,903,000
Liabilities incurred in failed banks .....	4,641,970	3,603,804	3,769,529	7,283,129
<b>Total liabilities .....</b>	<b>5,124,686</b>	<b>4,530,568</b>	<b>8,178,293</b>	<b>10,640,893</b>
<b>Government equity:</b>				
Unobligated balance .....	11,562,879	11,990,834	12,281,803	10,136,203
Invested capital and earnings .....	7,301,098	6,831,192	4,638,498	6,375,498
<b>Total Government equity .....</b>	<b>18,863,977</b>	<b>18,822,026</b>	<b>16,920,301</b>	<b>16,511,701</b>
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance .....	18,863,977	18,822,026	16,920,301	
Net loss .....	-41,951	-1,901,725	-408,600	
<b>Total Government equity (end of year) .....</b>	<b>18,822,026</b>	<b>16,920,301</b>	<b>16,511,701</b>	

## Object Classification (in thousands of dollars)

Identification code	51-8419-0-8-371	1986 actual	1987 est.	1988 est.
	<b>Personnel compensation:</b>			
11.1	Full-time permanent .....	91,742	111,083	127,746
11.5	Other personnel compensation .....	1,201	1,251	1,439
11.8	Special personal services payments .....	4,114	5,994	6,893
11.9	Total personnel compensation .....	97,057	118,328	136,078
12.1	Personnel benefits: Civilian .....	24,231	26,081	29,993
21.0	Travel and transportation of persons .....	20,624	29,158	33,532
22.0	Transportation of things .....	946	1,032	1,186
23.2	Rental payments to others .....	9,541	13,431	15,446
23.3	Communications, utilities, and miscellaneous charges .....	10,468	14,196	16,326
24.0	Printing and reproduction .....	926	882	1,015
25.0	Other services .....	5,193	8,093	9,307
26.0	Supplies and materials .....	2,956	2,121	2,439
31.0	Equipment .....	11,253	11,008	12,660
32.0	Land and structures .....	3,091	2,395	2,754
33.0	Investments and loans (buildings) .....		28,000	25,000
92.0	Undistributed (closed bank activities) .....	4,877,547	8,969,306	6,779,864
99.9	<b>Total obligations .....</b>	<b>5,063,833</b>	<b>9,224,031</b>	<b>7,065,600</b>

**Personnel Summary**

Total number of full-time permanent positions.....	4,258	5,740	6,601
Total compensable workyears:			
Full-time equivalent employment.....	3,655	5,453	6,271
Full-time equivalent of overtime and holiday hours.....	87	130	149

**FEDERAL ELECTION COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, **[\$12,800,000]** \$14,174,000. (Independent Agencies Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1600-0-1-806			
<b>Program by activities:</b>			
10.00 Total obligations.....	11,875	13,090	14,174
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	23		
39.00 <b>Budget authority</b> .....	<b>11,898</b>	<b>13,090</b>	<b>14,174</b>
<b>Budget authority:</b>			
40.00 <b>Appropriation</b> .....	<b>11,898</b>	<b>12,800</b>	<b>14,174</b>
44.20 Supplemental for civilian pay raises.....		88	
44.40 Supplemental for retirement contributions (P.L. 99-335).....		202	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	11,875	13,090	14,174
72.40 Obligated balance, start of year.....	2,254	1,392	1,306
74.40 Obligated balance, end of year.....	-1,392	-1,306	-1,344
77.00 Adjustments in expired accounts.....	-49		
89.00 <b>Outlays</b> .....	<b>12,688</b>	<b>13,176</b>	<b>14,136</b>
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	12,688	12,898	14,124
91.20 Outlays from civilian pay raise supplemental.....		84	4
91.40 Outlays from retirement contribution supplemental.....		194	8

The Commission administers the disclosure of campaign finance information, enforces limitations on contributions and expenditures, supervises the public funding of Presidential elections, and performs other tasks relative to Federal elections.

The Commission is authorized to submit budget estimates to the President and concurrently to the Congress. The Commission supports the 1988 request for \$14.2 million. Total funding for 1988 provides for a staff level of 258 FTE.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1600-0-1-806			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	7,247	7,727	8,060
11.3 Other than full-time permanent.....	85	98	199
11.5 Other personnel compensation.....	23	25	30
11.8 Special personal services payments.....	2	4	5
11.9 Total personnel compensation.....	7,357	7,854	8,294
12.1 Personnel benefits: Civilian.....	942	1,176	1,510
13.0 Benefits for former personnel.....	27	20	30
21.0 Travel and transportation of persons.....	91	154	246
22.0 Transportation of things.....	5	5	5
23.1 Rental payments to GSA.....	1,270	1,376	1,625
23.2 Rental payments to others.....	17	20	20
23.3 Communications, utilities, and miscellaneous charges.....	642	643	669
24.0 Printing and reproduction.....	267	338	344

25.0 Other services.....	979	1,187	1,129
26.0 Supplies and materials.....	236	239	245
31.0 Equipment.....	42	78	57
99.9 Total obligations.....	11,875	13,090	14,174

**Personnel Summary**

Total number of full-time permanent positions.....	220	235	242
Total compensable workyears: Full-time equivalent employment.....	230	245	258

**FEDERAL EMERGENCY MANAGEMENT AGENCY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles (31 U.S.C. 1343); uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of government program to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed \$1,500 for official reception and representation expenses, **[\$124,000,000]** \$131,544,000.

Further, for the foregoing purposes related to national defense only, \$74,217,000, to become available for obligation on October 1, 1988. (Additional authorizing legislation to be proposed for \$44,701,000.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5913, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
58-0100-0-1-999				
<b>Program by activities:</b>				
<b>Direct program:</b>				
<b>Program support:</b>				
00.01 Civil defense.....	26,123	27,349	28,940	28,940
00.02 Comprehensive emergency preparedness planning.....	2,612	3,292	3,044	3,065
00.03 Radiological emergency preparedness planning.....	2,881	3,306	3,511	3,539
00.04 Federal preparedness.....	38,710	42,640	46,375	45,277
00.05 Training and fire programs.....	4,263	4,838	4,810	4,858
00.06 Flood plain management.....	5,545	6,613		
00.07 Disaster relief.....	6,293	9,371	9,923	9,992
00.08 Insurance activities.....	2,269	2,687		
00.09 Emergency food and shelter.....	83	160	170	172
00.10 Management and administration.....	30,690	33,044	34,771	35,500
00.91 Total direct program.....	119,469	133,300	131,544	131,343
01.01 Reimbursable program.....	2,488	4,500	4,900	4,900
10.00 Total obligations.....	121,957	137,800	136,444	136,243
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds.....	-2,488	-4,500	-4,900	-4,900
22.47 Unobligated balance transferred, net.....		-9,300		
25.00 Unobligated balance lapsing.....	1,555			
39.00 <b>Budget authority</b> .....	<b>121,024</b>	<b>124,000</b>	<b>131,544</b>	<b>131,343</b>
<b>Budget authority:</b>				
40.00 <b>Appropriation</b> .....	<b>109,440</b>	<b>124,000</b>	<b>131,544</b>	<b>131,343</b>
42.00 Transferred from other accounts.....	11,584			
43.00 <b>Appropriation (adjusted)</b> .....	<b>121,024</b>	<b>124,000</b>	<b>131,544</b>	<b>131,343</b>
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	119,469	133,300	131,544	131,343
72.40 Obligated balance, start of year.....	58,240	60,977	62,420	62,720
74.40 Obligated balance, end of year.....	-60,977	-62,420	-62,720	-62,817
77.00 Adjustments in expired accounts.....	1,294			
90.00 <b>Outlays</b> .....	<b>118,025</b>	<b>131,857</b>	<b>131,244</b>	<b>131,246</b>

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
58-0100-0-1-999				
Distribution of outlays by account:				
Salaries and expenses.....	117,077	130,957	130,344	130,346
Emergency planning, preparedness and mobilization.....	413	400	400	400
Hazard mitigation and disaster assistance.....	536	500	500	500

Note.—Excludes \$9,892 thousand in 1988 for activities transferred to the National flood insurance fund. Comparable amounts for 1986 (\$7,814 thousand) and 1987 (\$9,300 thousand) are included above.

**Program support.**—This activity provides the necessary resources to administer the Agency's various programs.

**Management and administration.**—This activity provides for the general management and administration of the agency in legal affairs, external affairs, financial management, personnel and other central support functions, such as rent, utilities, and supplies.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
58-0100-0-1-999				
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent.....	75,625	84,592	80,420	79,721
11.3 Other than full-time permanent.....	800	117		
11.5 Other personnel compensation.....	2,231	1,749	1,873	1,873
11.8 Special personal services payments.....	1,188			
11.9 Total personnel compensation.....	79,844	86,458	82,293	81,594
12.1 Personnel benefits: Civilian.....	9,101	10,105	12,896	12,793
13.0 Benefits for former personnel.....	266			
21.0 Travel and transportation of persons.....	2,924	7,064	6,429	6,405
22.0 Transportation of things.....	91	105	96	97
23.1 Rental payments to GSA.....	6,852	8,573	8,813	9,077
23.2 Rental payments to others.....	9			
23.3 Communications, utilities, and miscellaneous charges.....	6,913	10,689	10,906	11,119
24.0 Printing and reproduction.....	418	646	576	592
25.0 Other services.....	9,297	8,630	8,475	8,599
26.0 Supplies and materials.....	900	699	712	717
31.0 Equipment.....	2,854	331	348	350
99.0 Subtotal, direct obligations.....	119,469	133,300	131,544	131,343
99.0 Reimbursable obligations.....	2,488	4,500	4,900	4,900
99.9 Total obligations.....	121,957	137,800	136,444	136,243

Personnel Summary

Direct:				
Total number of full-time permanent positions ....	2,363	2,465	2,266	2,241
Total compensable workyears:				
Full-time equivalent employment.....	2,194	2,401	2,202	2,177
Full-time equivalent of overtime and holiday hours.....	58	58	58	58
Reimbursable:				
Total compensable workyears: Full-time equivalent employment.....			30	30

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98 et seq.), the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), section 103 of the National Security Act

(50 U.S.C. 404), and Reorganization Plan No. 3 of 1978, [\$262,000,000] \$276,850,000.

Further, for the foregoing purposes related to national defense only, \$193,197,000, to become available for obligation on October 1, 1988. (Additional authorizing legislation to be proposed for \$117,874,000.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5813, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
58-0101-0-1-999				
Program by activities:				
Direct program:				
00.01 Civil defense.....	102,671	112,042	105,866	105,866
00.02 Comprehensive emergency preparedness planning.....	5,799	6,203	5,693	5,693
00.03 Radiological emergency preparedness.....	3,561	4,081	4,081	4,081
00.04 Federal preparedness.....	104,314	124,174	150,444	87,331
00.05 Training and fire programs.....	14,328	15,500	10,766	10,266
00.06 Flood plain management.....	44,196	49,722		
00.91 Total direct program.....	274,869	311,722	276,850	213,237
01.01 Reimbursable program.....	2,018	7,600	6,700	6,700
10.00 Total obligations.....	276,887	319,322	283,550	219,937
Financing:				
11.00 Offsetting collections from:				
Federal funds.....	-2,018	-7,600	-6,700	-6,700
21.40 Unobligated balance, start of year.....	-6,778	-4,522		
22.47 Unobligated balance transferred, net.....		-45,200		
24.40 Unobligated balance, end of year.....	4,522			
25.00 Unobligated balance lapsing.....	5,974			
39.00 Budget authority.....	278,588	262,000	276,850	213,237
Budget authority:				
40.00 Appropriation.....	236,261	262,000	276,850	213,237
41.00 Transferred to other accounts.....	-2,920			
42.00 Transferred from other accounts.....	45,247			
43.00 Appropriation (adjusted).....	278,588	262,000	276,850	213,237
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	274,869	311,722	276,850	213,237
72.40 Obligated balance, start of year.....	235,753	227,903	231,308	256,636
74.40 Obligated balance, end of year.....	-227,903	-231,308	-256,636	-277,976
77.00 Adjustments in expired accounts.....	7,160			
90.00 Outlays.....	289,879	308,317	251,522	191,897
Distribution of outlays by account:				
Emergency management planning and assistance.....	227,293	288,317	239,895	191,897
State and local assistance.....	46,855	10,000		
Emergency planning and assistance.....	15,731	10,000	11,627	

Note.—Excludes \$43 million in 1988 for activities transferred to the National flood insurance fund. Comparable amounts for 1986 (\$44 million) and 1987 (\$50 million) are included above.

**Civil defense.**—The civil defense programs feature an Integrated Emergency Management System approach. The programs are designed to develop generic evacuation and in-place protection plans and functional emergency capabilities to mitigate, prepare for, respond to, and recover from emergencies caused by natural, technological, and attack-related hazards.

**Comprehensive emergency preparedness planning.**—This program provides for the enhancement of State and local governments' capability to prepare for, respond to, and mitigate disasters and emergencies. Program activities include analyses, needs assessments, technical guidance and financial support designed to assist State and local governments in developing a comprehensive approach to preparedness planning. A primary instrument for implementing CEPP is the disaster preparedness improvement grant program. These annual grants provide up to \$25,000 to States on a 50/50 match basis for improving or maintaining disaster

assistance plans. All but a few States are participants in this program.

**Radiological emergency preparedness.**—This program provides assistance to State and local governments through the issuance of guidance, review and approval of plans, and evaluation of exercises. The program is focused on improvement of State and local capabilities to cope with radiological accidents at commercial nuclear power plants, other fixed nuclear facilities, nuclear materials license holders and transportation of radioactive materials.

**Federal preparedness.**—The goals of the Federal preparedness activity are to achieve Government readiness to ensure that the Nation will be able to respond to, manage, and recover from peacetime or wartime national security emergencies and to enable Government, at all levels, to cope with the consequences of accidental, natural, and man-caused occurrences.

**Training and fire programs.**—This activity prepares Federal, State and local officials, their supporting staff, and the public to meet the responsibilities and challenges of domestic emergencies through planning, mitigation, preparedness, response, and long-term recovery. Educational programs are provided through the Emergency Management Institute and the National Fire Academy. In addition, the U.S. Fire Administration concentrates on providing a Federal focus on identifying problems with which the Nation's fire and rescue services must deal, finding solutions to these problems, and supporting State and local fire protection and emergency rescue efforts.

**Flood plain management.**—This activity involves the operation of a program that combines mapping, regulatory, and technical-assistance efforts for the purposes of responding to known flood hazards and mitigating their effects through a comprehensive approach to the management of flood plains. This activity will be funded through the National Flood Insurance Fund in 1988.

al board for the purpose of determining how the program funds are to be distributed to individual localities. The United Way of America, the Salvation Army, the National Council of Churches of Christ in the U.S.A., the National Conference of Catholic Charities, the Council of Jewish Federations, Inc., and the American Red Cross shall each nominate a representative to sit on the national board, and the Director of the Federal Emergency Management Agency shall designate a representative from each of these organizations to sit on the national board. The Federal Emergency Management Agency shall also designate a representative to sit on the national board, and the representative of the Federal Emergency Management Agency shall chair the national board.

Each locality designated by the national board to receive funds shall constitute a local board for the purpose of determining how its funds will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the national board except that the mayor or appropriate head of government will replace the Federal Emergency Management Agency member.

The Director of the Federal Emergency Management Agency shall award a grant for ~~[\$70,000,000]~~ \$80,000,000 to the national board [within thirty days after enactment of this Act] for the purpose of providing emergency food and shelter to needy individuals through private voluntary organizations and through units of local government.

Eligible private voluntary organizations should be nonprofit, have a voluntary board, have an accounting system, and practice nondiscrimination.

Participation in the program should be based upon a private voluntary organization's or unit of local government's ability to deliver emergency food and shelter to needy individuals and such other factors as are determined by the local boards.

Total administrative costs shall not exceed 2 per centum of the total appropriation.

As authorized by the Charter of the Commodity Credit Corporation, the Corporation shall process and distribute surplus food owned or to be purchased by the Corporation under the food distribution and emergency shelter program in cooperation with the Federal Emergency Management Agency. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
58-0101-0-1-999				
<b>Direct obligations:</b>				
22.0 Transportation of things.....	53	12	9	9
23.2 Rental payments to others.....	190			
23.3 Communications, utilities, and miscellaneous charges.....	32,918	40,526	42,121	42,121
24.0 Printing and reproduction.....	2,812	2,052	1,497	1,497
25.0 Other services.....	136,359	156,777	118,084	64,971
26.0 Supplies and materials.....	1,968	4,159	8,577	8,577
31.0 Equipment.....	12,965	20,427	26,256	16,256
32.0 Lands and structures.....	517	757	710	710
41.0 Grants, subsidies, and contributions.....	87,087	87,012	79,596	79,096
99.0 Subtotal, direct obligations.....	274,869	311,722	276,850	213,237
99.0 Reimbursable obligations.....	2,018	7,600	6,700	6,700
99.9 Total obligations.....	276,887	319,322	283,550	219,937

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
58-0103-0-1-605			
<b>Program by activities</b>			
10.00 Total obligations (object class 41.0).....	70,000	70,000	80,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	70,000	70,000	80,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	70,000	70,000	80,000
72.40 Obligated balance, start of year.....	20,000		
77.00 Adjustments in expired accounts.....	-721		
90.00 Outlays.....	89,279	70,000	80,000

This program provides grants to voluntary organizations at the local level to supplement their programs for emergency food and shelter.

In 1988, the Emergency Shelter Grants Activity within the "Shelter Programs" appropriation in the Department of Housing and Urban Development will be folded into this program. To assure the same level of funding in 1988 as in 1987, the consolidated program will be funded at \$80 million, which is equal to the combined funding level of these two programs in 1987.

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated ~~[\$70,000,000]~~ \$80,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program. Notwithstanding any other provision of this or any other Act, such amount shall be made available under the terms and conditions of the following paragraphs:

The Director of the Federal Emergency Management Agency shall, as soon as practicable after enactment of this Act, constitute a nation-

## Public enterprise funds:

## NATIONAL INSURANCE DEVELOPMENT FUND

## Program and Financing (in thousands of dollars)

Identification code	58-4235-0-3-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Crime insurance:				
00.01	Insurance claims	9,290	6,354	2,687
00.02	Operating expenses	6,899	5,500	3,500
00.03	One-time payment to States	1,521		
00.04	Administrative expenses	336	370	220
00.05	Interest expense	7,445	8,062	8,140
10.00	Total obligations	25,491	20,286	14,547
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources	-9,845	-6,042	
25.00	Unobligated balance lapsing	8,049		
39.00	Budget authority	23,695	14,244	14,547
Budget authority:				
40.00	Appropriation	9,570		
67.10	Authority to borrow (permanent, indefinite)	14,125	14,244	14,547
Relation of obligations to outlays:				
71.00	Obligations incurred, net	15,646	14,244	14,547
72.47	Obligated balance, start of year: Authority to borrow	5,056	5,560	4,057
74.10	Obligated balance, end of year: Authority to borrow	-5,560	-4,057	-3,145
90.00	Outlays	15,142	15,747	15,459

The National Insurance Development Fund provided the funding source for two programs authorized by the Urban Property Protection and Reinsurance Act of 1968, as amended: (1) The FAIR (Fair Access to Insurance Requirements) Plan/Riot Reinsurance Program, and (2) the Federal Crime Insurance Program. The Supplemental Appropriations Act, 1985 (Public Law 98-181) did not extend authority for the Riot Reinsurance Program beyond November 30, 1983. The Federal Crime Insurance Program has been extended until September 30, 1987. The budget estimates assume there will be no new policies issued subsequent to those dates. However, there will be operating expenses associated with unexpired policies and the close-out of contractor activities.

**Insurance claims.**—Claims reflect insurance payments in the program.

**Operating expenses.**—Expenses are incurred by fiscal agents in issuing policies, settling claims, and maintaining accounting and statistical records.

**One-time payments to States.**—In 1986, Congress appropriated \$10 million for payment to assist States in establishing an alternative to the Federal Crime Insurance Program. A total of eleven States, representing over 5,000 crime insurance policies, accepted \$1.521 million and will withdraw from the program during 1987.

**Administrative expenses.**—This represents the administrative cost of operating the programs.

**Interest expense.**—This represents interest on Treasury borrowings needed to defray underwriting and loss expenses of the crime insurance program.

**Financing.**—Claims and expenses are estimated to be paid from premium income and Treasury borrowings.

**Operating results.**—Claims and expenses are expected to exceed premium income resulting in a decrease in the reserves of the fund. The deficits have been reduced by major rate increases and rating changes.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Crime insurance program:			
Revenue	10,283	7,943	3,021
Expense	-24,932	-20,286	-14,547
Net loss for year	-14,649	-12,343	-11,526

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury	278	1,706	1,500	
Accounts receivable (net)	2,620	2,339	1,800	604
Advances made	173	1,036	650	
Other assets	536	518	400	125
Total assets	3,607	5,599	4,350	729
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities	5,759	4,985	3,988	
Advances received	498	4,506	2,876	1,587
Other liabilities	4,955	1,791	2,942	665
Debt issued under borrowing authority	69,000	76,000	79,000	94,459
Total liabilities	80,212	87,282	88,806	96,711
<b>Government equity:</b>				
Unexpended balances: Undelivered orders	1,583	2,160	1,500	
Unfinanced budget authority: Borrowing authority	-5,056	-5,560	-4,057	-3,145
Invested capital	-73,131	-78,283	-81,899	-92,837
Total Government equity	-76,604	-81,683	-84,456	-95,982
<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance	-76,604	-81,683	-84,456	
Transactions: Net operating loss	-14,649	-12,343	-11,526	
Closing balance	-91,253	-94,026	-95,982	
Total Government equity (end of year)	-81,683	-84,456	-95,982	

Note.—This statement excludes unfunded contingent liabilities under the crime insurance program as follows: 1986, \$285 million; 1987, \$224 million; 1988, \$0.

## Object Classification (in thousands of dollars)

Identification code	58-4235-0-3-451	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent	287	316	188
12.1	Personnel benefits: Civilian	37	40	24
21.0	Travel and transportation of persons	12	14	8
25.0	Other services	6,899	5,500	3,500
41.0	Grants, subsidies, contributions	1,521		
42.0	Insurance claims and indemnities	9,290	6,354	2,687
43.0	Interest and dividends	7,445	8,062	8,140
99.9	Total obligations	25,491	20,286	14,547

## Personnel Summary

Total number of full-time permanent positions	6	6	6
Total compensable workyears: Full-time equivalent employment	6	6	4

## NATIONAL FLOOD INSURANCE FUND

## 【(INCLUDING TRANSFERS OF FUNDS)】

【Of the funds available from the National Flood Insurance Fund for activities under the National Flood Insurance Act of 1968, and the Flood Disaster Protection Act of 1973, \$9,300,000 shall, upon enactment of this Act, be transferred to the "Salaries and expenses" appropriation for administrative costs of the insurance programs and \$45,200,000 shall, upon enactment of this Act, be transferred to the "Emergency management planning and assistance" appropriation for flood plain management activities, including \$4,720,000 for expenses under section 1362 of the National Flood Insurance Act of 1968, as

amended (42 U.S.C. 4103, 4127), which amount shall be available until September 30, 1988.] In fiscal year [1987] 1988, no funds in excess of (1) [\$42,788,000] \$38,000,000 for operating expenses, (2) [\$117,950,000] \$137,765,000 for agents' commissions and taxes, and (3) [\$5,362,000] \$2,537,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations. In fiscal year 1988, for activities under the National Flood Insurance Act of 1968, and the Flood Disaster Protection Act of 1973, not to exceed \$43,200,000 for flood plain management, including \$2,720,000 for expenses under section 1362 of the National Flood Insurance Act of 1968, which amount shall be available until September 30, 1989, and \$9,892,000 for salaries and expenses, shall be available from the National Flood Insurance Fund.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
58-4236-0-3-453			
<b>Program by activities:</b>			
00.01 Insurance underwriting expense	150,280	158,023	175,765
00.02 Loss and adjustment expense	276,175	314,987	341,473
00.03 Interest expense		3,277	2,537
00.04 Flood studies and surveys			36,460
00.05 Flood hazard reduction			4,020
00.06 Purchase of property			2,720
00.07 Salaries and expenses			9,892
10.00 Total obligations	426,455	476,287	572,867
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds: Interest on U.S. securities	-2,791	-7,363	-9,229
14.00 Non-Federal sources	-415,498	-453,314	-567,402
21.98 Unobligated balance available, beginning of year	-34,678	-26,512	-10,902
24.98 Unobligated balance available, end of year	26,512	10,902	14,666
39.00 Budget authority			
<b>Budget authority:</b>			
40.00 Appropriation	91,830		
40.47 Portion applied to debt reduction	-37,920		
41.00 Transferred to other accounts	-53,910		
43.00 Appropriation (adjusted)			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	8,166	15,610	-3,764
72.47 Obligated balance, start of year: Authority to borrow	158,072	22,512	60,750
74.47 Obligated balance, end of year: Authority to borrow	-22,512	-60,750	-65,543
90.00 Outlays	143,726	-22,628	-8,557

Note.—Includes \$53,092 thousand in 1988 for activities previously financed from "Salaries and Expenses" and "Emergency Management Planning and Assistance."

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within one year of the time they are identified as flood prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes.

Under the emergency program, structures in identified flood-prone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, studies must be made of different flood risks in flood-prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up

to \$245 thousand for residential and \$550 thousand for other types.

Significant indicators of program size are as follows:

	1986 actual	1987 est.	1988 est.
Policies in force	2,075,567	2,241,612	2,453,000
Insurance in force (billions of dollars)	134	146	186

**Budget program—Insurance underwriting expense.**—Cost of initiating and maintaining flood insurance policies is estimated at \$175,765 thousand in 1988.

**Loss and adjustment expense.**—Insured flood losses and associated loss adjustment expense is estimated at \$341,473 thousand in 1988.

**Interest expense.**—Interest on Treasury borrowings needed to defray underwriting and loss expenses is estimated at \$2,537 thousand in 1988.

The following activities are proposed for transfer to the National Flood Insurance Fund from other appropriations in FEMA's budget:

**Flood studies and surveys.**—These studies are estimated at \$36,460 thousand in 1988.

**Flood hazard reduction.**—This activity, which includes the state assistance program, is estimated at \$4,020 thousand in 1988.

**Purchase of property.**—This activity provides for the acquisition of property that has received severe or repeated flood damage and is estimated at \$2,720 thousand in 1988.

**Salaries and expenses.**—This activity provides for salaries and related expenses of all Federal staff administering the National Flood Insurance Program and is estimated at \$9,892 thousand in 1988.

**Financing.**—The Administrator is authorized to borrow up to \$1 billion to carry out the program. The program is financed through premium income and appropriations to repay borrowing.

**Operating results.**—Cumulative loss for this program is projected to be \$1.4 billion at the end of 1988. This deficit has been partially financed through appropriations of \$1.2 billion.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue	397,885	460,735	576,631
Expense	-445,511	-438,049	-568,074
Net gain or loss for the year	-47,626	22,686	8,557

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury	4,848	49,025	27,476	46,500
Investments in U.S. securities	149,925			39,200
Accounts receivable	33,635	4,527	6,922	6,144
Cash on deposit		56,461	25,000	43,790
Deferred expenses	31,387	6,047	3,376	4,570
Total assets	219,795	116,060	62,774	140,204
<b>Liabilities:</b>				
Accounts payable	17,798	22,003	25,878	29,893
Advances received	11,802			
Other liabilities	387,724	296,875	221,843	286,701
Total liabilities	417,324	318,878	247,721	316,594
<b>Government equity:</b>				
Unexpended balances:				
Undelivered orders	22,842	46,608	41,852	41,852

**Public enterprise funds—Continued**

**NATIONAL FLOOD INSURANCE FUND—Continued**  
**[(INCLUDING TRANSFERS OF FUNDS)]—Continued**  
**Financial Condition (in thousands of dollars)—Continued**

	1985 actual	1986 actual	1987 est.	1988 est.
Unfinanced budget authority:				
Borrowing authority .....	-158,072			
Invested capital .....	-62,298	-249,427	-226,799	-218,242
Total Government equity .....	-197,528	-202,819	-184,947	176,390
<b>Analysis of changes in Government equity:</b>				
<b>Paid-in capital:</b>				
Opening balance .....	1,170,819		1,208,340	1,208,340
Appropriation .....	37,521			
Closing balance .....	1,208,340		1,208,340	1,208,340
<b>Retained income:</b>				
Opening balance .....	-1,368,347		-1,415,973	-1,393,287
Transactions: Net income or loss for the year .....	-47,626		22,686	8,557
Closing balance .....	-1,415,973		-1,393,287	-1,384,730
Total Government equity (end of year) .....	-207,633		-184,947	-176,390

Note.—This statement excludes unfunded contingent liabilities under the insurance program as follows: 1986, \$134 billion; 1987, \$146 billion; 1988, \$186 billion.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
58-4236-0-3-453			
Personnel compensation:			
11.1 Full-time permanent .....			7,500
11.3 Other than full-time permanent .....			45
11.9 Total personnel compensation .....			7,545
12.1 Personnel benefits: Civilian .....			1,171
21.0 Travel and transportation of persons .....			721
22.0 Transportation of things .....			9
24.0 Printing and reproduction .....			2,515
25.0 Other services .....	150,280	158,023	214,396
41.0 Grants, subsidies, and contributions .....			2,500
42.0 Insurance claims and indemnities .....	276,175	314,987	341,473
43.0 Interest and dividends .....		3,277	2,537
99.9 Total obligations .....	426,455	476,287	572,867

**Personnel Summary**

Total number of full-time permanent positions .....	203
Total compensable workyears: Full-time equivalent employment .....	203

**Trust Funds**

**GIFTS AND BEQUESTS, FIRE ADMINISTRATION**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
58-8200-0-7-451			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		1	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2	-2	-1
24.40 Unobligated balance available, end of year .....	2	1	1
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		1	
72.40 Obligated balance, start of year .....	1	1	1
74.40 Obligated balance, end of year .....	-1	-1	-1
90.00 <b>Outlays</b> .....		1	

The Director of FEMA is authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or

facilitating the work of the Federal Emergency Management Agency. Property and the proceeds thereof are used as nearly as possible in accordance with the terms of the gift or bequest.

**FEDERAL HOME LOAN BANK BOARD**

The Federal Home Loan Bank Board formulates policies for and supervises the operation of the 12 Federal home loan banks, the system of Federal savings and loan associations, the Federal Savings and Loan Insurance Corporation, and the Federal Home Loan Mortgage Corporation. It is also responsible for the examination of Federal savings and loan associations and for the examination and supervision of State-chartered institutions insured by the Federal Savings and Loan Insurance Corporation.

The expenditure programs of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation are presented as business-type budgets. The administrative expenses of the Federal Home Loan Bank Board are paid from assessments against the 12 Federal home loan banks and the Federal Savings and Loan Insurance Corporation.

**Federal Funds**

**Public enterprise funds:**

**FEDERAL HOME LOAN BANK BOARD REVOLVING FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
82-4035-0-3-371			
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Administrative expenses subject to limitation .....	25,321	27,418	29,211
00.02 Other expenses .....	17,123	5,143	5,367
00.91 Total operating expenses .....	42,444	32,561	34,578
<b>Capital investment:</b>			
01.01 Capitalized improvements to the Federal Home Loan Bank Board Building .....	-123	2,950	1,550
01.02 Purchase of equipment .....	1,078		
01.91 Total capital investment .....	955	2,950	1,550
10.00 Total obligations .....	43,399	35,511	36,128
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds .....	-25,000	-24,834	-24,938
14.00 Non-Federal sources .....	-19,208	-10,828	-11,342
21.98 Unobligated balance available, start of year: Fund balance .....	254	-555	-706
24.98 Unobligated balance available, end of year: Fund balance .....	555	706	858
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-809	-151	-152
72.98 Obligated balance start of year .....	1,605	-10,324	1,765
74.98 Obligated balance end of year .....	10,324	-1,765	-1,613
90.00 <b>Outlays</b> .....	11,120	-12,240	

**NOTES**

The \$4 billion authority to borrow from Treasury continues to be available.

Outlays are overstated by \$12,240 thousand in 1986 due to an error in reporting to Treasury the reimbursement to FHLBs for sale of Board property. An offsetting adjustment is applied to the 1987 outlay estimate.

The size of the Federal home loan bank system is shown in the following table:

## FEDERAL HOME LOAN BANK SYSTEM

(In millions of dollars)

	1986 actual	1987 est.	1988 est.
Number of members.....	3,477	3,490	3,505
Total assets of members.....	1,286.3	1,388.0	1,499.0
Savings invested in members.....	1,000.1	1,081.0	1,167.0
Mortgage loans of members.....	888.2	947.0	1,009.0
Number of insured institutions examined and supervised.....	3,234	3,240	3,250
Federal home loan bank advances outstanding.....	99.0	106.0	116.0

**Budget program.**—The Board's budget program consists of several activities:

**Supervision of Federal home loan banks and applications processing.**—The Board supervises the operations of the 12 Federal home loan banks. Federal savings and loan associations are chartered and regulated. Applications of State-chartered associations for conversion to Federal savings and loan associations and applications of Federal savings and loan associations for establishment of branch offices are also examined. In addition, an analysis and evaluation is made of insurance risk in connection with applications submitted by savings and loan associations for insurance of share accounts.

**Examination and supervision of Federal and State-chartered thrift institutions.**—Supervisory examinations are made of Federal savings and loan associations, State-chartered associations insured by the Federal Savings and Loan Insurance Corporation, and all uninsured member institutions of the Federal home loan bank system which are not examined by the State examiners. Examinations are also made of institutions applying for insurance of accounts and for conversion from a State to a Federal charter, when required by the Board. The financial condition and operations of each insured institution are analyzed and corrective action is instituted when warranted. Supervision of insured institutions operating under State charter is carried on cooperatively, with the respective State authorities.

**Executive direction and staff services.**—This includes formulation of basic policy and the furnishing of staff services common to the Board and the Insurance Corporation.

**Analysis of operations.**—Analyses are made of the financial condition of member institutions, the flow of savings, and the character and volume of mortgage lending. Selective reviews are made of geographical areas and trends in the field of thrift and home mortgage finance, including the volume of activity and interest rates for all major types of mortgage lenders.

**Administrative services.**—These consist of accounting, budgeting, and financial reporting; internal budget control; and fiscal organization and management. Also included are general housekeeping, data processing, and operating services.

The 12 Federal home loan banks seek to improve the financial condition of member institutions. The banks, which are owned by the member institutions, obtain funds primarily from public issuances of consolidated obligations. Section 11(i) of the Federal Home Loan Bank Act authorizes the banks to borrow from the Treasury up to \$4 billion outstanding at any one time.

The amounts shown in the schedules for the activities discussed above for 1988 include administrative expenses under an annual limitation, and certain additional expenses not under a limitation. Administrative

expenses are estimated to increase from \$28.4 million in 1987 to \$30.2 million in 1988.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	44,208	35,662	36,280
Expense.....	43,450	34,516	36,578
Net income or loss (—) for the year.....	758	1,146	—298

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	1,352	2,472	2,472	2,472
Accounts receivable (net).....	4,666	817	6,800	6,800
Real property and equipment (net).....	52,914	51,910	52,905	52,455
Total assets.....	58,932	55,199	62,177	61,727
<b>Liabilities:</b>				
Accounts payable.....	6,272	2,734	8,566	8,414
<b>Government equity:</b>				
Unexpended balances:				
Undelivered orders.....				
Unobligated balance.....	—254	555	706	858
Invested capital.....	52,914	51,910	52,905	52,455
Total Government equity.....	52,660	52,465	53,611	53,313
<b>Analysis of changes in Government equity:</b>				
Retained income: Opening balance.....		52,660	52,465	53,611
Transaction: Net operating income.....		758	1,146	—298
Adjustment of prior year costs.....		—953		
Closing balance.....		52,465	53,611	53,313
Total Government equity (end of year).....		52,465	53,611	53,313

Note.—Excess of accounts payable over accounts receivable does not agree with obligated balance reported to Treasury for 1986. Treasury balance includes a \$12,240 thousand error due to incorrect reporting of reimbursement to FHLBs for the sale of Board property.

## Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
82-4035-0-3-371			
<b>FEDERAL HOME LOAN BANK BOARD</b>			
Personnel compensation:			
11.1 Full-time permanent.....	141	220	227
11.5 Other personnel compensation.....	1	2	2
11.8 Special personal services payments.....	12	2	2
11.9 Total personnel compensation.....	154	224	231
12.1 Personnel benefits: Civilian.....	17	26	27
21.0 Travel and transportation of persons.....	1	2	2
23.3 Communications, utilities, and miscellaneous charges.....	1,096	1,121	1,214
25.0 Other services.....	3,580	3,695	3,808
26.0 Supplies and materials.....	9	30	35
31.0 Equipment.....	1,104	45	50
32.0 Land and structures.....	12,240		
93.0 Administrative expenses (see separate schedule).....	25,321	27,418	29,211
99.0 Subtotal obligations, Federal Home Loan Bank Board.....	43,522	32,561	34,578
<b>ALLOCATION TO GENERAL SERVICES ADMINISTRATION</b>			
32.0 Lands and structures.....	—123	2,950	1,550
99.0 Subtotal obligations, allocation to GSA.....	—123	2,950	1,550
99.9 Total obligations.....	43,399	35,511	36,128

## NOTES

Equipment includes \$26 thousand noncapitalized equipment in 1986, \$45 thousand in 1987 and \$50 thousand in 1988. Lands and structures includes a reimbursement to FHLBs for sale of Board property.

Public enterprise funds—Continued

FEDERAL HOME LOAN BANK BOARD REVOLVING FUND—Continued

Personnel Summary

Total number of full-time permanent positions.....	5	7	7
Total compensable workyears: Full-time equivalent employment .....	5	7	7

CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development and the Federal Home Loan Bank Board which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for [1987] 1988 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL HOME LOAN BANK BOARD

Not to exceed a total of [\$27,693,000] \$30,186,000 shall be available for administrative expenses of the Federal Home Loan Bank Board for procurement of services as authorized by 5 U.S.C. 3109, and contracts for such services with one organization may be renewed annually, and uniforms or allowances therefor in accordance with law (5 U.S.C. 5901-5902), and said amount shall be derived from funds available to the Federal Home Loan Bank Board revolving fund and receipts of the Board for the current fiscal year, of which not to exceed [\$800,000] \$500,000 shall be available for purposes of training State examiners and not to exceed \$1,500 shall be available for official reception and representation expenses: *Provided*, That members and alternates of the Federal Savings and Loan Advisory Council may be compensated subject to the provisions of section 7 of the Federal Advisory Committee Act, and shall be entitled to reimbursement from the Board for transportation expenses incurred in attendance at meetings of or concerned with the work of such Council and may be paid in lieu of subsistence per diem not to exceed the dollar amount set forth in 5 U.S.C. 5703: *Provided further*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of 1932, as amended (12 U.S.C. 1421-1449).

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

ADMINISTRATIVE EXPENSES

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
1. Supervision of Federal home loan banks and applications processing.....	1,621	1,890	2,039
3. Executive direction and staff services.....	13,597	15,333	16,176
4. Analysis of operations.....	5,368	5,164	5,570
5. Administrative services.....	4,735	5,031	5,426
Total obligations.....	25,321	27,418	29,211
Unfunded expense included in the limitation (depreciation) .....	1,055	975	975

<b>Financing:</b>			
Unobligated balance lapsing.....	2,774		
<b>Limitation.....</b>	<b>29,150</b>	<b>27,693</b>	<b>30,186</b>
Proposed increase in limitation for civilian pay raise .....		350	
Proposed increase in limitation for retirement contributions (P.L. 99-335).....		350	

Object Classification (in thousands of dollars)

Identification code 82-4035-0-3-371	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	14,391	14,728	15,195
11.3 Other than full-time permanent.....	942	1,047	1,182
11.5 Other personnel compensation.....	593	676	693
11.8 Special personal services payments.....	78	250	246
11.9 Total personnel compensation.....	16,004	16,701	17,316
12.1 Personnel benefits: Civilian.....	2,127	2,645	3,656
13.0 Benefits for former employees.....	50	74	74
21.0 Travel and transportation of persons.....	912	1,048	1,067
22.0 Transportation of things.....	76	83	88
23.2 Rental payments to others.....	432	317	341
23.3 Communications, utilities, and miscellaneous charges.....	1,644	1,627	1,676
24.0 Printing and reproduction.....	329	470	480
25.0 Other services.....	2,532	3,263	3,274
26.0 Supplies and materials.....	861	913	936
31.0 Equipment.....	354	277	303
93.0 Administrative expenses in schedule for fund as a whole.....	-25,321	-27,418	-29,211
99.0 Total obligations, administrative expenses.....			

Personnel Summary

Total number of full-time permanent positions.....	431	436	436
Total compensable workyears:			
Full-time equivalent employment.....	454	459	459
Full-time equivalent of overtime and holiday hours.....	7	8	8

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION FUND

Program and Financing (in thousands of dollars)

Identification code 82-4037-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Administrative expenses subject to limitation..	1,064	1,466	1,619
00.02 Payments to Federal Home Loan Bank Board for services and facilities.....	25,000	24,834	23,930
00.03 Contributions and provision for contributions to insured thrift institutions.....	622,097	784,459	804,379
00.04 Liquidation and other expenses.....	1,856,205	91,000	52,253
00.05 Interest on notes payable and recapitalization.....	234,264	87,077	152,706
00.91 Total operating expenses.....	2,738,630	988,836	1,034,887
<b>Capital investment:</b>			
01.01 Purchase of equipment.....	1,694	7,627	2,533
01.02 Assets acquired from insured institutions.....	244,608	244,608	244,608
01.03 Loans to insured institutions.....	1,500	25,000	25,000
01.04 Purchase of subrogated accounts.....	4,675,400	2,888,927	1,210,528
01.05 Capital certificates acquired from insured institutions.....	1,083,882		
01.91 Total capital investment.....	6,007,084	3,166,162	1,482,669
10.00 Total obligations.....	8,745,714	4,154,998	2,517,556
<b>Financing:</b>			
<b>Offsetting collections from:</b>			
11.00 Federal funds: Interest on U.S. and Federal agency securities.....	-413,039	-267,265	-56,658
<b>Non-Federal sources:</b>			
14.00 Insurance premiums and admission fees....	-1,787,443	-1,934,639	-2,094,115
14.00 Income on assets acquired from insured institutions.....	-12,122	-23,116	-36,214
14.00 Interest on loans to insured institutions....	-63,213	-89,671	-89,671
14.00 Liquidation of assets acquired.....	-53,638	-72,489	-103,470
14.00 Liquidation of loans to insured institutions..	-21,342	-2,817	-6,912
14.00 Liquidation of subrogated accounts.....	-263,629	-422,858	-1,009,037

14.00	Miscellaneous .....	-111,762	-52,116	-53,294
14.00	Principal payments on capital certificates...	-99,651	-320,697	-320,697
14.00	Interest on secured advances .....	-15,821	-15,821	-15,821
14.00	Realization on secured advances .....	-67,780	-67,780	-67,780
21.98	Unobligated balance available, start of year: Fund balance .....	-3,919,856	-1,083,582	-197,853
24.98	Unobligated balance available, end of year: Fund balance .....	1,083,582	197,853	1,533,966
67.10	<b>Authority to borrow (Public Law 97- 320) .....</b>	<b>3,000,000</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	5,836,274	885,729	-1,336,113
72.98	Obligated balance, start of year .....	1,905,133	6,680,958	3,809,832
74.98	Obligated balance, end of year .....	-6,680,958	-3,809,832	-1,623,510
90.00	Outlays .....	1,060,449	3,756,855	850,209

Note.—The \$750 million authority to borrow from Treasury continues to be available.

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	3,000,000		
Outlays .....	1,060,449	3,756,855	850,209
Proposed for later transmittal, proposed legislation:			
Budget authority .....			
Outlays .....			-1,550,000
Total:			
Budget authority .....	3,000,000		
Outlays .....	1,060,449	3,756,855	-699,791

**Status of Direct Loans (in thousands of dollars)**

Identification code: 82-4037-0-3-371	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public .....			
1131 Obligations exempt from limitation: Direct loans to the public .....	21,142	25,000	25,000
1150 Total direct loan obligations .....	21,142	25,000	25,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year .....	1,758,402	1,685,745	1,693,516
Disbursements:			
1231 Direct loan disbursements .....	20,508	20,000	20,000
1233 Purchase of loan assets from the public .....	634	5,000	5,000
1251 Repayments: Repayments and prepayments .....	-110,907	-17,229	-51
1264 Adjustments: Other adjustments, net .....	17,108		
1290 Outstanding, end of year .....	1,685,745	1,693,516	1,718,465

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders .....			
2131 Guaranteed loan commitments exempt from limitation .....	506,000	102,560	300,000
2150 Total guaranteed loan commitments .....	506,000	102,560	300,000
<b>Cumulative balances of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	2,514,206	2,952,426	3,004,986
2231 Disbursements of new guaranteed loans .....	506,000	102,560	300,000
2251 Repayments and prepayments .....	-67,780	-50,000	-6,308
2290 Outstanding, end of year .....	2,952,426	3,004,986	3,298,678

**MEMORANDUM**

2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	2,952,426	3,004,986	3,298,678
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The Federal Savings and Loan Insurance Corporation is authorized under title IV of the National Housing Act to insure savings in all Federal savings and loan associations, Federal mutual savings banks, and in State-chartered institutions of the savings and loan type which apply and qualify for insurance. The protec-

tion, which insures each saver in a member association against financial loss up to a statutory limit of \$100 thousand, may be provided either through the prevention of default or the payment of insurance to savings accounts holders in the event of liquidation. Preventing default, which protects each investor regardless of the amount in his account, is accomplished by making contributions or by purchasing all or a part of an association's assets. Also, the Corporation is authorized to make loans to institutions in financial difficulty. Preventive measures are preferred by the Corporation. However, in the event liquidation is necessary, the Corporation acts as a receiver, or co-receiver upon the request of a State authority in cases involving State-chartered institutions. In addition, the Corporation, upon determination by the Board, is empowered to act, even retroactively, as sole receiver in cases involving State-chartered institutions.

The Corporation functions under the direction of the Federal Home Loan Bank Board, which provides administrative services. The expenses of the Board and its staff offices are paid from assessments made on the Corporation and the Federal home loan banks.

**FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION**

(In billions of dollars)

	1986 actual	1987 est.	1988 est.
Number of insured member institutions .....	3,234	3,240	3,250
Number of insured savers (thousands) .....	111,500	112,500	113,500
Potential liability .....	817.2	882.4	952.7
Assets of insured member institutions .....	1,143.3	1,234.0	1,333.0
Net worth of insured member institutions .....	52.7	60.0	68.0
Corporation reserve for insurance losses .....	3.6	3.7	5.4

In carrying out its responsibility for protecting savings in insured savings and loans associations, the Corporation has settled 362 cases since its creation in 1934. Actual losses sustained and provision for losses to September 30, 1986, have amounted to \$8,772.7 million representing approximately 57.0 percent of cumulative gross income. Detailed information on these cases is summarized in the following table:

**LOSSES THROUGH SEPT. 30, 1986**

Method of settlement:	Number	Number of investors protected (thousands)	Actual losses sustained and provisions for losses (millions)
Acquisition of assets .....	16	144	996.6
Acquisition of assets and contribution .....	25	276	622.2
Contribution .....	227	8,660	2,760.3
Contribution and loan .....	18	400	244.9
Contribution, loan, and acquisition of assets .....	6	279	582.3
Loan .....	5	190	12.0
Loan and acquisition of assets .....	1	26	3.7
Receivership and acquisition of assets .....	2	29	4.1
Receivership .....	57	725	3,469.0
Purchase and assumption .....	5	102	77.6
Total .....	362	10,831	8,772.7

**Budget program.**—The Insurance Corporation's budget program consists of the following activities:

**Administrative expenses subject to limitation.**—This category includes the estimated costs of executive direction and policy formulation.

**Payments to Federal Home Loan Bank Board for services and facilities.**—The Corporation will pay 75 percent of the total administrative expenses of the Federal

Public enterprise funds—Continued

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION FUND—  
Continued

Home Loan Bank Board in 1988 in return for services and facilities from the Board.

*Contributions and provision for contributions to insured thrift institutions.*—This item is the estimated amount needed in 1988 to prevent the default of insured institutions.

*Liquidation and other expenses.*—This provides for liquidation and other expenses of the Corporation in connection with the workout of contribution agreements, the disposition of assets purchased from, and loans to insured institutions to prevent default.

*Interest on notes payable.*—This is interest paid on promissory notes issued by the Corporation for the purchase of either Income Capital Certificates or Net Worth Certificates. The certificates are issued by qualifying insured institutions with low net worth in order to improve or maintain their capital position.

*Financing.*—The original capital of \$100 million has been completely repaid to Treasury, together with an additional \$43 million in interest. The Corporation has continuing authority to borrow from the Treasury for insurance purposes, up to a limit of \$750 million outstanding at any one time. No borrowing under this authorization has ever been necessary. The Corporation has additional authority to assess against each insured institution additional premiums for insurance until the amount of such premiums equals the amount of all losses and expenses of the Corporation, except that the total amount so assessed in any 1 year against any such institution shall not exceed one-eighth of 1 percent of the total amount of the accounts of its insured savers.

*Operating results.*—The Corporation is entirely self-supporting. Revenues and other receipts have been sufficient to meet all insurance losses, operating expenses, and return on capital stock, leaving a reserve for contingencies of \$3,637.1 million as of September 30, 1986. Total revenues and other receipts since 1934 of \$15,339.3 million have been applied as follows:

USE OF FUNDS

[In millions of dollars]

	Amount	Percent
Expenses.....	2,886.5	18.8
Insurance losses sustained and provision for losses.....	8,772.7	57.2
Return on capital stock to U.S. Treasury.....	43.0	.3
Reserve for contingencies.....	3,637.1	23.7
<b>Total.....</b>	<b>15,339.3</b>	<b>100.0</b>

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	2,387,579	2,366,807	2,329,952
Expense.....	6,294,825	2,760,792	2,404,506
Net income or loss (—) for the year.....	—3,907,246	—393,985	—74,554

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	421	—19,652	1,120	1,120
U.S. securities (par).....	5,824,569	4,784,193	1,006,566	1,706,357
Accounts receivable and advances made (net)...	363,383	74,874	74,874	74,874

Assets acquired from insured institutions (net) ..	130,570	272,432	388,551	487,689
Loans receivable (net).....	1,039,983	1,014,741	1,036,924	1,055,012
Real property and equipment (net).....	983	2,509	9,506	11,014
Subrogated accounts in insured institutions.....	1,242,897	2,607,196	3,674,265	4,217,756
Secured advances due from receiver (net).....	579,846	615,255	535,881	482,507
Loans to receivers.....	.....	111,297	222,476	333,655
Capital certificates.....	1,482,554	1,802,183	1,481,486	1,160,789
Investment in FADA.....	.....	25,000	25,000	25,000
<b>Total assets.....</b>	<b>10,665,206</b>	<b>11,290,028</b>	<b>8,456,649</b>	<b>9,555,773</b>
<b>Liabilities:</b>				
Accounts payable including funded accrued liabilities.....	3,168,517	7,655,833	4,784,707	4,148,385
<b>Total liabilities.....</b>	<b>3,168,517</b>	<b>7,655,833</b>	<b>4,784,707</b>	<b>4,148,385</b>
<b>Government equity:</b>				
Unexpended balances: Unobligated balance.....	3,919,856	1,083,582	197,853	1,533,966
Invested capital.....	3,576,833	2,550,613	3,474,089	3,873,422
<b>Total Government equity.....</b>	<b>7,496,689</b>	<b>3,634,195</b>	<b>3,671,942</b>	<b>5,407,388</b>
<b>Analysis of changes in Government equity:</b>				
Retained income: Opening balance.....	7,496,689	3,634,195	3,671,942	
Transactions:				
Net income.....	—3,907,246	—393,985	—74,554	
Refund of additional premium prepayments.....	51,703	60,000	65,000	
Return on additional premiums (unfunded).....	—6,951	—3,268	—5,000	
Sale of capital stock.....	.....	375,000	1,750,000	
Closing balance.....	.....	3,634,195	3,671,942	5,407,388
<b>Total Government equity (end of year).....</b>	<b>3,634,195</b>	<b>3,671,942</b>	<b>5,407,388</b>	

Object Classification (in thousands of dollars)

Identification code 82-4037-0-3-371	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	5,622	7,213	7,548
11.3 Other than full-time permanent.....	2,805	7,173	7,507
11.5 Other personnel compensation.....	673	571	654
11.8 Special personal services payments.....	394	390	440
11.9 Total personnel compensation.....	9,494	15,347	16,149
12.1 Personnel benefits: Civilian.....	1,090	1,875	1,998
13.0 Benefits for former employees.....	.....	35	35
21.0 Travel and transportation of persons.....	1,187	3,704	4,948
22.0 Transportation of things.....	167	167	180
23.2 Rental payments to others.....	1,794	2,389	2,557
23.3 Communications, utilities, and miscellaneous charges.....	1,222	1,000	1,005
24.0 Printing and reproduction.....	106	318	333
25.0 Other services.....	43,419	65,104	71,159
26.0 Supplies and materials.....	341	513	519
31.0 Equipment.....	925	749	964
33.0 Investments and loans.....	6,007,084	3,166,162	1,482,669
41.0 Grants, subsidies, and contributions.....	2,418,557	660,133	756,785
43.0 Interest and dividends.....	259,264	236,036	176,636
93.0 Administrative expenses (see separate schedule).....	1,064	1,466	1,619
99.9 Total obligations.....	8,745,714	4,154,998	2,517,556

Note.—Equipment includes noncapitalized equipment purchases.

Personnel Summary

Total number of full-time permanent positions.....	174	246	246
Total compensable workyears: Full-time equivalent employment.....	259	367	367

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Not to exceed **[\$1,466,000]** \$1,619,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions or activities relating to section 406(c), 407, or 408 of the National Housing Act, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses and payments for expenses of the Federal Home Loan Bank Board determined by said

Board to be properly allocable to said Corporation, and said Corporation may utilize and may make payments for services and facilities of the Federal home loan banks, the Federal Reserve banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U.S.C. 1724-1730f).

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Insurable interest and insurance settlement operations .....	1,064	1,466	1,619
<b>Financing:</b>			
Unobligated balance lapsing .....	314		
<b>Limitation</b> .....	<b>1,378</b>	<b>1,466</b>	<b>1,619</b>

**Object Classification** (in thousands of dollars)

Identification code 82-4037-0-3-371	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	329	490	510
11.3 Other than full-time permanent .....	253	359	372
11.5 Other personnel compensation .....	32	59	61
11.8 Special personal services payments .....	28	30	32
11.9 Total personnel compensation .....	642	938	975
12.1 Personnel benefits: Civilian .....	64	101	177
21.0 Travel and transportation of persons .....	47	45	50
22.0 Transportation of things .....	1	3	3
23.2 Rental payments to others .....	96	129	139
23.3 Communications, utilities, and miscellaneous charges .....	126	122	141
24.0 Printing and reproduction .....		5	5
25.0 Other services .....	74	91	96
26.0 Supplies and materials .....	13	28	29
31.0 Equipment .....	1	4	4
93.0 Administrative expenses included in schedule for fund as a whole .....	-1,064	-1,466	-1,619
99.0 Total obligations, administrative expenses .....			

**Personnel Summary**

Total number of full-time permanent positions .....	15	19	19
Total compensable workyears: Full-time equivalent employment .....	15	19	19

**FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing** (in thousands of dollars)

Identification code 82-4037-2-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
00.01 Contributions and provision for contributions to insured thrift institutions .....			50,000
00.02 Liquidation and other expenses .....	375,000		100,000
00.91 Total operating expenses .....	375,000		150,000
01.01 Capital investment: Purchase of subrogated accounts .....			1,600,000
01.91 Total capital investment .....			1,600,000
10.00 Total obligations .....		375,000	1,750,000
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources:			
Sale of capital stock .....		-375,000	-1,750,000
39.00 <b>Budget authority</b> .....			

Relation of obligations to outlays:			
71.00	Obligations incurred, net .....		
74.98	Obligated balance, end of year .....		-1,550,000
90.00	Outlays .....		-1,550,000

Legislation will be proposed to recapitalize the FSLIC fund. A separate Financing Facility will be created and capitalized from earnings of the Federal Home Loan Banks (FHLBs). The Facility is created to isolate its transactions from the other transactions of the FHLBs, in order to protect the latter from higher borrowing costs. The Financing Facility would issue bonds and use the proceeds to purchase FSLIC stock. The Financing Facility would not have guarantees from the Treasury or FSLIC, and it would use the existing staff resources of the FHLB system. FSLIC would raise between \$10 and \$15 billion from the sale of stock over five years and use these resources to accelerate its efforts to close those unprofitable and insolvent thrifts that pose a growing financial threat to the fund.

**Object Classification** (in thousands of dollars)

Identification code 82-4037-2-3-371	1986 actual	1987 est.	1988 est.
33.0	Investments and loans .....		1,600,000
41.0	Grants, subsidies, and contributions .....	375,000	150,000
99.9	Total obligations .....	375,000	1,750,000

**FEDERAL LABOR RELATIONS AUTHORITY**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; **[\$16,330,000] \$17,951,000**: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government Service, and compensation as authorized by 5 U.S.C 3109. (*Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).*)

**Program and Financing** (in thousands of dollars)

Identification code 54-0100-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01	Authority members .....	3,749	4,063
00.02	Administrative law judges .....	880	832
00.03	Office of the General Counsel .....	7,220	7,345
00.04	Federal Service Impasses Panel .....	444	466
00.05	Management and administrative support .....	3,980	3,760
10.00	Total obligations .....	16,273	16,466
17,951			
<b>Financing:</b>			
25.00	Unobligated balance lapsing .....	57	
39.00	<b>Budget authority</b> .....	<b>16,330</b>	<b>16,466</b>
			<b>17,951</b>
<b>Budget authority:</b>			
40.00	Appropriation .....	16,330	16,330
44.20	Supplemental for civilian pay raises .....		136
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....	16,273	16,466
			17,951

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	54-0100-0-1-805	1986 actual	1987 est.	1988 est.
72.40	Obligated balance, start of year	1,163	1,212	1,242
74.40	Obligated balance, end of year	-1,212	-1,242	-1,271
77.00	Adjustments in expired accounts	-34		
89.00	Outlays	16,190	16,436	17,922
Outlays:				
90.00	Outlays, excluding pay raise supplemental	16,190	16,309	17,913
91.20	Outlays from civilian pay raise supplemental		127	9

The Authority serves as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations Statute, decides major policy issues, prescribes regulations, and disseminates information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the Federal Labor Relations Authority gives full recognition to the role of the Federal Government as an employer.

**Authority members.**—The Authority adjudicates labor-management disputes in the Federal sector including: appeals on negotiability issues; exceptions to arbitration awards; appropriate units for the purposes of exclusive recognition; eligibility of labor organizations for national consultation rights and unfair labor practice complaints.

Workloads are reflected in the following table:

CASE DISPOSITIONS

	1986 actual	1987 est.	1988 est.
Arbitration appeals	239	230	195
Negotiability appeals	187	265	195
Representation appeals/requests for review	19	20	15
Unfair labor practice appeals	163	162	120
Miscellaneous cases	6	6	5

**Administrative law judges.**—This activity provides for holding hearings on unfair labor practice complaints, issuing reports, and making recommendations to the Authority on each case to allow timely settlement of disputes arising between agencies and unions. Workloads are reflected in the following table:

CASE DISPOSITIONS

	1986 actual	1987 est.	1988 est.
Decisions	109	142	149
Settlements	455	604	634

**Office of the General Counsel.**—The functions of this Office include the investigation of all allegations of unfair labor practices filed and the processing of all representation petitions received; the exercise of final authority over the issuance and prosecution of all complaints; the supervision and conducting of elections concerning the exclusive recognition of labor organizations and the certification of the results of elections; the conducting of all hearings to resolve disputed issues in representation cases; preparing final Decisions and Orders in these cases; and the direction and supervision of all employees of the Regional Offices. Workloads are reflected in the following table:

CASE DISPOSITIONS

	1986 actual	1987 est.	1988 est.
Representation cases investigated	313	291	306
Representation hearings held	36	36	38
Representation elections conducted	87	81	85
Unfair labor practice cases investigated	5,047	5,100	5,350
Unfair labor practice complaints prosecuted	139	169	160
Unfair labor practice complaints with voluntary settlement	377	506	480
Unfair labor practice appeal dispositions	485	504	524

**Federal Service Impasses Panel.**—The functions of the Panel involve the resolution of labor negotiation impasses between Federal agencies and labor organizations which arise under the Civil Service Reform Act of 1978, the Panama Canal Act of 1979 and other statutes. The Panel uses a variety of procedures including fact-finding and arbitration.

	1986 actual	1987 est.	1988 est.
Impasse resolutions	143	170	190

**Management and administrative support.**—This activity provides a complete range of administrative support to all components of the Federal Labor Relations Authority. These activities involve financial management, which includes budget, accounting and payroll support; personnel management, which includes position management and classification; and office services, which includes space management, procurement, contracting, printing support, supply and property management, records management, and other administrative services.

Object Classification (in thousands of dollars)

Identification code	54-0100-0-1-805	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent	10,789	11,245	11,461
11.3	Other than full-time permanent	197	70	80
11.5	Other personnel compensation	242	10	10
11.9	Total personnel compensation	11,228	11,325	11,551
12.1	Personnel benefits: Civilian	1,204	1,374	1,919
21.0	Travel and transportation of persons	534	534	534
22.0	Transportation of things	13	18	11
23.1	Rental payments to GSA	1,919	1,840	1,977
23.3	Communications, utilities, and miscellaneous charges	485	510	498
24.0	Printing and reproduction	178	170	167
25.0	Other services	478	530	624
26.0	Supplies and materials	161	156	158
31.0	Equipment	73	9	512
99.9	Total obligations	16,273	16,466	17,951

Personnel Summary

Total number of full-time permanent positions	261	277	273
Total compensable workyears: Full-time equivalent employment	269	277	273

FEDERAL MARITIME COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; ~~[\$11,600,000]~~ \$14,500,000: Provided, That not to exceed \$1,500 shall be available for official reception and representation expenses. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 65-0100-0-1-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Formal proceedings .....	3,430	3,496	3,817
00.02 Operational and administrative .....	270	276	290
00.03 Economic analysis .....	408	496	540
00.04 Agreements and trade monitoring .....	1,163	1,302	1,314
00.05 Tariffs .....	1,870	1,713	3,353
00.06 Hearing counsel .....	594	704	730
00.07 Investigations .....	2,030	2,264	2,504
00.08 Resources management .....	1,595	1,696	1,952
10.00 Total obligations .....	11,360	11,947	14,500
<b>Financing:</b>			
39.00 Budget authority .....	11,360	11,947	14,500
<b>Budget authority:</b>			
40.00 Appropriation .....	11,360	11,600	14,500
44.20 Supplemental for civilian pay raises .....		200	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		147	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	11,360	11,947	14,500
72.40 Obligated balance, start of year .....	1,328	1,236	1,248
74.40 Obligated balance, end of year .....	-1,236	-1,248	-1,216
77.00 Adjustments in expired accounts .....	78		
89.00 Outlays .....	11,531	11,935	14,532
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	11,531	11,610	14,510
91.20 Outlays from civilian pay raise supplemental .....		185	15
91.40 Outlays from retirement contribution supplemental .....		140	7

The Federal Maritime Commission regulates the domestic offshore and international waterborne commerce of the United States. In addition, the Commission has responsibility for the licensing of ocean freight forwarders and for insuring that vessel owners or operators establish financial responsibility for death or injury to passengers or other persons on voyages to and from U.S. ports, and indemnification of passengers for the nonperformance of transportation. Major program areas for 1988 will concentrate on developing a program to computerize the filing of tariffs; pursuing an active enforcement program designed to identify and prosecute violators of the shipping statutes; collecting and analyzing data on the impact of the 1984 Shipping Act and beginning the preparation of the report required under section 18(c) of the Act; and completing various stages of automation.

Object Classification (in thousands of dollars)

Identification code 65-0100-0-1-403	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	7,513	7,872	8,192
11.3 Other than full-time permanent .....	125	150	135
11.5 Other personnel compensation .....	23	28	29
11.8 Special personal services payments .....	77	93	97
11.9 Total personnel compensation .....	7,738	8,143	8,453
12.1 Personnel benefits: Civilian .....	897	1,119	1,597
13.0 Benefits for former personnel .....	-3		
21.0 Travel and transportation of persons .....	91	105	120
22.0 Transportation of things .....	8	10	
23.1 Rental payments to GSA .....	1,314	1,352	1,648
23.3 Communications, utilities, and miscellaneous charges .....	336	322	337
24.0 Printing and reproduction .....	132	143	141
25.0 Other services .....	623	580	2,007
26.0 Supplies and materials .....	114	102	111
31.0 Equipment .....	110	71	86
99.9 Total obligations .....	11,360	11,947	14,500

Personnel Summary

Total number of full-time permanent positions .....	202	216	218
Total compensable workyears: Full-time equivalent employment .....	206	214	216

FEDERAL MEDIATION AND CONCILIATION SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor-Management Relations Act, 1947 (29 U.S.C. 171-180, 182), including expenses of the Labor-Management Panel and boards of inquiry appointed by the President, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia; and for expenses necessary pursuant to Public Law 93-360 for mandatory mediation in health care industry negotiation disputes and for convening factfinding boards of inquiry appointed by the Director in the health care industry; [and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 125a);] and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. chapter 71), **[\$23,523,000] \$24,920,000.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 93-0100-0-1-505	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Dispute mediation and preventive medication, public information, and educational activities .....	17,206	18,364	20,066
00.02 Arbitration services .....	471	503	550
00.03 Management and administrative support .....	3,562	3,802	4,154
00.04 Boards and panels .....	33	150	150
00.05 Labor-management cooperation project .....	1,098	1,073	
00.91 Total direct program .....	22,370	23,892	24,920
01.01 Reimbursable program .....	106	120	
10.00 Total obligations .....	22,476	24,012	24,920
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-106	-120	
25.00 Unobligated balance lapsing .....	18		
39.00 Budget authority .....	22,388	23,892	24,920
<b>Budget authority:</b>			
40.00 Appropriation .....	22,388	23,523	24,920
44.20 Supplemental for civilian pay raises .....		181	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		188	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	22,370	23,892	24,920
72.40 Obligated balance, start of year .....	3,096	3,280	3,058
74.40 Obligated balance, end of year .....	-3,280	-3,058	-3,065
77.00 Adjustments in expired accounts .....	-17		
89.00 Outlays .....	22,169	24,114	24,913
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	22,169	23,768	24,890
91.20 Outlays from civilian pay raise supplemental .....		174	7
91.40 Outlays from retirement contribution supplemental .....		172	16

The Service assists parties to labor disputes in industries affecting commerce to settle their disputes through conciliation and mediation.

**Dispute mediation.**—The Service assists labor and management in mediation and prevention of disputes,

General and special funds—Continued  
SALARIES AND EXPENSES—Continued

other than those involving rail and air transportation, whenever such disputes threaten to cause a substantial interruption of interstate commerce or a major impairment of the national defense. The Service also makes mediation and conciliation services available to Federal agencies and organizations representing Federal employees in the resolution of negotiation disputes. The Service provides mandatory mediation and, where necessary, impartial boards of inquiry to assist in resolving labor disputes involving private nonprofit health care institutions. The workload shown below includes assignments closed in both the private and public sectors.

MEDIATION WORKLOAD DATA

	1984 actual	1985 actual	1986 actual	1987 estimate	1988 estimate
Cases in process at beginning of year .....	7,580	6,221	5,674	6,125	6,000
Mediation assignments .....	25,209	25,761	25,913	26,000	26,000
Mediation assignments closed .....	26,568	26,308	25,462	26,125	26,000
Cases in process at end of year .....	6,221	5,674	6,125	6,000	6,000
Total mediation conferences conducted .....	29,391	25,236	26,119	26,500	26,500

**Preventive mediation, public information, and educational activities.**—Through its preventive mediation program, the Service initiates and develops labor-management committees, training programs, conferences, and specialized workshops dealing with issues in collective bargaining. Mediators also participate in public information and educational activities such as lectures, seminars, and conferences.

**Arbitration services.**—The Service assists parties in disputes in utilizing the arbitration process for the resolution of disputes arising under or in the negotiation of collective bargaining agreements in the private and public sectors.

ARBITRATION SERVICES WORKLOAD DATA

	1984 actual	1985 actual	1986 actual	1987 estimate	1988 estimate
Number of panels issued .....	32,322	33,390	32,935	33,500	33,500
Number of arbitrators appointed .....	11,156	10,891	10,638	11,200	11,500

**Management and administrative support.**—This activity provides for overall management and administration, policy planning, research and evaluation, and employee development.

**Boards and panels.**—Provision is made for ad hoc use of labor relations experts, individually or in panels, in support of the mediation function, for boards of inquiry appointed by the President in emergency disputes, and for boards of inquiry which the Director of FMCS may appoint in a contract dispute involving health care institutions.

**Labor-management cooperation project.**—The Labor Management Cooperation Act of 1978 (29 U.S.C. 125a) authorizes the Service to carry out this program of contracts and grants to support the establishment and operation of plant, area, and industry labor-management committees. No funds are requested for this program in 1988.

Object Classification (in thousands of dollars)

Identification code 93-0100-0-1-505	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	15,127	15,152	15,593
11.3 Other than full-time permanent .....	106	188	198
11.5 Other personnel compensation .....	60	97	97
11.9 Total personnel compensation .....	15,293	15,437	15,888
12.1 Personnel benefits: Civilian .....	1,956	2,360	3,450
13.0 Benefits for former personnel .....	12	36	15
21.0 Travel and transportation of persons .....	906	1,290	1,261
22.0 Transportation of things .....	24	44	67
23.1 Rental payments to GSA .....	1,691	2,050	2,251
23.3 Communications, utilities, and miscellaneous charges .....	955	1,033	1,240
24.0 Printing and reproduction .....	31	34	37
25.0 Other services .....	401	487	465
26.0 Supplies and materials .....	120	138	137
31.0 Equipment .....	49	83	109
41.0 Grants, subsidies, and contributions .....	932	900	.....
99.0 Subtotal, direct obligations .....	22,370	23,892	24,920
99.0 Reimbursable obligations .....	106	120	.....
99.9 Total obligations .....	22,476	24,012	24,920

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	339	341	347
Total compensable workyears: Full-time equivalent employment .....	329	329	335

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), **[\$3,785,000] \$4,139,000.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 95-2800-0-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Commission review .....	1,838	2,169	2,449
00.02 Administrative law judge determinations .....	1,483	1,616	1,690
10.00 Total obligations .....	3,321	3,785	4,139
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	330	.....	.....
40.00 Budget authority (appropriation) .....	3,651	3,785	4,139
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,321	3,785	4,139
72.40 Obligated balance, start of year .....	368	456	462
74.40 Obligated balance, end of year .....	-456	-462	-481
77.00 Adjustments in expired accounts .....	-22	.....	.....
90.00 Outlays .....	3,211	3,779	4,120

The Commission reviews and decides contested enforcement actions of the Secretary of Labor under mine safety legislation. The Commission also adjudicates claims by miners and miners' representatives concerning their rights under law. The Commission holds fact-finding hearings and issues orders affirming, modifying, or vacating the Secretary's enforcement actions.

**SELECTED WORKLOAD DATA**

	1986 actual	1987 est.	1988 est.
<b>Commission review activities:</b>			
Cases pending beginning of year.....	27	24	25
Cases called for review.....	56	66	67
Cases decided.....	59	65	70
<b>Administrative law judge activities:</b>			
Cases pending beginning of year.....	1,247	1,179	1,208
New cases received.....	1,743	1,824	1,941
Cases decided.....	1,811	1,795	1,900

**Object Classification (in thousands of dollars)**

Identification code 95-2800-0-1-554	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	2,043	2,507	2,619
11.8 Other personnel compensation.....	77		
11.9 Total personnel compensation.....	2,120	2,507	2,619
12.1 Personnel benefits: Civilian.....	295	331	484
21.0 Travel and transportation of persons.....	68	84	80
22.0 Transportation of things.....	3	6	1
23.1 Rental payments to GSA.....	363	384	491
23.3 Communications, utilities, and miscellaneous charges.....	140	144	157
24.0 Printing and reproduction.....	32	30	31
25.0 Other services.....	234	216	211
26.0 Supplies and materials.....	54	48	50
31.0 Equipment.....	12	35	15
99.9 Total obligations.....	3,321	3,785	4,139

**Personnel Summary**

Total number of full-time permanent positions.....	62	62	61
Total compensable workyears: Full-time equivalent employment.....	47	55	61

**FEDERAL RETIREMENT THRIFT INVESTMENT BOARD**

*Federal Funds*

**General and special funds:**

**[SALARIES AND EXPENSES]**

**[For necessary expenses to carry out functions of the Federal Retirement Thrift Investment Board as authorized by the Federal Employees' Retirement System Act of 1986 (Public Law 99-335); \$5,250,000: Provided, That section 701(a) of Public Law 99-335, the Federal Employees' Retirement System Act of 1986, is amended by striking "shall" after "1987" and inserting in lieu thereof, "may".] (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-550 and 99-951, section 101(m).)**

**Program and Financing (in thousands of dollars)**

Identification code 26-0100-0-1-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		5,250	
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	250		
40.00 Budget authority (appropriation).....	250	5,250	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		5,250	
90.00 Outlays.....		5,250	

This appropriation provided initial funding for the administrative expenses of the Federal Retirement Thrift Investment Board. The 1987 amount represents a payment to the Thrift savings fund for partial year activity.

**PAYMENT FROM THE GENERAL FUND**

**Program and Financing (in thousands of dollars)**

Identification code 26-0101-0-1-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0).....		142,000	
<b>Financing:</b>			
60.00 Budget authority (appropriation) (permanent, indefinite, P.L. 99-335).....		142,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		142,000	
90.00 Outlays.....		142,000	

The Federal Employees' Retirement System Act of 1986 provides that the Secretary of the Treasury shall credit to the Thrift savings fund an amount equal to 1 percent of the basic pay paid plus interest of those Federal employees who have been covered by the Federal Employees' Retirement Contribution Temporary Adjustment Act of 1983 and are still employees of the Federal Government on January 1, 1987. The Director of the Office of Personnel Management is to determine the necessary amount based on information supplied by the Federal agencies.

*Trust Funds*

**THRIFT SAVINGS FUND**

**Program and Financing (in thousands of dollars)**

Identification code 26-8141-0-7-602	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Employee withdrawals.....		45,023	190,255
00.02 Loans to employees.....			16,118
00.03 Investments in fixed income fund.....			54,211
00.04 Investments in common stock index fund.....			36,140
00.05 Liability insurance.....		4,176	13,104
00.06 Administrative expenses.....		11,800	11,800
10.00 Total obligations.....		60,999	321,628
<b>Financing:</b>			
<b>Unobligated balance available, start of year:</b>			
21.40 Treasury balance.....			-48,646
21.40 U.S. securities (par).....			-1,207,269
<b>Unobligated balance available, end of year:</b>			
24.40 Treasury balance.....		48,646	132,822
24.40 U.S. securities (par).....		1,207,269	4,464,168
60.00 Budget authority (appropriation) (permanent, indefinite).....		1,316,913	3,662,704
<b>Relation of obligation to outlays:</b>			
71.00 Obligations incurred, net.....		60,999	321,629
72.40 Obligated balance, start of year.....			131
74.40 Obligated balance, end of year.....		-131	-236
90.00 Outlays.....		60,868	321,524

The Federal Retirement Thrift Investment Board is responsible for managing the Thrift savings fund. The Thrift savings fund is a special tax-deferred savings plan for Federal employees established by the Federal Employees Retirement System Act of 1986 (Public Law 99-335).

**STATUS OF TRUST FUND**

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Unexpended balance, start of year:</b>			
U.S. securities (par).....			1,207,269
Cash.....			48,777
Balance of trust fund, start of year.....			1,256,046

**THRIFT SAVINGS FUND—Continued**

**STATUS OF TRUST FUND—Continued**

(In thousands of dollars)

Cash income for the year:		
Proprietary receipts:		
Employee contributions.....	705,210	2,149,100
Return on investments in non-governmental instruments.....		
Intragovernmental receipts:		
Employee contributions.....	421,761	1,323,524
Matching contributions.....	(417,585)	(1,310,420)
Liability insurance surcharge.....	(4,176)	(13,104)
Payment from the general fund.....	147,250	
Permanent appropriation.....	(142,000)	
Appropriation for salaries and expenses.....	(5,250)	
Earnings on investments.....	42,692	190,081
<b>Total net income.....</b>	<b>1,316,913</b>	<b>3,662,704</b>
Cash outgo during year:		
Employee withdrawals.....	45,023	190,255
Loans to employees.....		16,118
Investments in fixed income fund.....		54,211
Investments in common stock index fund.....		36,140
Insurance.....	4,176	13,104
Administrative expenses.....	11,669	11,695
<b>Total outgo.....</b>	<b>60,868</b>	<b>321,524</b>
Unexpended balance, end of year:		
U.S. securities (par).....	1,207,269	4,464,168
Cash.....	48,777	133,058
<b>Balance of trust fund, end of year.....</b>	<b>1,256,046</b>	<b>4,597,226</b>

The Thrift savings fund is composed of individual accounts maintained by the Federal Retirement Thrift Investment Board on behalf of the individual Federal employees who have contributed to the fund. All Federal employees are eligible to contribute to the fund. However, only those employees covered by the Federal Employees Retirement System will have their contributions matched by the employing agency in accordance with the formulas prescribed by law. It is estimated that 40 percent of those employees covered by the Civil Service Retirement and Disability System will elect to switch to the Federal Employees Retirement System to be eligible for agency matching contributions and other benefits. Within certain restrictions imposed during a phase-in period, the individual employee is entitled to select how contributions are distributed among three investment funds: a Government securities investment fund, a fixed income investment fund, and a common stock index investment fund. The estimated status of these three separate funds is shown below:

**STATUS OF GOVERNMENT SECURITIES INVESTMENT FUND**

(In thousands of dollars)

Balance of fund, start of year:			
Investment balance.....	1986 actual	1987 est.	1988 est.
			1,207,269
Cash balance.....			48,777
<b>Total, balance start of year.....</b>			<b>1,256,046</b>
Cash income for the year:			
New investments.....		1,264,795	3,365,555
Earnings.....		42,692	190,081
<b>Total, cash income.....</b>		<b>1,307,487</b>	<b>3,555,636</b>
Cash outgo during the year:			
Withdrawals other than loans.....		45,023	190,255
Withdrawals for loans.....			16,118
Administrative expenses (forfeitures).....		6,419	11,695
<b>Total, cash outgo.....</b>		<b>51,442</b>	<b>218,068</b>

Balance of fund, end of year:		
Investment balance.....	1,207,269	4,464,168
Cash balance.....	48,777	129,444
<b>Total, balance end of year.....</b>	<b>1,256,046</b>	<b>4,593,612</b>

**STATUS OF COMMON STOCK INDEX INVESTMENT FUND**

(In thousands of dollars)

Balance of fund, start of year:			
Investment balance.....	1986 actual	1987 est.	1988 est.
Cash balance.....			
<b>Total, balance start of year.....</b>			
Cash income for the year:			
New investments.....			37,586
Earnings.....			2,537
<b>Total, cash income.....</b>			<b>40,123</b>
Cash outgo during the year.....			
<b>Balance of fund, end of year:</b>			
Investment balance.....			38,677
Cash balance.....			1,446
<b>Total, balance end of year.....</b>			<b>40,123</b>

**STATUS OF FIXED INCOME INVESTMENT FUND**

(In thousands of dollars)

Balance of fund, start of year:			
Investment balance.....	1986 actual	1987 est.	1988 est.
Cash balance.....			
<b>Total, balance start of year.....</b>			
Cash income for the year:			
New investments.....			56,379
Earnings.....			2,030
<b>Total, cash income.....</b>			<b>58,409</b>
Cash outgo during the year.....			
<b>Balance of fund, end of year:</b>			
Investment balance.....			56,240
Cash balance.....			2,169
<b>Total, balance end of year.....</b>			<b>58,409</b>

Because the Thrift savings fund has not yet started operating, the estimates of the status of these funds are not based on past experience. Employee participation in the fund is entirely voluntary so actual results could vary significantly from these estimates.

**Object Classification (in thousands of dollars)**

Identification code 26-8141-0-7-602		1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent.....		1,450	2,900
11.3	Other than full-time permanent.....		163	325
11.9	Total personnel compensation.....		1,613	3,225
12.1	Personnel benefits: Civilian.....		274	548
21.0	Travel and transportation of persons.....		18	18
22.0	Transportation of things.....		16	16
23.1	Rental payments to GSA.....		400	600
24.0	Printing and reproduction.....		500	300
25.0	Other services.....		8,879	6,993
26.0	Supplies and materials.....		50	50
31.0	Equipment.....		50	50
33.0	Investments and loans.....			106,469
42.0	Insurance claims and indemnities.....		4,176	13,104
44.0	Refunds.....		45,023	190,255
99.9	<b>Total obligations.....</b>		<b>60,999</b>	<b>321,628</b>

**Personnel Summary**

Total number of full-time permanent positions.....	90	90
Total compensable workyears:		
Full-time equivalent employment .....	60	80
Full-time equivalent of overtime and holiday hours .....	4	4

**FEDERAL TRADE COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed \$2,000 for official reception and representation expenses; the sum of **[\$65,000,000] \$69,850,000. [Provided, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374): Provided further, That (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate, to the Committee on Energy and Commerce of the House of Representatives and to the Appropriations Committees of the Senate and House of Representatives the information specified in subsection (b) of this section every 6 months during fiscal year 1987. A report containing such information shall be submitted when the Commission submits its annual report to the Congress during such fiscal year, and such report may be included in the annual report. A separate report containing such information shall be submitted 6 months after the date of submission of any such annual report. Each such report shall contain such information for the period since the last submission under this section.**

(b) Each such report shall list and describe, with respect to instances in which predatory pricing practices have been suspected or alleged—

- (1) each complaint made, orally or in writing, to the offices of the Commission;
- (2) each preliminary investigation opened or closed at the Commission;
- (3) each formal investigation opened or closed at the Commission;
- (4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;
- (5) each complaint issued by the Commission;
- (6) each opinion and order entered by the Commission;
- (7) each consent agreement accepted provisionally or finally by the Commission;
- (8) each request for modification of an outstanding Commission order filed with the Commission;
- (9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and
- (10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include copies of all such consent agreements and complaints executed by the Commission referred to in such report. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The descriptions required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies complained about or those subject to investigation that have not otherwise been made public. The report shall include any evaluation by the Commission of the potential impacts of predatory pricing upon businesses (including small businesses.) *(Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing language to be proposed.)*

**Program and Financing (in thousands of dollars)**

Identification code 29-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Maintaining competition.....	30,031	29,906	32,184
00.02 Consumer protection .....	32,624	31,025	33,348
00.03 Economic activities .....	3,734	4,069	4,318
00.91 Total direct program .....	66,389	65,000	69,850
01.01 Reimbursable program.....	445	1,345	1,358
10.00 Total obligations.....	66,834	66,345	71,208
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	- 445	- 1,345	- 1,358
21.40 Unobligated balance available, start of year.....	- 3,817		
25.00 Unobligated balance lapsing .....	111		
40.00 Budget authority (appropriation) .....	62,683	65,000	69,850
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	66,389	65,000	69,850
72.40 Obligated balance, start of year .....	6,244	10,448	7,298
74.40 Obligated balance, end of year .....	- 10,448	- 7,298	- 7,929
77.00 Adjustments in expired accounts.....	- 171		
90.00 Outlays.....	62,014	68,150	69,219

The Federal Trade Commission is charged by law with ensuring that competition in the marketplace is vigorous, free, and fair. This is accomplished by eliminating threats to fair and honest competition from all sources, both public and private.

**Maintaining competition.**—The Commission's efforts within this mission are aimed at fostering and preserving our competitive system with the goal of maximizing consumer welfare. In addition to enforcing the antitrust laws against private sector restraints on competition, the Commission also scrutinizes regulatory policies that unduly restrain competition, and tries to exert a pro-competitive influence in the development of such policies.

**Consumer protection.**—The Commission is charged with eliminating unfair or deceptive acts or practices affecting commerce. The goal of the consumer protection mission is to improve market performance so that consumers can make informed choices when exercising their purchasing power. To accomplish this goal, the Commission will remove harmful private and public restrictions on market performance; encourage business to provide consumers with accurate and useful information; and reinforce market forces that enhance consumer welfare.

**Economic activities.**—This mission has four major functions: conducting research on the performance of the industrial economy; providing economic support to the Commission's antitrust and consumer protection efforts; advising the Commission on the impact of governmental regulation on competition in various industries; and developing economic reports on industrial structure and performance.

**Object Classification (in thousands of dollars)**

Identification code 29-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	40,888	39,678	41,022
11.3 Other than full-time permanent .....	2,261	1,943	1,957
11.5 Other personnel compensation.....	492	779	702
11.8 Special personal services payments.....	2	5	5

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	29-0100-0-1-376	1986 actual	1987 est.	1988 est.
11.9	Total personnel compensation .....	43,643	42,405	43,686
12.1	Personnel benefits: Civilian .....	4,802	5,521	7,813
13.0	Benefits for former personnel .....	90	94	68
21.0	Travel and transportation of persons .....	721	840	870
22.0	Transportation of things .....	87	100	104
23.1	Rental payments to GSA .....	5,557	7,645	8,841
23.3	Communications, utilities, and miscellaneous charges .....	2,656	2,390	2,387
24.0	Printing and reproduction .....	323	413	455
25.0	Other services .....	3,601	3,546	3,750
26.0	Supplies and materials .....	944	890	924
31.0	Equipment .....	3,220	1,156	952
32.0	Lands and structures .....	745		
99.0	Subtotal, direct obligations .....	66,389	65,000	69,850
99.0	Reimbursable obligations .....	445	1,345	1,358
99.9	Total obligations .....	66,834	66,345	71,208

Personnel Summary

Total number of full-time permanent positions .....	1,033	987	1,005
Total compensable workyears:			
Full-time equivalent employment .....	1,107	1,030	1,048
Full-time equivalent of overtime and holiday hours .....	5	5	5

HARRY S TRUMAN SCHOLARSHIP FOUNDATION

Trust Funds

HARRY S TRUMAN MEMORIAL SCHOLARSHIP TRUST FUND

Program and Financing (in thousands of dollars)

Identification code	95-8296-0-7-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Scholarship awards .....	1,980	1,994	2,242
00.02	Program administration .....	429	486	507
10.00	Total obligations .....	2,409	2,480	2,749
<b>Financing:</b>				
Unobligated balance available, start of year:				
21.40	Treasury balance .....	-104	-80	
U.S. securities:				
21.40	Par value .....	-46,949	-44,402	-46,369
21.40	Unrealized discounts .....	842	47	44
Unobligated balance available, end of year:				
24.40	Treasury balance .....	80		
U.S. securities:				
24.40	Par value .....	44,402	46,369	47,607
24.40	Unrealized discounts .....	-47	-44	-44
60.00	Budget authority (appropriation) (permanent, indefinite), (trust fund) .....	634	4,370	3,987
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	2,409	2,480	2,749
72.40	Obligated balance, start of year .....	39	7	7
74.40	Obligated balance, end of year .....	-7	-7	-7
90.00	Outlays .....	2,441	2,480	2,749

Public Law 93-642 established the Harry S Truman Scholarship Foundation to operate the scholarship program that is the permanent Federal memorial to the 33rd President of the United States. The Foundation awards scholarships for up to four years to qualified college students who demonstrate outstanding potential for and interest in careers in public service at the local, State, or Federal level.

Legislation was enacted in 1986 that raised the former \$5,000 cap on annual award levels to \$10,000,

allowing the Foundation to raise awards. The Foundation announced an award cap of \$7,000, effective for awards for school year 1987-88. However, the Foundation reserves the right, and intends if necessary, to adjust award levels or the number of scholars, or both, to avoid any decline in the value of its trust fund.

In 1988, the Foundation will conduct its twelfth annual competition to select up to 105 new Truman scholars and will continue to assist in the placement of graduating Truman scholars in public service positions.

**Scholarship awards.**—This activity is comprised of scholarships awarded to cover eligible educational expenses.

**Program administration.**—This activity covers all costs of operating the program, including annual program announcement, interview and selection of Truman scholars, calculation and disbursement of scholarship awards, monitoring of student progress, and placement assistance.

Object Classification (in thousands of dollars)

Identification code	95-8296-0-7-502	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent .....	122	135	138
12.1	Personnel benefits: Civilian .....	14	16	17
21.0	Travel and transportation of persons .....	15	18	20
22.0	Transportation of things .....		1	1
23.1	Rental payments to GSA .....	32	33	34
23.3	Communications, utilities, and miscellaneous charges .....	16	22	25
24.0	Printing .....	6	7	8
25.0	Other services .....	219	248	257
26.0	Supplies and materials .....	4	6	7
41.0	Grants, subsidies, and contributions .....	1,980	1,994	2,242
99.9	Total obligations .....	2,409	2,480	2,749

Personnel Summary

Total number of full-time permanent positions .....	4	4	4
Total compensable workyears: Full-time equivalent employment .....	4	4	4

OTHER HISTORICAL AND MEMORIAL AGENCIES

Federal Funds

General and special funds:

CHRISTOPHER COLUMBUS QUINCENTENARY JUBILEE COMMISSION

SALARIES AND EXPENSES

For the necessary expenses of the Christopher Columbus Quincentenary Jubilee Commission, \$220,000, to remain available until November 15, 1992. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	76-0800-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	155	284	220
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-20		
21.40	Unobligated balance available, start of year .....	-199	-64	
24.40	Unobligated balance available, end of year .....	64		
40.00	Budget authority (appropriation) .....		220	220
Relations of obligations to outlays:				
71.00	Obligations incurred, net .....	155	284	220
72.40	Obligated balance, start of year .....	21	18	
74.40	Obligated balance, end of year .....	-18		

78.00	Adjustments in unexpired accounts .....	-20		
90.00	Outlays .....	138	302	220

The Christopher Columbus Quincentenary Jubilee Commission was established for the purpose of planning, encouraging, coordinating, and conducting the commemoration of the historic discovery voyage of Christopher Columbus. The thirty member Commission will coordinate its activities with the Governments of Spain and Italy and the 1992 World's Fair, the theme for which will be the 500th anniversary of America's discovery. The Commission will terminate November 15, 1992.

**Object Classification (in thousands of dollars)**

Identification code	76-0800-0-1-376	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent .....	44	113	113
12.1	Personnel benefits: Civilian .....	7	14	14
21.0	Travel and transportation of persons .....	60	66	42
23.3	Communications, utilities, and miscellaneous charges .....	6	11	9
24.0	Printing and reproduction .....	1	10	7
25.0	Other services .....	29	61	30
26.0	Supplies and materials .....	1	4	3
31.0	Equipment .....	7	5	2
99.9	Total obligations .....	155	284	220

**Personnel Summary**

Total number of full-time permanent positions .....	3	3	4
Total compensable workyears: Full-time equivalent employment .....	3	3	4

**COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES  
CONSTITUTION  
Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses of the Commission on the Bicentennial of the United States Constitution authorized by Public Law 98-101 (97 Stat. 719-723), **[\$13,200,000]** \$14,750,000 to remain available until expended, of which **[\$3,700,000]** \$5,000,000 is for carrying out the provisions of Public Law 99-194, including **[\$2,700,000]** \$3,750,000 for implementation of the National Bicentennial Competition on the Constitution and the Bill of Rights and **[\$1,000,000]** \$1,250,000 for educational programs about the Constitution and the Bill of Rights below the university level as authorized by such Act. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**Program and Financing (in thousands of dollars)**

Identification code	76-0054-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	2,648	14,326	14,130
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-320	-9,898	-8,772
24.40	Unobligated balance available, end of year .....	9,898	8,772	9,392
40.00	<b>Budget authority (appropriation) .....</b>	<b>12,226</b>	<b>13,200</b>	<b>14,750</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	2,648	14,326	14,130
72.40	Obligated balance, start of year .....	11	949	8,355
74.40	Obligated balance, end of year .....	-949	-8,355	-15,710
90.00	Outlays .....	1,710	6,920	6,775

The Commission on the Bicentennial of the United States Constitution was established by Public Law 98-

101 for the purpose of promoting and coordinating activities to commemorate the Bicentennial of the Constitution. The commemoration date of the signing of the Constitution is September 17, 1987. The extended life of the Commission from December 31, 1989 to December 31, 1991, allows the Commission to continue the bicentennial celebrations with the timely commemoration of the ratification of the Bill of Rights.

**Object Classification (in thousands of dollars)**

Identification code	76-0054-0-1-806	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent .....	1,153	2,909	2,900
11.3	Other than full-time permanent .....	52	200	200
11.5	Other personnel compensation .....	10	30	30
11.9	Total personnel compensation .....	1,215	3,139	3,130
12.1	Personnel benefits: Civilian .....	168	408	400
21.0	Travel and transportation of persons .....	81	700	600
22.0	Transportation of things .....	6	100	100
23.1	Rental payments to GSA .....	150	20	20
23.2	Rental payments to others .....	65	130	130
23.3	Communications, utilities, and miscellaneous charges .....	23	50	50
24.0	Printing and reproduction .....	179	900	700
25.0	Other services .....	721	4,679	3,700
26.0	Supplies and materials .....	39	200	200
31.0	Equipment .....	1	300	100
41.0	Grants, subsidies, and contributions .....		3,700	5,000
99.9	Total obligations .....	2,648	14,326	14,130

**Personnel Summary**

Total number of full-time permanent positions .....	83	100	100
Total compensable workyears: Full-time equivalent employment .....	79	100	100

**Trust Funds**

**GIFTS AND DONATIONS**

**Program and Financing (in thousands of dollars)**

Identification code	76-8092-0-7-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0) .....	30	30	30
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-4		
60.00	<b>Budget authority (appropriation) (permanent, indefinite) .....</b>	<b>26</b>	<b>30</b>	<b>30</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	30	30	30
90.00	Outlays .....	30	30	30

This schedule shows gifts and donations collected to fund expenses associated with Commission activities.

**FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION**

**Salaries and Expenses**

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92-332 (86 Stat. 401), **[\$5,000]** \$28,000 to remain available until September 30, **[1988]** 1989. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION—Continued**  
**Salaries and Expenses—Continued**

**Program and Financing (in thousands of dollars)**

Identification code	76-0700-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations	22	27	28
<b>Financing:</b>				
21.40	Unobligated balance available, start of year	-24	-22	
24.40	Unobligated balance available, end of year	22		
40.00	<b>Budget authority (appropriation)</b>	<b>20</b>	<b>5</b>	<b>28</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net	22	27	28
90.00	Outlays	22	27	28

The Commission is formulating plans for a memorial to Franklin Delano Roosevelt. The Commission is continuing its work of coordination prior to finalizing the design of the memorial.

**Object Classification (in thousands of dollars)**

Identification code	76-0700-0-1-806	1986 actual	1987 est.	1988 est.
21.0	Travel and transportation of persons	2	1	2
23.3	Communications, utilities, and miscellaneous charges			1
24.0	Printing and reproduction			1
25.0	Other services	20	26	23
26.0	Supplies and materials			1
99.9	<b>Total obligations</b>	<b>22</b>	<b>27</b>	<b>28</b>

**INTELLIGENCE COMMUNITY STAFF**

*Federal Funds*

**General and special funds:**

**INTELLIGENCE COMMUNITY STAFF**

For necessary expenses of the Intelligence Community Staff, **[\$21,738,000] \$24,272,000.**

Further, for the foregoing purposes, \$25,123,000, to become available for obligation on October 1, 1988. (Department of Defense Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(c).)

**Program and Financing (in thousands of dollars)**

Identification code	95-0400-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Total obligations	21,468	21,893	24,272	25,123
<b>Financing:</b>					
11.00	Offsetting collections from: Federal funds	-489			
25.00	Unobligated balance lapsing	22			
39.00	<b>Budget authority</b>	<b>21,001</b>	<b>21,893</b>	<b>24,272</b>	<b>25,123</b>
<b>Budget authority:</b>					
40.00	Appropriation	21,001	21,738	24,272	25,123
44.40	Supplemental for retirement contributions (P.L. 99-335)		155		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net	20,979	21,893	24,272	25,123
72.40	Obligated balance, start of year	7,713	8,566	7,498	7,597
74.40	Obligated balance, end of year	-8,566	-7,498	-7,597	-7,776
77.00	Adjustments in expired accounts	-634			
89.00	Outlays	19,492	22,961	24,173	24,944

Outlays:		1986 actual	1987 est.	1988 est.	1989 est.
90.00	Outlays, excluding retirement contribution supplemental	19,492	22,811	24,168	24,944
91.40	Outlays from retirement contribution supplemental		150	5	

The Intelligence Community Staff provides support and assistance to the Director of Central Intelligence in his capacity as the leader of the intelligence community. The Staff assists the Director of Central Intelligence in the development of management policy, collection tasking, fiscal guidance, and resource allocation for the intelligence community through the establishment of priorities for intelligence collection and analysis, the development of requirements for these activities, and the eventual assessment of performance.

**Object Classification (in thousands of dollars)**

Identification code	95-0400-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>					
<b>Personnel compensation:</b>					
11.1	Full-time permanent	3,328	3,902	4,309	4,342
11.3	Other than full-time permanent	167	137	143	144
11.5	Other personnel compensation	424	697	714	724
11.8	Special personal services payments	6,276	7,162	7,797	7,857
11.9	<b>Total personnel compensation</b>	<b>10,195</b>	<b>11,898</b>	<b>12,963</b>	<b>13,067</b>
12.1	Personnel benefits: Civilian	865	1,284	2,050	2,284
21.0	Travel and transportation of persons	237	342	359	377
22.0	Transportation of things	32	66	69	73
23.2	Rental payments to others	47	39	41	43
23.3	Communications, utilities, and miscellaneous charges	1,041	1,099	1,146	1,196
25.0	Other services	7,885	6,740	7,197	7,612
26.0	Supplies and materials	201	130	137	145
31.0	Equipment	476	295	310	326
99.0	<b>Subtotal, direct obligations</b>	<b>20,979</b>	<b>21,893</b>	<b>24,272</b>	<b>25,123</b>
99.0	Reimbursable obligations	489			
99.9	<b>Total obligations</b>	<b>21,468</b>	<b>21,893</b>	<b>24,272</b>	<b>25,123</b>

**Personnel Summary**

Total number of full-time permanent positions	79	84	84	84
Total compensable workyears:				
Full-time equivalent employment	212	234	246	246
Full-time equivalent of overtime and holiday hours	4	4	4	4

**INTERGOVERNMENTAL AGENCIES**

**ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended, 42 U.S.C. 4271-79; **[\$1,750,000.] \$1,390,000,** and additional amounts not to exceed \$200,000, collected from the sale of publications shall be credited to and used for the purposes of this appropriation. (Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

**Program and Financing (in thousands of dollars)**

Identification code	55-0100-0-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Direct program:</b>				
00.01	General administration	503	480	475
00.02	Intergovernmental research	1,447	1,270	915

00.91	Total direct program .....	1,950	1,750	1,390
01.01	Reimbursable program .....	101	115	215
10.00	Total obligations .....	2,051	1,865	1,605
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds .....	-101	-15	-15
14.00	Non-Federal sources .....		-100	-200
25.00	Unobligated balance lapsing .....	3		
40.00	Budget authority (appropriation) .....	1,953	1,750	1,390
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,950	1,750	1,390
72.40	Obligated balance, start of year .....	345	300	308
74.40	Obligated balance, end of year .....	-300	-308	-286
77.00	Adjustments in expired accounts .....	-36		
90.00	Outlays .....	1,959	1,742	1,412

11.5	Other personnel compensation .....	11	10	10
11.9	Total personnel compensation .....	934	752	657
12.1	Personnel benefits: Civilian .....	117	87	80
Travel and transportation of persons:				
21.0	Staff travel .....	16	30	30
21.0	Commission .....	25	35	40
21.0	Invitational .....	22	20	10
22.0	Transportation of things .....	6	10	10
23.1	Rental payments to GSA .....	253	230	230
23.3	Communications, utilities, and miscellaneous charges .....	74	95	100
24.0	Printing and reproduction .....	46	70	70
25.0	Other services .....	398	367	113
26.0	Supplies and materials .....	37	40	35
31.0	Equipment .....	22	14	15
99.0	Subtotal, direct obligations .....	1,950	1,750	1,390
99.0	Reimbursable obligations .....	101	115	215
99.9	Total obligations .....	2,051	1,865	1,605

The Advisory Commission on Intergovernmental Relations (ACIR) is an independent, bipartisan body with twenty-six members representing different levels of government. The Commission and its staff examine Federal, State and local trends, events, and programs having an intergovernmental impact. Proposed legislation and executive actions are reviewed to determine their overall effect on the Federal system. The Commission also identifies emerging problems of Federal-State-local relations and assists States and localities in anticipating and meeting problems caused by various intergovernmental overlaps and conflicts, and makes recommendations concerning the workings and structural arrangements of governmental units and allocation of responsibilities and revenues among the various levels of government. The recommendations and published reports growing out of the Commission's work are submitted to the executive and legislative branches of Federal, State, and local governments for appropriate action.

Continuing and annual projects of the Commission include assessing changing public attitudes on government and taxes; developing a "representative tax system" for all 50 States; analyzing fiscal disparities; publishing an annual catalog of Federal aid; surveying and identifying trends in State and local finances; monitoring key intergovernmental legislation of Federal, State, and local governments; and providing educational and technical assistance to Federal, State, and local governments regarding Commission recommendations.

Nonrecurring projects currently under Commission study include more effective intergovernmental welfare system, state-by-state analysis of proposals to reform the individual income tax, fiscal discipline, the role of the national judiciary in the federal system, federal preemption of state and local laws and authority, alternative approaches to providing local public services, rethinking local self-government in a federal system, and analysis of intergovernmental aid formulas.

Appropriations finance the personnel and personnel-related expenses incurred in the basic day-to-day operation of the Commission.

Object Classification (in thousands of dollars)

Identification code	55-0100-0-1-806	1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	900	727	637
11.3	Other than full-time permanent .....	23	15	10

Personnel Summary

Direct:			
Total number of full-time permanent positions .....	19	19	14
Total compensable workyears: Full-time equivalent employment .....	23	20	14
Reimbursable:			
Total compensable workyears: Full-time equivalent employment .....	2	1	7

Trust Funds

CONTRIBUTIONS

Program and Financing (in thousands of dollars)

Identification code	55-8155-0-7-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	172	150	300
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....	-82	-8	-8
24.40	Unobligated balance available, end of year .....	8	8	8
60.00	Budget authority (appropriation) (permanent, indefinite) .....	99	150	300
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	172	150	300
72.40	Obligated balance, start of year .....	3	103	28
74.40	Obligated balance, end of year .....	-103	-28	-28
90.00	Outlays .....	73	225	300

Contributions from State and local governments and nonprofit organizations are used to strengthen the Commission's clearinghouse, information and policy education services to State and local governments, and to improve intergovernmental coordination and relations. Specific items financed by this account include the Commission's quarterly publication, Intergovernmental Perspective; printing of Commission reports; summaries of full Commission reports published as the *In Brief* series; and reprints of popular out-of-print but timely Commission reports.

Object Classification (in thousands of dollars)

Identification code	55-8155-0-7-806	1986 actual	1987 est.	1988 est.
21.0	Travel and transportation of persons .....	9	20	25
22.0	Transportation of things .....		5	5
23.3	Communications, utilities, and miscellaneous charges .....	8	6	10
24.0	Printing and reproduction .....	92	44	110
25.0	Other services .....	30	75	150
26.0	Supplies and materials .....	2		

CONTRIBUTIONS—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	55-8155-0-7-806	1986 actual	1987 est.	1988 est.
31.0	Equipment	31		
99.9	Total obligations	172	150	300

APPALACHIAN REGIONAL COMMISSION

Federal Funds

General and special funds:

APPALACHIAN REGIONAL COMMISSION\*

(TRANSFER OF FUNDS)

\*See Part II for additional information.

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, except expenses authorized by section 105 of said Act, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, and for necessary expenses for the Federal Cochairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, to remain available until expended, \$105,000,000. Amounts formerly made available to Appalachian Regional Development Programs shall be transferred to and made part of this appropriation. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code	46-0200-0-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Appalachian regional development programs:				
01.01	Appalachian development highway system	92,481	78,299	
01.02	Jobs and private investment program	37,017	36,789	
01.03	Distressed counties program	6,421	7,104	
01.04	Health finish-up program	650		
01.05	Local development district and technical assistance program	3,595	3,695	
01.06	Stream clearing and other	912	1,244	
01.07	Closeout activities			4,000
01.91	Total Appalachian regional development programs	141,075	127,131	4,000
Salaries and expenses:				
02.01	Federal cochairman and staff	450	450	
02.02	Administrative expenses	1,655	1,750	
02.91	Total salaries and expenses	2,105	2,200	
03.00	Total direct program	143,180	129,331	4,000
03.01	Reimbursable program	316	823	
10.00	Total obligations	143,497	130,154	4,000
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds	-443	-300	
14.00	Non-Federal sources: Collection of loans		-2	
17.00	Recovery of prior year obligations	-11,677		
21.40	Unobligated balance available, start of year	-49,288	-34,852	-10,000
24.40	Unobligated balance available, end of year	34,852	10,000	6,000
25.00	Unobligated balance lapsing	4		
40.00	Budget authority (appropriation)	116,945	105,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net	143,054	129,852	4,000

72.40	Obligated balance, start of year	353,031	325,748	313,400
74.40	Obligated balance, end of year	-325,748	-313,400	-188,400
78.00	Adjustments in unexpired accounts	-11,677		
90.00	Outlays	158,660	142,200	129,000

Distribution of budget authority by account:

Appalachian Regional Commission:				
	Appalachian regional development programs	114,840	105,000	
	Salaries and expenses	2,105		

Distribution of outlays by account:

Funds Appropriated to the President:				
	Appalachian regional development programs	143,654	104,802	63,900
	Appalachian housing fund		-2	
Appalachian Regional Commission:				
	Appalachian regional development programs	12,913	37,354	65,100
	Salaries and expenses	2,093	46	

Status of Direct Loans (in thousands of dollars)

Cumulative balance of direct loans outstanding:

1210	Outstanding, start of year	2	2	
1251	Repayments: Repayments and prepayments		-2	
1290	Outstanding, end of year	2		

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority	116,945	105,000	
Outlays	158,660	142,200	129,000
Rescission proposal:			
Budget authority		-31,059	
Outlays		-2,105	-9,144
Total:			
Budget authority	116,945	73,941	
Outlays	158,660	140,095	119,856

In 1988, the Appalachian Regional Development programs will be discontinued. Of funds available in 1987, \$10 million will be carried over to 1988 and allocated to other Federal agencies in 1988 and subsequent years to close out Appalachian regional development non-highway projects. The Department of Commerce will be responsible for closeout activities associated with this account.

**Appalachian Development Highway System.**—The Appalachian Development Highway System program will also be discontinued in 1988. The Federal Highway Administration will be responsible for closeout of this program.

**Appalachian Housing Fund.**—The Appalachian Housing Fund has been discontinued; housing grants are funded under the Appalachian regional development program appropriation.

**Appalachian Regional Commission.**—The Appalachian Regional Commission will be responsible for closeout of its own activities and for initial closeout actions in the Appalachian regional development programs and for orderly transition of these programs to the Federal Highway Administration and to the Department of Commerce.

Object Classification (in thousands of dollars)

Identification code	46-0200-0-1-452	1986 actual	1987 est.	1988 est.
APPALACHIAN REGIONAL COMMISSION				
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	356	365	192
12.1	Personnel benefits: Civilian	34	35	19
21.0	Travel and transportation of persons	15	25	6

25.0	Other services.....	1,541	1,010	3
26.0	Supplies and materials.....	13	15	2
41.0	Grants, subsidies, and contributions.....	18,398	17,421	1,123
99.0	Subtotal, direct obligations.....	20,357	18,871	1,345
99.0	Reimbursable obligations.....	316	823	
<b>ALLOCATION ACCOUNTS</b>				
Personnel compensation:				
11.1	Full-time permanent.....	1,256	1,261	747
11.5	Other personnel compensation.....	28	20	1
11.9	Total personnel compensation.....	1,284	1,281	748
12.1	Personnel benefits: Civilian.....	145	145	73
21.0	Travel and transportation of persons.....	113	116	55
22.0	Transportation of things.....			25
23.1	Rental payments to GSA.....		10	11
23.3	Communications, utilities, and miscellaneous charges.....	6	22	49
24.0	Printing and reproduction.....			110
25.0	Other services.....	159	220	1,563
25.0	Supplies and materials.....	1	2	21
41.0	Grants, subsidies, and contributions.....	121,116	108,664	
99.0	Subtotal obligations, allocation accounts.....	122,824	110,460	2,655
99.9	Total obligations.....	143,497	130,154	4,000

Obligations are distributed as follows:

Appalachian Regional Commission.....	20,673	19,694	1,246
Department of Agriculture.....	11,155	11,100	
Department of Commerce.....	2,663	3,834	2,285
Department of Defense.....	1,987	1,483	
Department of Education.....	2,811	3,099	102
Department of Health and Human Services.....	2,304	553	367
Department of Housing and Urban Development.....	6,943	9,000	
Department of the Interior.....	675		
Department of Transportation.....	92,255	78,184	
Environmental Protection Agency.....	125	2,758	
Tennessee Valley Authority.....	1,905	449	

**Personnel Summary**

APPALACHIAN REGIONAL COMMISSION

Total number of full-time permanent positions.....	7	8	
Total compensable workyears: Full-time equivalent employment.....	7	8	

ALLOCATION ACCOUNTS

Total number of full-time permanent positions.....	33	32	19
Total compensable workyears: Full-time equivalent employment.....	31	32	18

**Trust Funds**

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 46-9971-0-7-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	3,903	4,280	1,623
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-1,972	-1,379	-599
24.40 Unobligated balance available, end of year.....	1,379	599	
60.00 Budget authority (appropriation) (permanent, indefinite).....	3,310	3,500	1,024
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	3,903	4,280	1,623
72.40 Obligated balance, start of year.....	1,280	1,331	1,331
74.40 Obligated balance, end of year.....	-1,331	-1,331	
90.00 Outlays.....	3,852	4,280	2,954

As authorized in the Appalachian Regional Development Act, the 13 Appalachian States share with the Federal Government the administrative expenses of the Appalachian Regional Commission. The Commission administrative expenses will be funded from Federal

funds made available for the closeout of the Appalachian Regional Development Programs.

Object Classification (in thousands of dollars)

Identification code 46-9971-0-7-452	1986 actual	1987 est.	1988 est.
11.8 Personnel compensation: Special personal services payments.....	2,345	2,515	604
12.1 Personnel benefits: Civilian.....	420	380	504
21.0 Travel and transportation of persons.....	61	110	25
23.2 Rental payments to others.....	423	465	265
23.3 Communications, utilities, and miscellaneous charges.....	217	340	85
24.0 Printing and reproduction.....	80	120	10
25.0 Other services.....	291	300	120
26.0 Supplies and materials.....	38	45	10
31.0 Equipment.....	28	5	
99.9 Total obligations.....	3,903	4,280	1,623

DELAWARE RIVER BASIN COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), **[\$185,000] \$203,000.** (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 46-0100-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	156	185	203
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	5		
40.00 Budget authority (appropriation).....	161	185	203
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	156	185	203
72.40 Obligated balance, start of year.....	16	17	17
74.40 Obligated balance, end of year.....	-17	-17	-17
77.00 Adjustments in expired accounts.....	-3		
90.00 Outlays.....	152	185	203

The Delaware River Basin Commission, created by compact (Public Law 87-328) among the basin States, participates jointly in the development of water and related resources of the region drained by the Delaware River and its tributaries.

This appropriation provides for the expenses of the U.S. Commissioner and his staff.

Object Classification (in thousands of dollars)

Identification code 46-0100-0-1-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	114	114	119
11.3 Other than full-time permanent.....		3	3
11.9 Total personnel compensation.....	114	117	122
12.1 Personnel benefits: Civilian.....	12	18	29
21.0 Travel and transportation of persons.....	7	9	9
23.1 Rental payments to GSA.....	12	12	14
23.3 Communications, utilities, and miscellaneous charges.....	1	5	5
24.0 Printing and reproduction.....		4	4
25.0 Other services.....	10	16	16
26.0 Supplies and materials.....		4	4
99.9 Total obligations.....	156	185	203

DELAWARE RIVER BASIN COMMISSION—Continued

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Personnel Summary

Total number of full-time permanent positions.....	2	2	2
Total compensable workyears: Full-time equivalent employment.....	2	2	2

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), **[\$200,000] \$263,000.** (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 46-0102-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	263	200	263
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	263	200	263
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	263	200	263
90.00 Outlays.....	263	200	263

This appropriation provides for the Federal share of the annual expenses of the Commission.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

Federal Funds

General and special funds:

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), \$79,000. (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101 (e).)

Program and Financing (in thousands of dollars)

Identification code 46-0446-0-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	79	79	
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	79	79	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	79	79	
90.00 Outlays.....	79	79	

The Commission was created by compact among the four States in the basin, and the District of Columbia for the purpose of water pollution abatement and control, and for the management of water and associated land resources. No Federal appropriation is requested for 1988.

SUSQUEHANNA RIVER BASIN COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), **[\$179,000] \$197,000.** (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 46-0500-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	153	179	197
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	3		
40.00 Budget authority (appropriation).....	156	179	197
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	153	179	197
72.40 Obligated balance, start of year.....	8	11	11
74.40 Obligated balance, end of year.....	-11	-11	-11
77.00 Adjustments in expired accounts.....	-2		
90.00 Outlays.....	148	179	197

The Susquehanna River Basin Commission, created by compact (Public Law 91-575) among the basin States, participates jointly in the development of water and related resources of the region drained by the Susquehanna River and its tributaries.

This appropriation provides for the expenses of the U.S. Commissioner and his staff.

Object Classification (in thousands of dollars)

Identification code 46-0500-0-1-301	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	114	114	119
11.3 Other than full-time permanent.....		3	3
11.9 Total personnel compensation.....	114	117	122
12.1 Personnel benefits: Civilian.....	11	18	29
21.0 Travel and transportation of persons.....	4	5	5
23.1 Rental payments to GSA.....	11	11	13
23.3 Communications, utilities, and miscellaneous charges.....	1	5	5
24.0 Printing and reproduction.....	1	4	4
25.0 Other services.....	9	15	15
26.0 Supplies and materials.....	2	4	4
99.9 Total obligations.....	153	179	197

Personnel Summary

Total number of full-time permanent positions.....	2	2	2
Total compensable workyears: Full-time equivalent employment.....	2	2	2

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expense of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), **[\$240,000] \$249,000.** (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)

Program and Financing (in thousands of dollars)

Identification code 46-0501-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	220	240	249

<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	220	240	249
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	220	240	249
90.00	Outlays .....	220	240	249

This appropriation provides for the Federal share of the annual expenses of the Commission.

## WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

*Federal Funds***General and special funds:****INTEREST PAYMENTS**

For necessary expenses for interest payments, to remain available until expended, \$51,663,569: *Provided*, That these funds shall be disbursed pursuant to terms and conditions established by Public Law 96-184 and the Initial Bond Repayment Participation Agreement.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code 46-0300-0-1-401	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....	51,664	51,664	51,664
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....	51,664	51,664	51,664
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	51,664	51,664	51,664
72.40	Obligated balance, start of year .....	43,613	33,845	28,845
74.40	Obligated balance, end of year .....	-33,845	-28,845	-23,845
77.00	Adjustments in expired accounts .....	-5,488		
90.00	Outlays .....	55,944	56,664	56,664

The Washington Metropolitan Area Transit Authority (WMATA) is a non-Federal agency established pursuant to an interstate compact among Maryland, Virginia, and the District of Columbia. The Authority's primary functions are to plan, develop, finance, and construct the Metro-rail rapid transit system and to operate the bus/rail transit system in the National Capital area. The rail system extends from the District of Columbia into the participating jurisdictions of Maryland and Virginia.

This WMATA account provides the annual Federal share of interest payments on outstanding WMATA bonds sold in support of the rail construction program. The WMATA bonds, totaling \$997 million, are guaranteed by the Federal Government. In September 1979, the WMATA and the Department of Transportation approved an Initial Bond Repayment Participation Agreement providing for an overall two-thirds Federal and one-third local sharing of the interest and principal costs of the bonds. In August 1982, this agreement was reaffirmed in a supplement to the agreement. The 1988 request represents the Federal share under the terms of the agreement.

## INTERNATIONAL TRADE COMMISSION

*Federal Funds***General and special funds:****SALARIES and EXPENSES**

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed \$2,500 for official reception and representation expenses, [\$33,900,000 of which \$4,000,000 shall remain available until expended for expenses related to relocation of the Commission] \$35,386,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing** (in thousands of dollars)

Identification code 34-0100-0-1-153	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Direct program: Research, investigations, and reports .....	26,708	33,900	35,386
01.01	Reimbursable program .....	17		
10.00	Total obligations .....	26,725	33,900	35,386
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-17		
25.00	Unobligated balance lapsing .....	662		
40.00	Budget authority (appropriation) .....	27,370	33,900	35,386
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	26,708	33,900	35,386
72.40	Obligated balance, start of year .....	4,936	3,475	3,475
74.40	Obligated balance, end of year .....	-3,475	-3,475	-2,000
77.00	Adjustments in expired accounts .....	-472		
90.00	Outlays .....	27,697	33,900	36,861

The U.S. International Trade Commission is an independent agency created by act of Congress. The Commission's current powers and duties are provided for by the Tariff Act of 1930; the Trade Act of 1974; the Trade Agreements Act of 1979; the Agricultural Adjustment Act; section 1911 of the Financial Institution Regulatory and Interest Rate Control Act of 1978, 12 U.S.C. 635a-2; and the Trade and Tariff Act of 1984.

The Commission conducts investigations and, where appropriate, makes determinations and recommendations, or takes action, in cases where (1) serious injury to industries may warrant increases in duties, the imposition of quotas, or the provision of adjustment assistance; (2) imports of goods sold at less than fair value may injure an industry; (3) foreign governments, organizations, or individuals, may have subsidized imports into the United States; (4) unfair methods of competition in the importation or sale of foreign articles may tend to injure an industry or restrain and monopolize trade and commerce in the United States; or (5) imports of agricultural products may materially interfere with certain programs of the Department of Agriculture.

The Commission advises the President as to the probable economic effect on the domestic industry and consumers, of modification of duties and other barriers to trade which may be considered for inclusion in any proposed trade agreement with foreign countries. Further, the Commission, at the request of the President, the Congress, or on the Commission's own motion, undertakes comprehensive studies and provides reports on key issues relating to international trade and economic policy matters.

**General and special funds—Continued**  
**SALARIES and EXPENSES—Continued**

The Commission, in cooperation with the Secretary of the Treasury and the Secretary of Commerce, establishes for statistical purposes an enumeration of articles imported into the United States and exported from the United States, and seeks to establish comparability of such statistics with statistical programs for domestic production.

The Commission also issues a publication containing U.S. tariff schedules and related matters and considers questions concerning the arrangements of such schedules and the classification of articles.

Pursuant to section 175 of the Trade Act of 1974, the budget estimates for the Commission are included without revision by the President.

Object Classification (in thousands of dollars)			
Identification code 34-0100-0-1-153	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	16,489	17,611	18,698
11.3 Other than full-time permanent .....	561	730	619
11.5 Other personnel compensation .....	302	355	363
11.8 Special personal services payments .....	134	50	.....
11.9 Total personnel compensation .....	17,486	18,746	19,680
12.1 Personnel benefits: Civilian .....	1,952	2,145	3,676
13.0 Benefits for former personnel .....	55	55	55
21.0 Travel and transportation of persons .....	329	601	561
22.0 Transportation of things .....	14	35	30
23.1 Rental payments to GSA .....	1,784	2,608	5,653
23.3 Communications, utilities, and miscellaneous charges .....	1,062	1,405	1,255
24.0 Printing and reproduction .....	266	519	436
25.0 Other services .....	2,140	2,766	2,395
26.0 Supplies and materials .....	614	815	745
31.0 Equipment .....	1,006	2,593	900
32.0 Land and Structures .....	.....	1,612	.....
99.0 Subtotal, direct obligations .....	26,708	33,900	35,386
99.0 Reimbursable obligations .....	17	.....	.....
99.9 Total obligations .....	26,725	33,900	35,386

**Personnel Summary**

Total number of full-time permanent positions .....	472	502	502
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	505	511	516
Full-time equivalent of holiday and overtime hours .....	2	5	5

**INTERSTATE COMMERCE COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

**[(INCLUDING TRANSFER OF FUNDS)]**

For necessary expenses of the Interstate Commerce Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed \$1,500 for official reception and representation expenses, **[\$46,802,000, together with the unobligated balances of "Payments for directed rail service"] \$47,979,000: Provided,** That joint board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their official duties as such.

Note.—Public Laws 99-500 and 99-591, section 101(D), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 30-0100-0-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Motor program .....	24,328	24,215	24,716
00.02 Rail program .....	16,772	17,572	18,134
00.03 General management and administration .....	4,612	5,068	5,129
00.91 Total direct program .....	45,712	46,855	47,979
01.01 Reimbursable program .....	122	125	125
10.00 Total obligations .....	45,834	46,980	48,104
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-122	-125	-125
22.40 Unobligated balance transferred, net .....	-2,300	-53	.....
25.00 Unobligated balance lapsing .....	2,696	.....	.....
40.00 <b>Budget authority (appropriation) .....</b>	<b>46,108</b>	<b>46,802</b>	<b>47,979</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	45,712	46,855	47,979
72.40 Obligated balance, start of year .....	4,248	3,764	4,277
74.40 Obligated balance, end of year .....	-3,764	-4,277	-4,604
77.00 Adjustments in expired accounts .....	-732	.....	.....
90.00 <b>Outlays .....</b>	<b>45,464</b>	<b>46,342</b>	<b>47,653</b>

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	12,380	3,360	1,200
2251 Repayments and prepayments .....	-9,020	-2,160	-1,200
2290 Outstanding, end of year .....	3,360	1,200	.....
<b>MEMORANDUM</b>			
2299 U.S. contingent liability for guaranteed loans outstanding, end of year .....	3,360	1,200	.....

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	46,108	46,802	47,979
Outlays .....	45,464	46,342	47,653
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority .....	.....	.....	-34,084
Outlays .....	.....	.....	-33,784
<b>Total:</b>			
Budget authority .....	46,108	46,802	13,895
Outlays .....	45,464	46,342	13,869

The Interstate Commerce Commission is responsible for the regulation of interstate surface transportation. Consistent with the downward trend in the regulation of surface transportation which grew out of the regulatory reform legislation of 1980 and 1982, the Commission has reduced staff by 60 percent since 1981.

**Motor program.**—This includes the regulation of rates, the granting of operating authorities, the regulation of mergers and acquisitions, and the planning, analysis, and policy development associated with these activities as they relate to the Interstate Commerce Act as amended by the Motor Carrier Act of 1980, the Household Goods Transportation Act of 1980, the Bus Regulatory Reform Act of 1982, and the Surface Freight Forwarder Deregulation Act of 1986. The activities of interstate motor freight, buses and water carriers are monitored, and enforcement actions are instituted to ensure compliance with regulations intended to protect the public interest and promote an adequate and efficient transportation system.

**Rail program.**—This encompasses the regulation of rates and of mergers, acquisitions, construction and abandonment of railway lines, as well as the planning, analysis, and policy development associated with these activities as provided for in the Interstate Commerce Act, as amended by the Staggers Rail Act of 1980. Staff ensure compliance with railroad regulations in order to protect the public interest.

**General management and administration.**—These activities provide support services, including data processing, budget and financial management, personnel, procurement, and contracting services.

Legislation will be proposed to abolish the Interstate Commerce Commission and to deregulate completely the interstate motor freight, freight forwarders, buses and water carriers by October 1, 1987. The enactment of this legislation would eliminate a major portion of ICC's workload. The remaining activities would be transferred to the Departments of Justice and Transportation and the Federal Trade Commission.

**SELECTED WORKLOAD DATA**

	1986 actual	1987 est.	1988 est.
<b>Motor program:</b>			
(a) Rate regulation cases.....	88	95	71
(b) Finance cases.....	1,389	1,450	1,450
(c) Permanent operating rights applications.....	10,795	10,450	10,300
(d) Temporary operating rights applications.....	4,718	4,000	3,600
(e) Investigations.....	625	615	600
(f) Enforcement actions.....	2,528	2,250	2,150
(g) Complaints handled.....	10,700	10,000	8,900
(h) Compliance surveys.....	730	600	600
(i) Tariffs received and filed.....	1,434,031	1,382,500	1,382,500
(j) Interpretations.....	4,801	5,295	5,295
<b>Rail program:</b>			
(a) Rate regulation cases.....	178	185	165
(b) Finance cases.....	785	744	719
(c) Investigations.....	7	5	5
(d) Enforcement actions.....	12	5	5
(e) Complaints handled.....	80	75	75
(f) Compliance surveys.....	8	8	8
(g) Tariffs received and filed.....	151,962	121,100	126,100
(h) Interpretations.....	1,507	1,730	1,730
(i) Audits.....	23	24	27

**Object Classification (in thousands of dollars)**

Identification code 30-0100-0-1-401	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	30,183	30,947	29,764
11.3 Other than full-time permanent.....	482	495	499
11.5 Other personnel compensation.....	984	640	575
11.9 Total personnel compensation.....	31,649	32,082	30,838
12.1 Personnel benefits: Civilian.....	3,588	3,875	6,000
13.0 Benefits for former personnel.....	262	525	125
21.0 Travel and transportation of persons.....	676	875	848
22.0 Transportation of things.....	106	40	30
23.1 Rental payments to GSA.....	4,971	4,797	5,445
23.3 Communications, utilities, and miscellaneous charges... ..	1,895	1,928	1,974
24.0 Printing and reproduction.....	251	440	437
25.0 Other services.....	1,783	1,921	1,941
26.0 Supplies and materials.....	253	314	283
31.0 Equipment.....	236	57	57
32.0 Lands and structures.....	42		
42.0 Insurance claims and indemnities.....		1	1
99.0 Subtotal, direct obligations.....	45,712	46,855	47,979
99.0 Reimbursable obligations.....	122	125	125
99.9 Total obligations.....	45,834	46,980	48,104

**Personnel Summary**

Total number of full-time permanent positions.....	774	758	716
Total compensable workyears:			
Full-time equivalent employment.....	804	788	746
Full-time equivalent of overtime and holiday hours.....	2	2	2

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 30-0100-2-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Motor program.....			-12,932
00.02 Rail program.....			-18,134
00.03 General management and administration.....			-3,018
00.91 Total direct program.....			-34,084
01.01 Reimbursable program.....			-125
10.00 Total obligations.....			-34,209
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....			125
40.00 Budget authority (appropriation).....			-34,084
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			-34,084
74.40 Obligated balance, end of year.....			300
90.00 Outlays.....			-33,784

Legislation will be proposed to abolish the Interstate Commerce Commission and to deregulate completely the interstate motor freight, freight forwarder, bus and water carrier industries by October 1, 1987. The enactment of this legislation would eliminate a major portion of ICC's workload. The remaining rail activities would be transferred to the Departments of Justice and Transportation. Handling of consumer complaints regarding household goods movers would be transferred to the Federal Trade Commission.

**Object Classification (in thousands of dollars)**

Identification code 30-0100-2-1-401	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....			-29,764
11.3 Other than full-time permanent.....			-499
11.5 Other personnel compensation.....			-575
11.9 Total personnel compensation.....			-30,838
12.1 Personnel benefits: Civilian.....			-6,000
13.0 Benefits for former personnel.....			13,770
21.0 Travel and transportation of persons.....			-848
22.0 Transportation of things.....			-30
23.1 Rental payments to GSA.....			-5,445
23.3 Communications, utilities, and miscellaneous charges... ..			-1,974
24.0 Printing and reproduction.....			-437
25.0 Other services.....			-1,941
26.0 Supplies and materials.....			-283
31.0 Equipment.....			-57
42.0 Insurance claims and indemnities.....			-1
99.0 Subtotal, direct obligations.....			-34,084
99.0 Reimbursable obligations.....			-125
99.9 Total obligations.....			-34,209

**Personnel Summary**

Total number of full-time permanent positions.....			-716
Total compensable workyears:			
Full-time equivalent employment.....			-746
Full-time equivalent of overtime and holiday hours.....			-2

**PAYMENTS FOR DIRECTED RAIL SERVICE**

(LIMITATION ON OBLIGATIONS)

None of the funds provided in this Act shall be available for the execution of programs the obligations for which can reasonably be

General and special funds—Continued

PAYMENTS FOR DIRECTED RAIL SERVICE—Continued

(LIMITATION ON OBLIGATIONS)—Continued

expected to exceed \$1,000,000 for directed rail service authorized under 49 U.S.C. 11125 or any other legislation.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 30-0103-0-1-401	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,353	-53	
22.40 Unobligated balance transferred, net.....	2,300	53	
24.40 Unobligated balance available, end of year.....	53		
39.00 <b>Budget authority</b> .....			
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

Once a railroad ceases operations due to a lack of cash or a court order, the Commission may direct other railroads to provide service over the track of the railroad which ceased operations and may compensate the directed rail carrier for its services. The responsibility for this activity would be transferred to the Department of Transportation, as part of the proposal to sunset the ICC.

Legislation will be proposed to sunset the ICC and transfer remaining functions to the Departments of Justice and Transportation and the Federal Trade Commission. Payments for Directed Rail Service will transfer to the Department of Transportation.

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

Federal Fund

General and special fund

[JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION]

[Sec. 816. There are appropriated to the James Madison Memorial Trust Fund \$20,000,000 to carry out the provisions of this title, \$10,000,000 of which shall be available on November 1, 1987, and to remain available until expended; and \$10,000,000 of which shall be available on November 1, 1988, and to remain available until expended.]

[Sec. 818. There is hereby appropriated to each recipient University named above or to the trustee of the fund designated by the President of the University the sum of \$800,000 to carry out the provisions of section 817, to be available on November 1, 1987, and to remain available until expended.] (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 31-20-0200-0-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
01.00 Grants to institutions.....			3,200
02.00 Payment to the trust fund.....			10,000
10.00 <b>Total obligations</b> .....			13,200
<b>Financing:</b>			
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....			13,200

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			13,200
90.00 Outlays.....			13,200

Object Classification (in thousands of dollars)

25.0 Other services.....			10,000
41.0 Grants, subsidies and contributions.....			3,200
99.9 <b>Total obligations</b> .....			13,200

Trust Fund

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

Program and Financing (in thousands of dollars)

Identification code 31-20-8282-0-7-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Program administration.....			450
<b>Financing:</b>			
24.40 Unobligated balance, end of year: U.S. securities.....			20,192
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite).....			20,642
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....			450
74.40 Obligated balance, end of year.....			-45
90.00 Outlays.....			405

Public Law 99-500 established the James Madison Memorial Fellowship Foundation to operate a fellowship program to encourage graduate study of the American Constitution. The same law provided advance appropriations of \$10 million for 1988 and \$10 million for 1989 to establish the Foundation's trust fund. These funds will be invested by the Secretary of the Treasury in U.S. Treasury securities and interest earned will be available for carrying out the activities of the Foundation. Public Law 99-500 also appropriated \$3.2 million, to become available in 1988, for grants to four specified law schools to establish constitutional law resource centers.

The Foundation is authorized to award fellowships of up to \$12 thousand to individuals selected for their academic achievement and their potential to become secondary school teachers of social studies and American history. No funds are available for fellowships until at least \$10 million in private contributions have been received. No fellowships are anticipated in 1988.

Funds for program administration in 1988 will cover costs of planning and fundraising for the new fellowship program.

Object Classification (in thousands in dollars)

Identification code 31-20-8282-0-7-502	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....			135
12.2 Personnel benefits: Civilian.....			15
21.0 Travel and transportation of persons.....			15
22.0 Transportation of things.....			2
23.1 Standard level user charges.....			30
23.3 Communication, utilities, and miscellaneous charges.....			20
24.0 Printing.....			6
25.0 Other services.....			224

26.0	Supplies and materials.....	3
99.9	Total obligations.....	450

**Personnel Summary**

Total of full-time permanent positions.....	4
Total compensable workyears: Full-time equivalent employment.....	4

**JAPAN-UNITED STATES FRIENDSHIP COMMISSION**

**Trust Funds**

**JAPAN-UNITED STATES FRIENDSHIP TRUST FUND**

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, **[\$1,408,000] \$1,400,000**, to remain available until expended; and an amount of Japanese currency not to exceed the equivalent of **[\$1,200,000] \$1,700,000** based on exchange rates at the time of payment of such amounts, to remain available until expended: *Provided*, That not to exceed a total of **[\$2,500] \$3,500** of such amounts shall be available for official reception and representation expenses. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).*)

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	1,746	1,746	1,746
Collections (offsetting receipts).....	2,563	1,408	1,400
Total available for appropriation.....	4,309	3,154	3,146
Appropriation.....	-2,563	-1,408	-1,400
Unappropriated balance, end of year.....	1,746	1,746	1,746

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Administration.....	347	428	456
00.02 Grants.....	2,574	2,194	1,844
00.91 Total direct program.....	2,921	2,622	2,300
01.01 Reimbursable program.....	65	75	75
10.00 Total obligations.....	2,986	2,697	2,375
Financing:			
11.00 Offsetting collections from: Federal funds.....	-65	-75	-75
17.00 Recovery of prior year obligations.....	-3		
21.40 Unobligated balance available, start of year.....	-17,774	-17,419	-16,205
24.40 Unobligated balance available, end of year.....	17,419	16,205	15,305
40.00 Budget authority (appropriation).....	2,563	1,408	1,400
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	2,921	2,622	2,300
72.40 Obligated balance, start of year.....	433	3,116	1,350
74.40 Obligated balance, end of year.....	-3,116	-1,350	-1,350
78.00 Adjustments in unexpired accounts.....	-3		
90.00 Outlays.....	235	4,388	2,300

The Japan-United States Friendship Act of 1975 established the Japan-United States Friendship Trust Fund and created the Japan-United States Friendship Commission to make grants from the Fund for the promotion of scholarly, cultural, and artistic activities between Japan and the United States. The Commission is authorized to make expenditures from the appropriated income of the fund and, in an amount not to exceed 5% annually of the principal of the fund, to pay the ex-

penses of the Commission and to make grants in support of studies, fellowships, scholarships, book collections, art programs, and other cultural and educational activities, primarily in the United States. The Commission received a contribution in May 1981 of \$2 million from the Government of Japan to be used for the purposes of the Act. This should be fully expended in 1987.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-8025-0-7-154			
Direct obligations			
Personnel compensation:			
11.1 Full-time permanent.....	188	195	203
11.3 Other than full-time permanent.....	13	15	15
11.5 Other personnel compensation.....	4	5	5
11.9 Total personnel compensation.....	205	215	223
12.1 Personnel benefits: Civilian.....	25	35	46
21.0 Travel and transportation of persons.....	30	40	42
22.1 Transportation of things.....	3	4	4
23.1 Rental payments to GSA.....	17	35	37
23.3 Communications, utilities, and miscellaneous charges.....	7	8	9
24.0 Printing and reproduction.....	1	2	2
25.0 Other services.....	51	80	83
26.0 Supplies and materials.....	7	8	9
31.0 Equipment.....	1	1	1
41.0 Grants, subsidies, and contributions.....	2,574	2,194	1,844
99.0 Subtotal, direct obligations.....	2,921	2,622	2,300
99.0 Reimbursable obligations.....	65	75	75
99.9 Total obligations.....	2,986	2,697	2,375

**Personnel Summary**

Total number of full-time permanent positions.....	3	4	4
Total compensable workyears: Full-time equivalent employment.....	4	5	5

**[LEGAL SERVICES CORPORATION]**

**Federal Funds**

**General and special funds:**

**[PAYMENT TO THE LEGAL SERVICES CORPORATION]**

[For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, \$305,500,000 of which \$261,293,672 is for basic field programs, \$7,022,000 is for Native American programs, \$9,698,000 is for migrant programs, \$1,339,800 is for program development and law school clinics, \$1,000,000 is for supplemental field programs, \$623,964 is for regional training centers, \$376,036 is for training development and technical assistance, \$7,528,218 is for national support, \$7,842,866 is for state support, \$865,000 is for Clearinghouse, \$510,444 is for computer assisted legal research grants, and \$7,400,000 is for Corporation management and administration: *Provided*, That none of the funds appropriated in this paragraph shall be expended for any purpose prohibited or limited by or contrary to any of the provisions of Public Law 99-180 and section 112 of Public Law 99-190: *Provided further*, That the funds distributed to each grantee funded in fiscal year 1987 pursuant to the number of poor people determined by the Bureau of the Census to be within its geographical area shall be distributed in the following order:

(1) grants from the Legal Services Corporation and contracts entered into with the Legal Services Corporation under section 1006(a)(1) shall be maintained in fiscal year 1987 at not less than 1 percent more than the annual level at which each grantee and contractor was funded in fiscal year 1986 or \$8.30 per poor person within its geographical area under the 1980 Census, whichever is greater; and

(2) each such grantee shall be increased by an equal percentage of the amount by which such grantee's funding, including the increase under the first priority above, falls below \$14.56 per poor person within its geographical area under the 1980 census:

General and special funds—Continued

[PAYMENT TO THE LEGAL SERVICES CORPORATION]—Continued

Provided further, That if a Presidential Order pursuant to section 252 of Public Law 99-177 is issued for fiscal year 1987, funds provided to each grantee covered by the second proviso shall be reduced by the percentage specified in the Presidential Order: *Provided further*, That if funds become available because a national support center has been defunded or denied refunding pursuant to section 1011(2) of the Legal Services Corporation Act, as amended by this Act, such funds may be transferred to basic field programs, to be distributed in the manner specified by this paragraph, if the Appropriations Committees of both Houses of Congress have been notified pursuant to section 607 of this Act: *Provided further*, That none of the funds appropriated by this Act may be used to implement or enforce the regulations issued by the Legal Services Corporation regarding legislative and administrative advocacy (45 CFR part 1612) printed for final publication in the "Federal Register" on May 31, 1984 (49 FR 22651), and on August 1, 1986 (51 FR 27539).] (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
20-0501-0-1-752			
<b>Program by activities:</b>			
00.01 Delivery of legal assistance .....	258,168	269,769	
00.02 Support and training .....	23,205	24,247	
00.03 Management and administration .....	10,990	11,484	
10.00 Total obligations (object class 41.0) .....	292,363	305,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	292,363	305,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	292,363	305,500	
72.40 Obligated balance, start of year .....	46,236	33,624	36,600
74.40 Obligated balance, end of year .....	-33,624	-36,600	
90.00 Outlays .....	304,974	302,524	36,600

The Legal Services Corporation (LSC) funds State and local agencies that provide free civil legal assistance to the poor. LSC is a private, non-profit corporation which is outside the Federal Government and acts independently of related social and community services programs. Grantees are involved both in cases for individual clients and in broader "law reform" activities.

The Administration proposes that the Corporation not be reauthorized and that no further Federal funding be provided.

Personnel Summary

Identification code	1986 actual	1987 est.	1988 est.
20-0501-0-1-752			
<b>Corporation employees:</b>			
Total number of full-time permanent positions .....	117	117	
<b>Total compensable workyears:</b>			
Full-time equivalent employment .....	117	117	
Full-time equivalent of overtime and holiday hours .....	5	5	

MARINE MAMMAL COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, [\$900,000] \$906,000. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-2200-0-1-302			
<b>Program by activities:</b>			
10.00 Total obligations .....	860	910	906
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	1		
39.00 Budget authority .....	861	910	906
<b>Budget authority:</b>			
40.00 Appropriation .....	861	900	906
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		10	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	860	910	906
72.40 Obligated balance, start of year .....	415	322	292
74.40 Obligated balance, end of year .....	-322	-292	-292
77.00 Adjustments in expired accounts .....	-15		
89.00 Outlays .....	938	940	906
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental .....	938	930	906
91.40 Outlays from retirement contribution supplemental .....		10	

The Commission coordinates marine mammal policy and programs; reviews the status of marine populations; recommends to the Secretaries of Commerce, Interior, and State steps to conserve marine mammals domestically and internationally; and manages a research program.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-2200-0-1-302			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	378	477	492
11.3 Other than full-time permanent .....	88	74	88
11.9 Total personnel compensation .....	466	551	580
12.1 Personnel benefits: Civilian .....	49	76	104
21.0 Travel and transportation of persons .....	44	45	45
22.0 Transportation of things .....	10	8	7
23.1 Rental payments to GSA .....	35	46	46
23.3 Communications, utilities, and miscellaneous charges .....	29	33	30
24.0 Printing and reproduction .....	3	8	5
25.0 Other services .....	213	131	78
26.0 Supplies and materials .....	9	11	9
31.0 Equipment .....	2	1	2
99.9 Total obligations .....	860	910	906

Personnel Summary

Total number of full-time permanent positions .....	11	11	11
Total compensable workyears: Full-time equivalent employment .....	10	12	12

MERIT SYSTEMS PROTECTION BOARD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles; [\$19,140,000] \$21,114,000, together with not to exceed [\$1,200,000] \$1,600,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection

Board. (5 U.S.C. 1205, 1207-09, 1303, 1305, 1505-1508, 3383, 3592, 5335, 5509, 7325, 7521, 7543, 7701-03, 8347; 28 U.S.C. 2671, 2680; 31 U.S.C. 3721; Civil Service Reform Act of 1978; Public Law 95-454, 92 Stat. IV (1978); (Treasury, Postal Service and General Government Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 41-0100-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Regional operations.....	8,415	8,396	9,190
00.02 Appeals.....	2,517	2,518	2,737
00.03 Legal studies and administration.....	8,117	8,396	9,187
00.91 Total direct program.....	19,049	19,310	21,114
01.01 Reimbursable program.....	1,308	1,270	1,600
10.00 Total obligations.....	20,357	20,580	22,714
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds.....	-108	-70	.....
13.00 Trust funds.....	-1,200	-1,200	-1,600
25.00 Unobligated balance lapsing.....	91	.....	.....
39.00 Budget authority.....	19,140	19,310	21,114
<b>Budget authority:</b>			
40.00 Appropriation.....	19,140	19,140	21,114
44.20 Supplemental for civilian pay raises.....	.....	170	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	19,049	19,310	21,114
72.40 Obligated balance, start of year.....	1,941	2,428	2,550
74.40 Obligated balance, end of year.....	-2,428	-2,550	-2,750
77.00 Adjustments in expired accounts.....	-1	.....	.....
89.00 Outlays.....	18,561	19,188	20,914
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental.....	18,561	19,029	20,903
91.20 Outlays from civilian pay raise supplemental.....	.....	159	11

The Merit Systems Protection Board performs the adjudicatory functions necessary to maintain the civil service merit system. These include hearing appeals on adverse actions, reduction in force actions, and retirement. The Board will report to the President on whether merit systems are sufficiently free from prohibited personnel practices to protect the public interest.

Board workloads are reflected in the following table:

PRODUCTION COUNT

	1986 actual	1987 est.	1988 est.
Retirement (legal-disability).....	1,527	1,600	1,600
Adverse action appeals.....	4,541	4,640	4,640
Reduction in force appeals.....	388	400	400
Other.....	3,476	3,600	3,600

Object Classification (in thousands of dollars)

Identification code 41-0100-0-1-805	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	11,139	12,098	12,272
11.3 Other than full-time permanent.....	513	550	557
11.5 Other personnel compensation.....	164	169	170
11.9 Total personnel compensation.....	11,816	12,817	12,999
12.1 Personnel benefits: Civilian.....	1,243	1,411	2,540
13.0 Benefits for former personnel.....	143	100	100
21.0 Travel and transportation of persons.....	482	530	620
22.0 Transportation of things.....	89	100	104
23.1 Rental payments to CSA.....	1,756	1,423	1,636
23.2 Rental payments to others.....	25	50	52
23.3 Communications, utilities, and miscellaneous charges.....	790	800	830
24.0 Printing and reproduction.....	122	127	132
25.0 Other services.....	1,055	1,352	1,479
26.0 Supplies and materials.....	300	250	259

31.0 Equipment.....	1,228	350	363
99.0 Subtotal, direct obligations.....	19,049	19,310	21,114
99.0 Reimbursable obligations.....	1,308	1,270	1,600
99.9 Total obligations.....	20,357	20,580	22,714

Personnel Summary

Total number of full-time permanent positions.....	294	330	330
Total compensable workyears:			
Full-time equivalent employment.....	325	337	337
Full-time equivalent of overtime and holiday hours.....	1	1	1

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of the Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978 (Public Law 95-454), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; [\$4,396,000] \$4,701,000. (Treasury, Postal Service, and General Government Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 41-0101-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Investigation and prosecution of reprisals for whistleblowing and other prohibited activities.....	4,003	4,022	4,257
00.02 Processing disclosures of waste, fraud and abuse.....	393	395	444
10.00 Total obligations.....	4,396	4,417	4,701
<b>Financing:</b>			
39.00 Budget authority.....	4,396	4,417	4,701
<b>Budget authority:</b>			
40.00 Appropriation.....	4,396	4,396	4,701
44.20 Supplemental for civilian pay raises.....	.....	21	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4,396	4,417	4,701
72.40 Obligated balance, start of year.....	158	360	376
74.40 Obligated balance, end of year.....	-360	-376	-421
77.00 Adjustments in expired accounts.....	-91	.....	.....
89.00 Outlays.....	4,103	4,401	4,656
<b>Outlays:</b>			
90.00 Outlays, excluding pay raise supplemental.....	4,103	4,380	4,656
91.20 Outlays from civilian pay raise supplemental.....	.....	21	.....

The Special Counsel is empowered to investigate prohibited personnel practices in Federal agencies and political activities prohibited by the Hatch Act, and to administratively prosecute offending employees and agencies before the Merit Systems Protection Board. The Special Counsel may also transmit "whistleblower" allegations to the agency head concerned and require an agency investigation and a report to the Congress and the President when found appropriate.

Many cases that are referred to the Office are resolved without recourse to formal proceedings before the Board. Efforts to obtain such informal resolutions will continue in 1987.

The following table displays the anticipated workloads:

General and special funds—Continued

OFFICE OF SPECIAL COUNSEL—Continued  
SALARIES AND EXPENSES—Continued

PRODUCTION COUNT

	1986 actual	1987 est.	1988 est.
Hatch Act cases.....	71	75	78
Prohibited practices complaints.....	1,234	1,296	1,361
Whistleblower allegations.....	139	145	152

Object Classification (in thousands of dollars)

Identification code 41-0101-0-1-805	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	3,054	3,067	3,102
12.1 Personnel benefits: Civilian.....	350	332	379
21.0 Travel and transportation of persons.....	160	264	264
22.0 Transportation of things.....	6	6	6
23.1 Rental payments to GSA.....	400	349	364
23.3 Communications, utilities, and miscellaneous charges.....	144	144	144
24.0 Printing and reproduction.....	25	25	25
25.0 Other services.....	165	165	178
26.0 Supplies and materials.....	49	40	30
31.0 Equipment.....	43	25	209
99.9 Total obligations.....	4,396	4,417	4,701

Personnel Summary

Total number of full-time permanent positions.....	84	84	76
Total compensable workyears: Full-time equivalent employment.....	84	84	76

NATIONAL ARCHIVES AND RECORDS  
ADMINISTRATION

Federal Funds

General and special funds:

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, [\$100,321,000 of which \$4,000,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended] \$110,266,000. (1 U.S.C. 106a, 106b, 112, 113, 201; 3 U.S.C. 6, 11-13; 4 U.S.C. 141-146; 5 U.S.C. App. 1; 25 U.S.C. 199a; 44 U.S.C. 710, 711, 729, Chapters 15, 21, 22, 25, 29, 31, 33; Public Law 98-497, Public Law 93-526, Executive Orders 11440, 12356, 10530, 11030, 11490, as amended; Independent Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(m).)

Program and Financing (in thousands of dollars)

Identification code 88-0300-0-1-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Records centers.....	36,658	38,698	42,996
00.02 Archives and related services.....	55,252	64,790	66,274
00.03 National Historical Publications and Records Commission.....	4,612	5,053	996
00.91 Total direct program.....	96,522	108,541	110,266
01.01 Reimbursable program.....	18,495	19,738	21,102
10.00 Total obligations.....	115,017	128,279	131,368
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-18,495	-19,738	-21,102
21.40 Unobligated balance available, start of year.....	-7,569	-7,357	.....
24.40 Unobligated balance available, end of year.....	7,357	.....	.....
25.00 Unobligated balance lapsing.....	694	.....	.....
39.00 Budget authority.....	97,004	101,184	110,266

Budget authority:	1986 actual	1987 est.	1988 est.
40.00 Appropriation.....	97,004	100,321	110,266
44.40 Supplemental for retirement contributions (P.L. 99-335).....	.....	863	.....

Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	96,522	108,541	110,266
72.40 Obligated balance, start of year.....	17,522	16,229	22,598
74.40 Obligated balance, end of year.....	-16,229	-22,598	-21,728
77.00 Adjustments in expired accounts.....	-1,205	.....	.....
89.00 Outlays.....	96,610	102,172	111,136

Outlays:			
90.00 Outlays, excluding retirement contribution supplemental.....	96,610	101,318	111,127
91.40 Outlays from retirement contribution supplemental.....	.....	854	9

The National Archives and Records Administration provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, and for the review for declassification of security classified information.

In 1988, records in the National Archives and Federal records centers will total approximately 17.1 million cubic feet. The number of reference services expected to be provided will total 30.7 million.

**Records centers.**—In 1988, agencies will transfer 1,418 thousand cubic feet of inactive records to the records centers. The records centers will dispose of 1,033 thousand cubic feet of records in 1988, and 26.8 million reference services will be provided.

**Archives and related services.**—A substantial portion of the workload of the National Archives and related services activity is determined by the volume of reference requests received from Government agencies, the public, and the number of documents sent by Federal agencies to be published in the Federal Register. For 1988 the number of reference services is estimated at 3.9 million and the number of Federal Register pages to be processed will be 670,000.

Through the records declassification program, historically valuable information in the records of the Federal Government and in donated historical materials are made available to the public by declassifying as much information as possible without endangering the national security. In 1988, 13.4 million pages will be reviewed for declassification.

**National Historical Publications and Records Commission.**—This Commission coordinates and provides technical assistance to archival planning and assessment projects in many States and also offers a specialized reference service to Federal, State and local and nongovernment institutions that are publishing significant portions of records from official government files. The Commission also lends its endorsement and support to those specific projects that further the basic objectives stated in its legislation.

Object Classification (in thousands of dollars)

Identification code 88-0300-0-1-804	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	39,856	44,901	46,346
11.3 Other than full-time permanent.....	3,415	3,842	3,967
11.5 Other personnel compensation.....	586	599	617
11.9 Total personnel compensation.....	43,857	49,342	50,930
12.1 Personnel benefits: Civilian.....	5,605	7,212	9,569
21.0 Travel and transportation of persons.....	280	397	412

21.0	Motor pool travel.....	62	66	68
22.0	Transportation of things.....	177	180	235
23.1	Rental payments to GSA.....	19,011	19,136	22,607
23.3	Communications, utilities, and miscellaneous charges...	2,542	2,601	2,680
24.0	Printing and reproduction.....	1,687	1,350	1,445
25.0	Other services.....	15,969	21,611	19,570
26.0	Supplies and materials.....	1,839	1,615	1,737
31.0	Equipment.....	1,380	877	1,013
32.0	Lands and structures.....	333		
41.0	Grants, subsidies, and contributions.....	3,780	4,154	
99.0	Subtotal, direct obligations.....	96,522	108,541	110,266
99.0	Reimbursable obligations.....	18,495	19,738	21,102
99.9	Total obligations.....	115,017	128,279	131,368

**Personnel Summary**

Direct:				
Total number of full-time permanent positions.....	1,561	1,815	1,820	
Total compensable workyears:				
Full-time equivalent employment.....	1,812	2,036	2,041	
Full-time equivalent of overtime and holiday hours.....	6			
Reimbursable:				
Total number of full-time permanent positions.....	231	362	362	
Total compensable workyears: Full-time equivalent employment.....	682	701	701	

**Trust Funds**

**NATIONAL ARCHIVES GIFT FUND**

**Program and Financing (in thousands of dollars)**

Identification code 88-8127-0-7-804	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Historical research, conferences and publications.....	328	366	308
00.02	Presidential libraries.....	60	50	42
10.00	Total obligations.....	388	416	350
<b>Financing:</b>				
17.00	Recovery of prior year obligations.....	-479		
Unobligated balance available, start of year:				
21.40	Treasury balance.....	-1,550	-1,642	-1,613
21.40	U.S. securities (par).....	-70	-70	-63
Unobligated balance available, end of year:				
24.40	Treasury balance.....	1,642	1,613	1,648
24.40	U.S. securities (par).....	70	63	58
60.00	Budget authority (appropriation) (permanent, indefinite).....		380	380
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	388	416	350
72.40	Obligated balance, start of year.....	-1,139	-1,412	-1,408
74.40	Obligated balance, end of year.....	1,412	1,408	1,405
78.00	Adjustments in unexpired accounts.....	-479		
90.00	Outlays.....	182	412	347

Grants and donations are deposited into this fund to benefit National Archives' collections and services in accordance with terms of the donor (44 U.S.C. 2305).

**Object Classification (in thousands of dollars)**

Identification code 88-8127-0-7-804	1986 actual	1987 est.	1988 est.	
21.0	Travel and transportation of persons.....	7	17	17
24.0	Printing and reproduction.....	1	5	5
25.0	Other services.....	96	93	90
26.0	Supplies and materials.....	7	10	12
41.0	Grants, subsidies, and contributions.....	277	291	226
99.9	Total obligations.....	388	416	350

**NATIONAL ARCHIVES TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code 88-8436-0-8-804	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
00.01	Reproduction services.....	6,439	6,994	7,170
00.02	Hoover Library.....	46	48	49
00.03	Roosevelt Library.....	153	205	210
00.04	Truman Library.....	251	303	311
00.05	Eisenhower Library.....	126	178	182
00.06	Kennedy Library.....	822	850	871
00.07	Johnson Library.....	11	12	12
00.08	Ford Library.....	117	120	123
00.09	Carter Library.....	3	275	282
10.00	Total obligations.....	7,968	8,985	9,210
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-5,200	-5,167	-5,297
14.00	Non-Federal sources.....	-4,371	-4,343	-4,451
17.00	Recovery of prior year obligations.....	-175		
Unobligated balance available, start of year:				
21.98	U.S. securities (par).....	-300	-300	-350
21.98	Fund balance.....	-3,215	-4,993	-5,468
Unobligated balance available, end of year:				
24.98	U.S. securities (par).....	300	350	382
24.98	Fund balance.....	4,993	5,468	5,974
39.00	Budget authority.....			
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	-1,602	-525	-538
72.98	Obligated balance, start of year: Fund balance.....	-2,536	-3,859	-3,859
74.98	Obligated balance, end of year: Fund balance.....	3,859	3,859	3,859
78.00	Adjustments in unexpired accounts.....	-175		
90.00	Outlays.....	-454	-525	-538

The Archivist of the United States furnishes, for a fee, copies of records in the custody of the National Archives except those that are exempt from examination as confidential or protected by existing copyright (44 U.S.C. 2116).

Proceeds from sale of copies of microfilm publications, reproductions, and other publications, and admission fees to Presidential Library museum rooms are deposited to this fund.

**Object Classification (in thousands of dollars)**

Identification code 88-8436-0-8-804	1986 actual	1987 est.	1988 est.	
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,559	2,132	2,148
11.3	Other than full-time permanent.....	426	583	587
11.5	Other personnel compensation.....	34	46	47
11.9	Total personnel compensation.....	2,019	2,761	2,782
12.1	Personnel benefits: Civilian.....	164	258	360
13.0	Benefits for former personnel.....	5	6	6
21.0	Travel and transportation of persons.....	26	42	44
22.0	Transportation of things.....	14	25	27
23.1	Rental payments to GSA.....	94	94	94
23.3	Communications, utilities and miscellaneous charges.....	802	850	860
24.0	Printing and reproduction.....	1,298	1,376	1,400
25.0	Other services.....	2,325	2,558	2,660
26.0	Supplies and materials.....	843	893	888
31.0	Equipment.....	378	122	89
99.9	Total obligations.....	7,968	8,985	9,210

**Personnel Summary**

Total number of full-time permanent positions.....	54	75	75
Total compensable workyears: Full-time equivalent employment.....	77	103	103
Full-time equivalent of overtime and holiday hours.....	2		

**NATIONAL CAPITAL PLANNING COMMISSION**

*Federal Funds*

General and special funds:

**SALARIES AND EXPENSES**

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, **[\$2,684,000] \$2,967,000.** (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101 (h).)

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-2500-0-1-451			
<b>Program by activities:</b>			
10.00 Total obligations.....	2,576	2,684	2,967
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	4		
40.00 <b>Budget authority (appropriation).....</b>	<b>2,580</b>	<b>2,684</b>	<b>2,967</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,576	2,684	2,967
72.40 Obligated balance, start of year.....	397	316	316
74.40 Obligated balance, end of year.....	-316	-316	-316
77.00 Adjustments in expired accounts.....	-1		
90.00 <b>Outlays.....</b>	<b>2,656</b>	<b>2,684</b>	<b>2,967</b>

The National Capital Planning Commission is the central planning agency for the Federal Government in the National Capital Region. During 1988, major emphasis will be placed on the following activities: the maintenance of Federal elements to the Comprehensive Plan for the National Capital, the five-year Federal Capital Improvements program, the review of Federal land acquisition and development proposals in the region, relevant zoning analyses, and continuing Federal interest reviews of the impact of proposed local, State and regional planning efforts on the Federal establishment.

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-2500-0-1-451			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	1,533	1,646	1,731
11.3 Other than full-time permanent.....	157	180	190
11.5 Other personnel compensation.....	21	35	41
11.9 Total personnel compensation.....	1,711	1,861	1,962
12.1 Personnel benefits: Civilian.....	193	200	347
21.0 Travel and transportation of persons.....	10	10	10
23.1 Rental payments to GSA.....	382	370	400
23.2 Rental payments to others.....	56	63	65
24.0 Printing and reproduction.....	43	30	30
25.0 Other services.....	125	110	113
26.0 Supplies and materials.....	24	25	25
31.0 Equipment.....	32	15	15
99.9 Total obligations.....	2,576	2,684	2,967

**Personnel Summary**

Total number of full-time permanent positions.....	46	46	46
Total compensable workyears: Full-time equivalent employment.....	50	50	50

**[NATIONAL AFRO-AMERICAN HISTORY AND CULTURE COMMISSION]**

*Federal Funds*

General and special funds:

**[NATIONAL CENTER FOR THE STUDY OF AFRO-AMERICAN HISTORY AND CULTURE]**

[Funds appropriated for the "National Center for the Study of Afro-American History and Culture" in the Departments of Labor, Health and Human Services and Education, and related agencies Appropriations Act, 1986 shall remain available until expended.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-3800-0-1-503			
<b>Program by activities:</b>			
10.00 Total obligations.....	52	90	49
<b>Financing:</b>			
21.40 Unobligated balance, start of year.....			-49
24.40 Unobligated balance, end of year.....		49	
25.00 Unobligated balance, lapsing.....	139		
39.00 <b>Budget authority (appropriation).....</b>	<b>191</b>	<b>139</b>	
<b>Budget authority:</b>			
40.00 <b>Appropriation.....</b>	<b>191</b>		
50.00 <b>Reappropriation.....</b>		<b>139</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	52	90	49
72.40 Obligated balance, start of year.....		18	
74.40 Obligated balance, end of year.....	-18		
90.00 <b>Outlays.....</b>	<b>34</b>	<b>108</b>	<b>49</b>

The National Afro-American History and Culture Commission is responsible for making recommendations on the development and operation of the National Center for the Study of Afro-American History and Culture.

**Object Classification** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-3800-0-1-503			
21.0 Travel and transportation of persons.....	16	18	10
23.3 Communications, utilities, and miscellaneous charges.....		18	10
24.0 Printing and reproduction.....		1	5
25.0 Other services.....	36	53	24
99.9 Total obligations.....	52	90	49

**NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE**

*Federal Funds*

General and special funds:

**SALARIES AND EXPENSES**

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345), **[\$660,000] \$791,000.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 95-2700-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	775	683	791
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-115		
39.00 Budget authority .....	660	683	791
<b>Budget authority:</b>			
40.00 Appropriation .....	660	660	791
44.20 Supplemental for civilian pay raises .....		6	
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		17	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	660	683	791
72.40 Obligated balance, start of year .....	303	182	68
74.40 Obligated balance, end of year .....	-182	-68	-79
89.00 Outlays .....	781	797	780
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals .....	781	776	778
91.20 Outlays from civilian pay raise supplemental .....		6	
91.40 Outlays from retirement contribution supplemental .....		15	2

The Commission is responsible for developing plans for meeting the library and information needs of the Nation, for coordinating Federal, State, and local activities to meet these needs, and for advising the President and the Congress on national library and information science policy.

**Object Classification (in thousands of dollars)**

Identification code 95-2700-0-1-503	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	312	315	331
11.3 Other than full-time permanent .....	84	90	112
11.9 Total personnel compensation .....	396	405	443
12.1 Personnel benefits: Civilian .....	39	57	106
21.0 Travel and transportation of persons .....	51	75	86
23.1 Rental payments to GSA .....	51	60	70
23.3 Communications, utilities, and miscellaneous charges .....	43	30	31
24.0 Printing and reproduction .....	8	7	7
25.0 Other services .....	170	34	33
26.0 Supplies and materials .....	16	15	14
31.0 Equipment .....	1	0	1
99.9 Total obligations .....	775	683	791

**Personnel Summary**

Total number of full-time permanent positions .....	10	10	10
Total compensable workyears: Full-time equivalent employment .....	11	11	11

**Trust Funds**

**CONTRIBUTIONS**

**Program and Financing (in thousands of dollars)**

Identification code 95-8078-0-7-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....		2	
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-2		
21.40 Unobligated balance available, start of year .....		-2	
24.40 Unobligated balance available, end of year .....	2		
60.00 Budget authority (permanent, indefinite) .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		2	

72.40 Obligated balance, start of year .....	8	4	
74.40 Obligated balance, end of year .....	-4		
78.00 Adjustment in unexpired accounts .....	-2		
90.00 Outlays .....	2	6	

**NATIONAL COUNCIL ON THE HANDICAPPED**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For expenses necessary for the National Council on the Handicapped as authorized by section 405 of the Rehabilitation Act of 1973, as amended, [ \$850,000 ] \$932,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 95-3500-0-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	724	860	932
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	8		
39.00 Budget authority .....	732	860	932
<b>Budget authority:</b>			
40.00 Appropriation .....	732	850	932
44.40 Supplemental for retirement contributions (P.L. 99-335) .....		10	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	724	860	932
72.40 Obligated balance, start of year .....	181	206	241
74.40 Obligated balance, end of year .....	-206	-241	-265
77.00 Adjustments in expired accounts .....	-16		
89.00 Outlays .....	683	825	908
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental .....	683	815	908
91.40 Outlays from retirement contribution supplemental .....		10	

The National Council on the Handicapped is composed of 15 members appointed by the President and confirmed by the Senate. Established under the Rehabilitation Act of 1973, as amended, the Council is responsible for reviewing all laws, programs, and policies of the Federal Government affecting disabled individuals, and establishing general policies for the National Institute on Disability and Rehabilitation Research. The Council also makes recommendations on issues affecting people with disabilities to the President, the Congress, the Rehabilitation Services Administration Commissioner, the National Institute on Disability and Rehabilitation Research Director, and other Federal Departments and agencies, as may be appropriate.

**Object Classification (in thousands of dollars)**

Identification code 95-3500-0-1-506	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	246	295	313
11.3 Other than full-time permanent .....	84	101	106
11.5 Other personnel compensation .....	7	5	5
11.9 Total personnel compensation .....	337	401	424
12.1 Personnel benefits: Civilian .....	35	62	76
21.0 Travel and transportation of persons .....	71	112	116
23.1 Rental payments to GSA .....	33	44	62
23.2 Rental payments to others .....	9	10	10
23.3 Communications, utilities, and miscellaneous charges .....	12	17	17

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	95-3500-0-1-506	1986 actual	1987 est.	1988 est.
24.0	Printing and reproduction.....	23	29	30
25.0	Other services.....	187	170	182
26.0	Supplies and materials.....	8	15	15
31.0	Equipment.....	9		
99.9	Total obligations.....	724	860	932

Personnel Summary

Total number of full-time permanent positions.....	8	8	8
Total compensable workyears: Full-time equivalent employees.....	9	10	10

Trust Funds

GIFTS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code	95-8077-0-7-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0).....	7	1	
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-5		
21.40	Unobligated balance available, start of year.....	-2	-1	
24.40	Unobligated balance available, end of year.....	1		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	1	1	
90.00	Outlays.....	1	1	

NATIONAL CREDIT UNION ADMINISTRATION

Federal Funds

Public enterprise funds:

OPERATING FUND

Program and Financing (in thousands of dollars)

Identification code	25-4056-0-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Examination and supervision.....	22,967	30,722	35,164
00.02	Chartering program.....	550	575	600
00.03	Administration of insurance program.....	8,658	11,179	11,846
00.91	Total operating expenses.....	32,175	42,476	47,610
01.01	Capital investment: Purchase of equipment.....	89	3,518	1,421
10.00	Total obligations.....	32,264	45,994	49,031
<b>Financing:</b>				
Offsetting collections from:				
11.00	Federal funds.....	-15,527	-21,772	-24,752
14.00	Non-Federal sources.....	-18,005	-23,370	-24,805
21.98	Unobligated balance available, start of year: Fund balance.....	-1,332	-1,119	-267
24.98	Unobligated balance available, end of year: Fund balance.....	1,119	267	793
27.00	Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections.....	1,481		
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	-1,268	852	-526
72.98	Obligated balance, start of year: Fund balance.....	2,524	3,369	5,736
74.98	Obligated balance, end of year: Fund balance.....	-3,369	-5,736	-6,384
90.00	Outlays.....	-2,113	-1,515	-1,174

Federal credit unions are privately owned, cooperative associations organized for the purpose of promoting thrift among their members and creating a source of credit for provident or productive purposes, authorized by the Federal Credit Union Act of 1934, as amended.

The Administration's activities consist of: (a) chartering new Federal credit unions, (b) supervising established Federal credit unions, (c) making periodic examinations of their financial condition and operating practices, and (d) providing administrative services. The operating fund is reimbursed for the insurance fund's share of the agency's administrative expenses by the insurance fund. The reimbursement percentage, which is reviewed and adjusted periodically, is currently at 50 percent. Data relating to activities are shown below.

Item:	1986 actual	1987 est.	1988 est.
Number of new Federal credit unions chartered.....	43	50	50
Number of operating Federal credit unions.....	9,817	9,800	9,750
Assets of Federal credit unions as of December 31 of the previous calendar year (in millions).....	117,500	135,000	155,000

**Operating results.**—Fees from receipts cover the cost of operations. Net operating income is expected to be \$1.0 million in 1988.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	18,005	23,370	24,805
Expense.....	17,008	21,238	23,805
Net operating income (total).....	997	2,132	1,000

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	15	4	3	5
Investments.....	3,841	5,965	6,000	7,172
Accounts receivable (net).....	624	1,315	1,702	1,900
Equipment (net).....	809	588	3,572	4,046
Total assets.....	5,289	7,872	11,277	13,123
<b>Liabilities:</b>				
Accounts payable.....	3,148	4,684	7,438	8,284
Other liabilities.....		1,481		
Deferred income.....	3,511			
Total liabilities.....	6,659	6,165	7,438	8,284
<b>Government equity:</b>				
Unobligated balance.....	1,332	1,119	267	793
Invested capital.....	-2,702	588	3,572	4,046
Total Government equity.....	-1,370	1,707	3,839	4,839

Analysis of changes in Government equity:

<b>Retained income:</b>			
Opening balance.....	-1,370	1,707	3,839
Net income.....	997	2,132	1,000
Adjustment to retained earnings.....	2,080		
Total Government equity (end of year).....	1,707	3,839	4,839

Object Classification (in thousands of dollars)

Identification code	25-4056-0-3-371	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	18,816	23,869	27,496
11.3	Other than full-time permanent.....	292	117	132
11.5	Other personnel compensation.....	530	296	301
11.9	Total personnel compensation.....	19,638	24,282	27,929
12.1	Personnel benefits: Civilian.....	2,768	4,092	4,286
21.0	Travel and transportation of persons.....	3,706	5,083	6,224

22.0	Transportation of things .....	137	238	151
23.1	Rental payments to GSA .....	692	824	875
23.2	Rental payments to others .....	1,198	1,256	1,277
23.3	Communications, utilities, and miscellaneous charges .....	1,661	2,069	2,231
24.0	Printing and reproduction .....	389	456	470
25.0	Other services .....	1,089	3,553	3,582
26.0	Supplies and materials .....	897	623	585
31.0	Equipment .....	89	3,518	1,421
99.9	Total obligations .....	32,264	45,994	49,031

**Personnel Summary**

Total number of full-time permanent positions .....	661	785	878
Total compensable workyears: Full-time equivalent employment .....	625	785	878

**CREDIT UNION SHARE INSURANCE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 25-4468-0-3-371	1986 actual	1987 est.	1988 est.	
<b>Program by activities:</b>				
<b>Operating expenses:</b>				
00.01	Payments to the Operating fund for services and facilities .....	16,822	21,238	23,805
00.02	Insurance claims expenses .....	22,176	30,000	30,000
00.91	Total operating expenses .....	38,998	51,238	53,805
<b>Capital investment:</b>				
01.01	Loans and deposits in credit unions .....	3,003	5,000	5,000
01.91	Total capital investment .....	3,003	5,000	5,000
10.00	Total obligations .....	42,001	56,238	58,805
<b>Financing:</b>				
<b>Offsetting collections from:</b>				
11.00	Federal funds: Interest on Government securities .....	-121,079	-136,588	-149,155
<b>Non-Federal sources:</b>				
14.00	Deposits from members .....	-195,696	-146,000	-260,000
14.00	Recoveries and assets acquired .....	-14,885	-2,000	-2,000
14.00	Other income .....	-346	-150	-150
21.98	Unobligated balance available, start of year: Fund balance .....	-1,079,065	-1,369,070	-1,597,570
24.98	Unobligated balance available, end of year: Fund balance .....	1,369,070	1,597,570	1,950,070
39.00	Budget authority .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	-290,005	-228,500	-352,500
72.98	Obligated balance, start of year: Fund balance .....	50,345	8,441	6,228
74.98	Obligated balance, end of year: Fund balance .....	-8,441	-6,228	-4,078
90.00	Outlays .....	-248,101	-226,287	-350,350

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public .....			
1131	Obligations exempt from limitation: Direct loans to the public .....	3,003	5,000	5,000
1150	Total direct loan obligations .....	3,003	5,000	5,000
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year .....	48,714	24,159	9,159
1231	Disbursements: Direct loan disbursements .....	3,003	5,000	5,000
1251	Repayments: Repayments and prepayments .....	-12,673	-18,000	-4,396
1264	Adjustments: Other adjustments, net .....	-14,885	-2,000	-2,000
1290	Outstanding, end of year .....	24,159	9,159	7,763

Note.—Other adjustments reflect outstanding balance included in the total financial assets acquired from credit unions and loans made in prior years.

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders .....			
2131	Guaranteed loan commitments exempt from limitation .....	6,295	2,000	1,000
2150	Total guaranteed loan commitments .....	6,295	2,000	1,000
<b>Cumulative balance of guaranteed loans outstanding:</b>				
2210	Outstanding, start of year .....	4,131	4,864	3,364
2231	Disbursements of new guaranteed loans .....	6,295	2,000	1,000
2251	Repayments and prepayments .....	-5,562	-3,500	-3,500
2290	Outstanding, end of year .....	4,864	3,364	864

**MEMORANDUM**

2299	U.S. contingent liability for guaranteed loans outstanding, end of year .....	4,864	3,364	864
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The insurance fund is used to carry out a program of insurance for member accounts in Federal credit unions and State-chartered credit unions which apply and qualify for insurance, authorized by Public Law 91-468, enacted October 19, 1970.

**Budget program.**—The activities consist of: (a) providing member account insurance, (b) formulating standards and requirements for insured credit unions, and (c) providing for liquidation or other disposition of the assets and liabilities of solvent and insolvent, insured credit unions. The fund also reimburses the operating fund for its share of the Agency's administrative costs. The reimbursement percentage which is reviewed and adjusted periodically, is currently at fifty percent.

The extent of the program is estimated as follows:

Item:	1986 actual	1987 est.	1988 est.
Number of insured credit unions .....	14,701	14,600	14,500
Shares of insured member institutions as of Dec. 31 of the previous calendar year (in millions of dollars) .....	109,000	133,000	150,000

It is estimated that approximately 4,920 State-chartered credit unions will be enrolled in the program by the end of 1988.

**Financing.**—For calendar year 1987, the credit union's required annual insurance premium of one-twelfth of 1 percent of their total member share accounts has been waived. However, as a result of Public Law 98-369 (July 18, 1985), each insured credit union is required to deposit and maintain in the insurance fund 1 percent of its member share accounts. The fund is structured to be entirely self supporting through the moneys paid by member credit unions. The moneys received plus the income generated from their investment are expected to cover all administrative and financial costs, as well as increase the fund balance proportionate to insured share growth. It is anticipated that the nearly fourfold increase in the insurance fund generated from the 1 percent deposit will eliminate the need to assess the annual premium except in years of catastrophic credit union losses. The fund has \$100 million in borrowing authority from the Treasury for use in unforeseen emergencies.

**Operating results.**—Anticipated net income of \$95,500 thousand will be retained in the fund, raising the balance for unforeseen emergencies to \$1,993 million by the end of 1988.

Public enterprise funds—Continued

CREDIT UNION SHARE INSURANCE FUND—Continued

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	121,426	136,738	149,305
Expense.....	54,686	51,238	53,805
Net income for year.....	66,740	85,500	95,500

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury.....	1970	67	4	4
U.S. securities (par).....	1,123,617	1,373,617	1,599,967	1,950,317
Assets acquired (net).....	3,627	2,769	2,327	2,500
Loans and deposits in credit unions (net).....	196	1,058	1,500	1,327
Accounts receivable.....	31,867	52,879	59,666	53,438
Other assets.....	40,381	42,321	45,321	48,321
Total assets.....	1,201,658	1,472,711	1,708,785	2,055,907

<b>Liabilities:</b>				
Accounts payable.....	66,015	49,529	48,428	45,016
Shareholders payable.....	16,197	11,791	17,466	12,500
Deferred credits.....				
Total liabilities.....	82,212	61,320	65,894	57,516

<b>Government equity:</b>				
Unobligated balance.....	1,079,065	1,369,070	1,597,570	1,950,070
Total fund balance.....	1,079,065	1,369,070	1,597,570	1,950,070
Invested capital.....	40,381	42,321	45,321	48,321
Total Government equity.....	1,119,446	1,411,391	1,642,891	1,998,391

<b>Analysis of changes in Government equity:</b>				
Retained income:				
Opening balance.....		1,119,446	1,411,391	1,642,891
Net income.....		66,740	85,500	95,500
Deposits from members.....		225,205	146,000	260,000
Total Government equity (end of year).....		1,411,391	1,642,891	1,998,391

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25.0 Other services.....	16,822	21,238	23,805
33.0 Investments and loans.....	22,176	30,000	30,000
42.0 Insurance claims and indemnities.....	3,003	5,000	5,000
99.9 Total obligations.....	42,001	56,238	58,805

CENTRAL LIQUIDITY FACILITY

During [1987] fiscal year 1988, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795) shall not exceed \$600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year [1987] 1988 shall not exceed [\$850,000] \$847,000.

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01 Administrative expenses.....	724	850	847
00.02 Interest on borrowings.....	13,092	11,717	11,840
00.03 Dividends on capital stock.....	17,402	15,533	16,913
00.91 Total operating expenses.....	31,218	28,100	29,600

Capital investment:

01.01 Net loans to credit unions, total capital investment, funded.....	186,126	166,000	176,000
01.02 Redemption of capital stock.....	2,714	2,000	2,000
01.03 Withdrawal of member deposits.....	19,222	15,000	15,000
01.91 Total capital investment.....	208,062	183,000	193,000
10.00 Total obligations.....	239,280	211,100	222,600

Financing:

14.00 Offsetting collections from: Non-Federal sources.....	-356,920	-185,008	-196,980
21.98 Unobligated balance available, start of year: Fund balance.....	-268,394	-311,492	-316,202
24.98 Unobligated balance available, end of year: Fund balance.....	311,492	316,202	325,082
31.00 Redemption of debt.....	74,542	-30,802	-34,500
39.00 Budget authority.....			

Relation of obligations to outlays:

71.00 Obligations incurred, net.....	-117,640	26,092	25,620
72.10 Receivables in excess of obligations, start of year.....	-4,174	-3,694	-2,600
74.10 Receivables in excess of obligations, end of year.....	3,694	2,600	2,040
90.00 Outlays.....	-118,120	24,998	25,060

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
25-4470-0-3-371			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....	567,884	600,000	600,000
1112 Unused balance of direct loan limitation expiring.....	-536,614	-544,000	-528,000
1150 Total direct loan obligations.....	31,270	56,000	72,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	222,169	105,550	129,050
1231 Disbursements: Direct loan disbursements.....	31,270	56,000	72,000
1251 Repayments: Repayments and prepayments.....	-147,889	-32,500	-47,000
1290 Outstanding, end of year.....	105,550	129,050	154,050

The National Credit Union Central Liquidity Facility was established under Public Law 95-630. It began operations on October 1, 1979. The Central Liquidity Facility provides loans to member credit unions for seasonal and emergency needs.

The two primary sources of funds for the Facility are stock subscriptions from credit unions and borrowings from the Federal Financing Bank. Credit unions, which choose to become members of the Facility, are required to purchase stock equal to one-half of 1 percent of their assets. One-half of the subscription in stock is forwarded to the Facility and deposited in the fund. The remaining half of the subscription remains on call in the credit union in investments as approved by the NCUA Board.

The Facility may borrow funds from any source to relend to member credit unions. This amount of borrowings is limited to twelve times the amount of capital stock subscriptions by the authorizing statute (Public Law 95-630). In 1988, an appropriation limitation on new loans of \$600 million is proposed, of which it is currently anticipated that \$72 million will be used.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	32,186	29,000	30,500
Expense.....	31,218	28,100	29,600
Net income.....	968	900	900

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Cash .....	2	4	2	2
Investments .....	264,758	298,902	308,398	319,018
Accounts receivable .....	- 5,975	4,574	3,756	3,524
Loans receivable (net) .....	222,169	105,550	129,050	154,050
Other assets .....	1,714			
<b>Total assets .....</b>	<b>494,618</b>	<b>409,030</b>	<b>441,206</b>	<b>476,594</b>
<b>Liabilities:</b>				
Borrowings: FFB .....	222,169	104,050	129,050	154,110
Accounts payable .....	4,055	880	1,156	1,484
Other liabilities .....	11,668	16,388	12,388	11,488
<b>Total liabilities .....</b>	<b>237,892</b>	<b>121,318</b>	<b>142,594</b>	<b>167,082</b>
<b>Government equity:</b>				
Unobligated balance .....	268,394	311,492	316,202	325,082
Invested capital .....	-11,668	-23,780	-17,590	-15,570
<b>Total Government equity .....</b>	<b>256,726</b>	<b>287,712</b>	<b>298,612</b>	<b>309,512</b>
<b>Analysis of changes in Government equity:</b>				
Opening balance .....		256,726	287,712	298,612
Stock subscriptions from credit unions .....		30,018	10,000	10,000
Net income .....		968	900	900
<b>Total equity (end of year) .....</b>		<b>287,712</b>	<b>298,612</b>	<b>309,512</b>

Object Classification (in thousands of dollars)

Identification code 25-4470-0-3-371	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent positions .....	167	232	228
12.1 Personnel benefits: Civilian .....	19	26	27
21.0 Travel and transportation of persons .....	10	36	40
22.0 Transportation of things .....		3	1
23.3 Communications, utilities, and miscellaneous charges .....	50	67	56
24.0 Printing and reproduction .....	1	9	9
25.0 Other services .....	475	471	479
26.0 Supplies and materials .....	2	6	7
33.0 Investments and loans .....	186,126	166,000	176,000
43.0 Interest and dividends .....	30,494	27,250	28,753
44.0 Redemptions and withdrawals .....	21,936	17,000	17,000
<b>99.9 Total obligations .....</b>	<b>239,280</b>	<b>211,100</b>	<b>222,600</b>

Personnel Summary

Total number of full-time permanent positions .....	6	5	5
Total compensable workyears: Full-time equivalent employment .....	4	5	5

COMMUNITY DEVELOPMENT CREDIT UNION REVOLVING LOAN FUND

Program and Financing (in thousands of dollars)

Identification code 25-4472-0-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....			
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources: Loan collections .....	-1,599	-1,033	-820
21.98 Unobligated balance available, start of year: Fund balance .....	-2,529	-4,128	-5,161
24.98 Unobligated balance available, end of year: Fund balance .....	4,128	5,161	5,981
39.00 <b>Budget authority .....</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-1,599	-1,033	-820
72.98 Obligated balance, start of year: Fund balance .....	500	500	500
74.98 Obligated balance, end of year: Fund balance .....	-500	-500	-500
<b>90.00 Outlays .....</b>	<b>-1,599</b>	<b>-1,033</b>	<b>-820</b>

Status of Direct Loans (in thousands of dollars)

<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding start of year .....	3,251	1,884	985
1251 Repayments: Repayments and prepayments .....	-1,367	-899	-750
1290 Outstanding, end of year .....	1,884	985	235

Public Law 99-609, enacted on November 6, 1986, transferred the Community Development Credit Union Revolving Loan Fund from the Department of Health and Human Services to the National Credit Union Administration. No new loans will be made in 1987 and 1988.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS  
Federal Funds

General and special funds:

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$136,661,000]** \$119,300,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$28,420,000]** \$25,900,000, to remain available until September 30, **[1988]** 1989, to the National Endowment for the Arts, of which **[\$20,000,000]** \$16,900,000 shall be available for purposes of section 5(1): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

Program and Financing (in thousands of dollars)

Identification code 59-0100-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Promotion of the arts .....	145,782	149,877	144,275
00.02 Administration .....	14,802	16,100	16,300
00.91 Total direct program .....	160,584	165,977	160,575
01.01 Reimbursable program .....	107	114	120
10.00 Total obligations .....	160,691	166,091	160,695
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-107	-114	-120
17.00 Recovery of prior year obligations .....	-11		
21.40 Unobligated balance available, start of year .....	-22,473	-20,354	-19,458
24.40 Unobligated balance available, end of year .....	20,354	19,458	4,083
25.00 Unobligated balance lapsing .....	82		
<b>40.00 Budget authority (appropriation) .....</b>	<b>158,537</b>	<b>165,081</b>	<b>145,200</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	160,584	165,977	160,575
72.40 Obligated balance, start of year .....	137,800	136,311	129,024
74.40 Obligated balance, end of year .....	-136,311	-129,024	-118,757
77.00 Adjustments in expired accounts .....	-1,883		
78.00 Adjustments in unexpired accounts .....	-11		
<b>90.00 Outlays .....</b>	<b>160,180</b>	<b>173,264</b>	<b>170,842</b>

NATIONAL ENDOWMENT FOR THE ARTS—Continued  
General and special funds—Continued  
MATCHING GRANTS—Continued

The National Endowment for the Arts provides grants to, or contracts with, groups, individuals of exceptional talent, and State or regional organizations engaged in or concerned with the arts. Programs encourage individual and institutional development of the arts, preservation of the American artistic heritage, wider availability of the arts, leadership in the arts, and the stimulation of non-Federal sources of support for the Nation's artistic activities.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
59-0100-0-1-503			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	7,417	7,777	7,954
11.3 Other than full-time permanent	565	578	578
11.5 Other personnel compensation	80	95	108
11.9 Total personnel compensation	8,062	8,450	8,640
12.1 Personnel benefits: Civilian	918	1,153	1,553
13.0 Benefits for former personnel	21	40	40
21.0 Travel and transportation of persons	173	300	360
22.0 Transportation of things	17	20	22
23.1 Rental payments to GSA	1,937	1,465	1,729
23.3 Communications, utilities, and miscellaneous charges	620	893	946
24.0 Printing and reproduction	209	273	280
25.0 Other services	5,898	8,856	8,070
26.0 Supplies and materials	111	120	130
31.0 Equipment	6	30	30
41.0 Grants, subsidies, and contributions	142,612	144,377	138,775
99.0 Subtotal, direct obligations	160,584	165,977	160,575
99.0 Reimbursable obligations	107	114	120
99.9 Total obligations	160,691	166,091	160,695

Personnel Summary

Total number of full-time permanent positions	228	232	232
<b>Total compensable workyears:</b>			
Full-time equivalent employment	251	257	257
Full-time equivalent of overtime and holiday hours	1	1	1

ARTS AND ARTIFACTS INDEMNITY FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
59-0101-0-1-503			
<b>Program by activities:</b>			
10.00 Total obligations			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year		-285	-285
24.40 Unobligated balance available, end of year	285	285	285
40.00 Budget authority (appropriation)	285		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

The Arts and Artifacts Indemnity Act of 1975, as amended, authorizes the Federal Council on the Arts and Humanities to enter into indemnity agreements to cover certain eligible works of art while on traveling exhibition in the United States or abroad. Loss or damage claims certified by the Council are paid from this fund.

Trust Funds

GIFTS AND DONATIONS (ARTS)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
59-8040-0-7-503			
<b>Program by activities:</b>			
10.00 Total obligations	164	33	32
<b>Financing:</b>			
21.40 Unobligated balance available, start of year	-24	-36	-33
24.40 Unobligated balance available, end of year	36	33	31
60.00 Budget authority (appropriation) (permanent, indefinite)	177	30	30
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	164	33	32
72.40 Obligated balance, start of year	5	105	33
74.40 Obligated balance, end of year	-105	-33	-11
90.00 Outlays	64	105	54

The National Foundation on the Arts and the Humanities Act of 1965, as amended, authorizes the Arts Endowment to receive money and other donated property. Such gifts may be used, sold, or otherwise disposed of to support arts projects and activities. Budget authority in this schedule reflects cash received each year by the Arts Endowment.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
59-8040-0-7-503			
25.0 Other services	24	33	32
41.0 Grants, subsidies, and contributions	140		
99.9 Total obligations	164	33	32

NATIONAL ENDOWMENT FOR THE HUMANITIES

Federal Funds

General and special funds:

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$109,990,000] \$99,839,000** shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, **[\$28,500,000] \$27,051,000** to remain available until September 30, **[1988] 1989**, of which **[\$16,500,000] \$15,937,000** shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

[NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS]\*

\*See Part II for additional information.

[For necessary expenses as authorized by Public Law 99-190 (99 Stat. 1261; 20 U.S.C. 956a), as amended, \$4,000,000: *Provided*, That Public Law 99-190 (99 Stat. 1261) is amended under this heading as follows:]

[(1) in the first paragraph, strike the words "which are engaged primarily in" and insert in lieu thereof "whose primary purpose is", (2) in the second paragraph, strike the words "an annual operating budget" and insert in lieu thereof "annual income, exclusive of Federal funds,"

(3) in the fourth paragraph, strike the words "operating budget" and insert in lieu thereof "annual income, exclusive of Federal funds," and

(4) in the fourth paragraph, strike the words "operating budgets" and insert in lieu thereof "annual income, exclusive of Federal funds,"] (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing** (in thousands of dollars)

Identification code 59-0200-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Promotion of the humanities.....	119,312	123,865	111,540
00.02 Payments to Washington, DC organizations.....	1,903	4,000	
00.03 Administration.....	13,508	14,625	15,350
00.91 Total direct program.....	134,723	142,490	126,890
01.01 Reimbursable program.....	122	125	125
10.00 Total obligations.....	134,845	142,615	127,015
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-122	-125	-125
17.00 Recovery of prior year obligations.....	-24		
25.00 Unobligated balance restored.....	-177		
40.00 Budget authority (appropriation).....	134,582	142,490	126,890
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	134,723	142,490	126,890
72.40 Obligated balance, start of year.....	103,084	100,635	97,047
74.40 Obligated balance, end of year.....	-100,635	-97,047	-91,062
77.00 Adjustments in expired accounts.....	-1,680		
78.00 Adjustments in unexpired accounts.....	-24		
90.00 Outlays.....	135,468	146,078	132,875

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	134,582	142,490	126,890
Outlays.....	135,468	146,078	132,875
Rescission proposal:			
Budget authority.....		-4,000	
Outlays.....		-4,000	
Total:			
Budget authority.....	134,582	138,490	126,890
Outlays.....	135,468	142,078	132,875

The National Endowment for the Humanities funds activities intended to improve the quality of education and teaching in the humanities, to strengthen the scholarly foundation for humanities study and research, and to advance understanding of the humanities among general audiences.

Support is provided through outright grants, matching grants, and a combination of the two. Eligible applicants include schools, higher education institutions, libraries, museums, historical organizations, professional associations, other cultural institutions, and individuals.

**Object Classification** (in thousands of dollars)

Identification code 59-0200-0-1-503	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent.....	7,080	7,529	7,678
11.3 Other than full-time permanent.....	428	454	463
11.5 Other personnel compensation.....	97	103	105

11.8 Special personal services payments.....	18		
11.9 Total personnel compensation.....	7,623	8,086	8,246
12.1 Personnel benefits: Civilian.....	894	1,180	1,589
13.0 Benefits for former personnel.....	18	20	20
21.0 Travel and transportation of persons.....	296	330	335
23.1 Rental payments to GSA.....	1,677	1,272	1,497
23.3 Communications, utilities, and miscellaneous charges.....	725	760	770
24.0 Printing and reproduction.....	264	290	300
25.0 Other services.....	2,562	3,274	3,082
26.0 Supplies and materials.....	118	125	125
31.0 Equipment.....	54	55	55
41.0 Grants, subsidies, and contributions.....	120,492	127,098	110,871
99.0 Subtotal, direct obligations.....	134,723	142,490	126,890
99.0 Reimbursable obligations.....	122	125	125
99.9 Total obligations.....	134,845	142,615	127,015

**Personnel Summary**

Total number of full-time permanent positions.....	233	235	235
Total compensable workyears:			
Full-time equivalent employment.....	248	254	254
Full time equivalent of overtime and holiday hours.....	1	1	1

**Trust Funds**

**GIFTS AND DONATIONS (HUMANITIES)**

**Program and Financing** (in thousands of dollars)

Identification code 59-8050-0-7-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	348	355	350
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-13		
21.40 Unobligated balance available, start of year.....	-1	-6	
24.40 Unobligated balance available, end of year.....	6		
60.00 Budget authority (appropriation) (permanent, indefinite).....	339	350	350
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	348	355	350
72.40 Obligated balance, start of year.....	743	103	35
74.40 Obligated balance, end of year.....	-103	-35	-35
78.00 Adjustments in unexpired accounts.....	-13		
90.00 Outlays.....	975	423	350

The National Foundation on the Arts and the Humanities Act of 1965, as amended, authorizes the Humanities Endowment to receive money and other donated property. Such gifts may be used, sold, or otherwise disposed of to support humanities projects and activities. Budget authority in this schedule reflects cash received each year by the Endowment.

**Object Classification** (in thousands of dollars)

Identification code 59-8050-0-7-503	1986 actual	1987 est.	1988 est.
25.0 Other services.....	32	35	35
41.0 Grants, subsidies, and contributions.....	316	320	315
99.9 Total obligations.....	348	355	350

**INSTITUTE OF MUSEUM SERVICES**

**Federal Funds**

**General and special funds:**

**GRANTS AND ADMINISTRATION**

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, [\$21,250,000: Provided, That none of

**INSTITUTE OF MUSEUM SERVICES—Continued**

**General and special funds—Continued**

**GRANTS AND ADMINISTRATION—Continued**

these funds shall be available for the compensation of Executive Level V or higher positions] \$19,250,000: Provided [further], That the Museum Services Board shall not meet more than three times during fiscal year [1987] 1988. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
59-0300-0-1-503			
<b>Program by activities:</b>			
00.01 Grants to museums.....	19,620	20,326	18,247
00.02 Administration.....	784	866	948
00.03 National Museum Services Board.....	66	58	55
10.00 Total obligations.....	20,470	21,250	19,250
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	4		
40.00 Budget authority (appropriation).....	20,474	21,250	19,250
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	20,470	21,250	19,250
72.40 Obligated balance, start of year.....	22,414	17,180	15,973
74.40 Obligated balance, end of year.....	-17,180	-15,973	-14,335
77.00 Adjustments in expired accounts.....	-1,588		
90.00 Outlays.....	24,116	22,457	20,888

The Institute of Museum Services provides competitive grants to a broad range of museums which exhibit both living and non-living collections. The program funding helps museums improve the quality of their methods and facilities to better conserve our cultural, historic and scientific heritage.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
59-0300-0-1-503			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	334	383	442
11.3 Other than full-time permanent.....	24		
11.5 Other personnel compensation.....	9	9	9
11.9 Total personnel compensation.....	367	392	451
12.1 Personnel benefits: Civilian.....	53	87	105
13.0 Travel and transportation of persons.....	39	50	50
22.0 Transportation of things.....	3	4	4
23.1 Rental payments to GSA.....	109	82	97
23.3 Communications, utilities, and miscellaneous charges.....	22	36	37
24.0 Printing and reproduction.....	17	46	37
25.0 Other services.....	229	218	216
26.0 Supplies and materials.....	4	3	3
31.0 Equipment.....	7	6	3
41.0 Grants, subsidies, and contributions.....	19,620	20,326	18,247
99.9 Total obligations.....	20,470	21,250	19,250

**Personnel Summary**

Total number of full-time permanent positions.....	14	15	15
Total compensable workyears: Full-time equivalent employment.....	13	16	16

**GIFTS AND DONATIONS (MUSEUM SERVICES)**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
59-8080-0-7-503			
<b>Program by activities:</b>			
10.00 Total obligations.....	4	4	3

<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....		-7	-3
24.40 Unobligated balance available, end of year.....	7	3	
60.00 Budget authority (appropriation) (permanent, indefinite).....	11		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	4	4	3
72.40 Obligated balance, start of year.....		2	
74.40 Obligated balance, end of year.....	-2		
90.00 Outlays.....	2	6	3

The National Foundation on the Arts and Humanities Act of 1965, as amended, authorizes the Institute of Museum Services to receive money and other donated property. Such gifts may be used, sold or otherwise disposed of to support the activities of the Institute. Budget authority in this schedule reflects donations received each year by the Institute.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
59-8080-0-7-503			
24.0 Printing.....	2		
25.0 Other services.....	1	4	3
26.0 Supplies and materials.....	1		
99.9 Total obligations.....	4	4	3

**ADMINISTRATIVE PROVISIONS**

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**NATIONAL INSTITUTE OF BUILDING SCIENCES**

**Trust Funds**

**NATIONAL INSTITUTE OF BUILDING SCIENCES TRUST FUND**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-8222-0-7-376			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	500	500	500
<b>Financing:</b>			
21.40 Unobligated balance, start of year: U.S. securities (par).....	-5,000	-5,253	-5,253
24.40 Unobligated balance, end of year: U.S. securities (par).....	5,253	5,253	5,253
60.00 Budget authority (appropriation) (permanent, indefinite).....	753	500	500
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	500	500	500
90.00 Outlays.....	500	500	500

The National Institute of Building Sciences is a non-profit, nongovernmental corporation authorized by the Housing and Community Development Act of 1974. The purpose of the Institute is to support the development and maintenance of nationally recognized building performance criteria for maintenance of life, safety, health, and public welfare. In 1984, the Institute received a payment from the Federal Government and a National

Institute of Building Sciences Trust Fund was established. Until 1990, the Institute can receive up to \$500,000 of interest generated by the trust fund annually if matching funds of an equal amount are raised from the private sector.

## NATIONAL LABOR RELATIONS BOARD

### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, [\$129,960,000] \$141,580,000: *Provided*, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

#### Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
63-0100-0-1-505			
<b>Program by activities:</b>			
00.01 Field investigation	94,122	94,689	101,683
00.02 Administrative law judge hearing	11,495	11,545	11,864
00.03 Board adjudication	11,793	13,040	14,059
00.04 Securing compliance with Board orders	11,612	12,973	13,974
00.91 Total direct programs	129,022	132,247	141,580
01.01 Reimbursable program	109	300	
10.00 Total obligations	129,131	132,547	141,580
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds	-109	-300	
25.00 Unobligated balance lapsing	33		
39.00 Budget authority	129,055	132,247	141,580
<b>Budget authority:</b>			
40.00 Appropriation	129,055	129,960	141,580
44.20 Supplemental for civilian pay raises		628	
44.40 Supplemental for retirement contributions (P.L. 99-335)		1,659	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	129,022	132,247	141,580
72.40 Obligated balance, start of year	13,239	9,486	9,435
74.40 Obligated balance, end of year	-9,486	-9,435	-9,878
77.00 Adjustments in expired accounts	-1,153		
89.00 Outlays	131,623	132,298	141,137
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	131,623	130,099	141,049
91.20 Outlays from civilian pay raise supplemental		604	24
91.40 Outlays from retirement contribution supplemental		1,595	64

The Board resolves representation disputes in industry and remedies and prevents specified unfair labor practices by employers or labor organizations. Case intake in 1986 was 33,780 unfair labor practice cases and 7,859 representation cases. Estimates for unfair labor practice cases are 35,664 for 1987 and 36,969 for 1988. Representation case estimates are 8,426 for 1987 and 8,794 for 1988.

**Field investigation.**—Charges of unfair labor practices and petition for elections to resolve representation disputes are investigated by regional office personnel. Over 94 percent of the unfair labor practice cases and about 82 percent of the representation cases are closed by settlement, dismissal, or withdrawal. The remainder are prepared for public hearing. The agency strives to maximize the voluntary settlement of all cases and the avoidance of litigation.

**Administrative law judge hearing.**—Administrative law judges conduct public hearings in unfair labor practice cases. Their findings and recommendations are set forth in their decisions. In 1986 there were 686 hearings closed, 51 proceedings adjusted after close of hearing, and 687 decisions issued. The estimate for 1987 is for 737 hearings to be closed, 2 adjusted after hearing, and 746 decisions. The estimate for 1988 is for 763 hearings to be closed, 2 adjusted after hearing, and 772 decisions.

**Board adjudication.**—In an unfair labor practice case a judge's decision becomes a Board order if no exceptions are filed. About 30 percent of these decisions become automatic Board orders or are complied with voluntarily. The remainder with exceptions filed requires contested Board decision. In 1986, 857 such Board decisions were issued; the estimates for 1987 and 1988 are 900 and 1,000 respectively. In representation cases, regional directors initially decide the issues by Board delegation. In 1986 regional directors issued 1,147 such decisions; and the estimate is 1,393 for 1987 and 1,451 in 1988. The Board itself decides representation issues on referral from regional directors or by granting a request for review of a regional director's decision. In 1986 the Board issued 147 representation decisions; the estimates for 1987 and 1988 are 158 and 165 respectively. The Board also ruled on 257 objection and challenge questions in election cases in 1986; it is estimated that 205 such rulings will be required in 1987 and 214 in 1988.

**Securing compliance with Board orders.**—If the parties do not voluntarily comply with the Board's order involving unfair labor practices, the Board must request the appellate courts to enforce its decisions. In 1986 a total of 202 Board decisions of all kinds required such litigation; the estimate for 1987 is 281, and for 1988 it is 291.

#### Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
63-0100-0-1-505			
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	88,353	89,909	91,305
11.3 Other than full-time permanent	1,626	1,651	1,676
11.5 Other personnel compensation	643	1,067	1,234
11.8 Special personal services payments	200	245	245
11.9 Total personnel compensation	90,822	92,872	94,460
12.1 Personnel benefits: Civilian	10,927	11,098	17,307
13.0 Benefits to former employees	37		
21.0 Travel and transportation of persons	3,167	3,909	3,809
22.0 Transportation of things	108	127	141
23.1 Rental payments to GSA	12,714	12,366	14,177
23.3 Communications, utilities, and miscellaneous charges	5,550	5,383	4,266
24.0 Printing and reproduction	235	484	525
25.0 Other services	3,864	4,409	5,400
26.0 Supplies and materials	912	959	930
31.0 Equipment	547	500	500
42.0 Insurance claims and indemnities	139	140	65
99.0 Total direct obligations	129,022	132,247	141,580

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
63-0100-0-1-505			
99.0 Reimbursable obligations	109	300	
99.9 Total obligations	129,131	132,547	141,580

Personnel Summary

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions	3,000	3,000	3,000
Total compensable workyears:			
Full-time equivalent employment	2,421	2,378	2,343
Full-time equivalent of overtime and holiday hours <sup>1</sup>	7	10	10

<sup>1</sup> Excludes terminal leave.

NATIONAL MEDIATION BOARD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151-188), including emergency boards appointed by the President, **[\$6,401,000] \$4,873,000: Provided, That the compensation and expenses of third or neutral persons appointed under 45 U.S.C. 153(1) and 153 (second) shall be fixed and paid by the parties.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5283, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
95-2400-0-1-505			
<b>Program by activities:</b>			
00.01 Mediator services	3,160	3,269	3,691
00.02 Voluntary arbitration and emergency disputes	126	559	584
Adjustment of railroad grievances:			
00.03 Referee services	1,907	2,184	
00.04 Administrative costs	447	493	598
10.00 Total obligations	5,640	6,505	4,873
<b>Financing:</b>			
25.00 Unobligated balance lapsing	445		
39.00 Budget authority	6,085	6,505	4,873
<b>Budget authority:</b>			
40.00 Appropriation	6,085	6,401	4,873
44.20 Supplemental for civilian pay raises		60	
44.40 Supplemental for retirement contributions (P.L. 99-335)		44	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	5,640	6,505	4,873
72.40 Obligated balance, start of year	1,303	1,391	2,168
74.40 Obligated balance, end of year	-1,391	-2,168	-2,572
77.00 Adjustments in expired accounts	-79		
89.00 Outlays	5,473	5,728	4,469
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals	5,473	5,646	4,447
91.20 Outlays from civilian pay raise supplemental		47	13
91.40 Outlays from retirement contribution supplemental		35	9

**Mediator services.**—The Board mediates disputes over wages, hours, and working conditions for some 650 rail and air carriers and approximately 700,000 employees in the two industries.

The Board also provides technical assistance to enable labor and industry representatives to explore informally the relevant economic and noneconomic

problems that condition collective bargaining in the railroad and airline industries.

	1986 actual	1987 est.	1988 est.
<b>Mediation cases:</b>			
Pending, start of year	326	396	371
Received during year	159	165	160
Closed during year	89	190	190
Pending, end of year	396	371	341

The Board investigates representation disputes involving the various crafts or classes of railroad and airline employees to determine their choice of representatives for the purpose of collective bargaining.

	1986 actual	1987 est.	1988 est.
<b>Representation cases:</b>			
Pending, start of year	18	19	24
Received during year	79	85	85
Closed during year	78	80	80
Pending, end of year	19	24	29
Freedom of Information Act (FOIA) requests received	119	120	120
Investigation cases closed	16	15	15

**Voluntary arbitration and emergency disputes.**—When the parties fail to resolve their disputes through mediation, they are urged to submit their differences to arbitration. If neither mediation nor voluntary arbitration is successful, the President, when notified of disputes which threaten seriously to interrupt service, may appoint emergency boards to investigate and report on the disputes under section 160 of the Railway Labor Act (RLA). Such reports usually serve as a basis for resolving the disputes.

The Northeast Rail Service Act of 1981 amended the Railway Labor Act by adding a new emergency dispute procedure covering disputes between a publicly funded and operated commuter carrier and its employees. The 1981 act requires the Board to appoint the public members of factfinding panels on Conrail.

	1986 actual	1987 est.	1988 est.
<b>Boards/panels created:</b>			
Arbitration	11	15	15
Factfinding	0	2	2
Emergency (sec. 160)	2	1	2
Emergency (sec. 159a)	2	5	4

**Adjustment of Railroad Grievances.**—Railroad employee grievances resulting from disputes over the interpretation or application of collective bargaining contracts may be brought for settlement to the National Railroad Adjustment Board (NRAB). The divisions of the Board are composed of an equal number of carrier and union representatives compensated by the party or parties they represent. Public Law 89-456 provides for the adjustment of disputes involving grievances resulting from interpretation or application of bargaining agreements in the railroad industry otherwise referable to the NRAB. Beginning in fiscal year 1988 referee salary and expenses will be paid by the parties.

Administrative direction and support for the public law boards, special boards of adjustment, and the NRAB are provided by Federal employees who are compensated by the National Mediation Board.

	1986 actual	1987 est.	1988 est.
<b>Public law boards caseload:</b>			
Pending, start of year	16,756	15,235	13,235
Received during year	3,336	3,500	3,500
Closed during year	4,857	5,500	7,000
Pending, end of year	15,235	13,235	9,735
<b>Special boards of adjustment caseload:</b>			
Pending, start of year	3,378	3,428	3,228
Received during year	1,000	1,000	1,000
Closed during year	2,950	1,200	1,500
Pending, end of year	3,428	3,228	2,728

Number of boards convened:			
Special boards of adjustment .....	31	25	25
Public law boards .....	329	300	300
NRAB caseload:			
Pending, start of year .....	1,731	1,699	1,405
Received during year .....	1,023	1,261	1,110
Closed during year .....	<sup>a</sup> 1,055	1,555	1,490
Pending, end of year .....	1,699	1,405	1,025

<sup>1</sup> Includes 1,293 cases withdrawn.  
<sup>2</sup> Includes 300 cases withdrawn.  
<sup>3</sup> Includes 974 awards of referees, no awards by NRAB members, and 81 cases withdrawn.

**Object Classification (in thousands of dollars)**

Identification code 95-2400-0-1-505	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent .....	2,358	2,433	2,527
11.5 Other personnel compensation .....	3	14	14
11.8 Special personal services payments .....	1,771	2,346	395
11.9 Total personnel compensation .....	4,132	4,793	2,936
12.1 Personnel benefits: Civilian .....	264	360	499
21.0 Travel and transportation of persons .....	434	543	405
23.1 Rental payments to GSA .....	348	310	431
23.3 Communications, utilities, and miscellaneous charges .....	205	265	292
24.0 Printing and reproduction .....	52	56	57
25.0 Other services .....	91	132	186
26.0 Supplies and materials .....	30	35	35
31.0 Equipment .....	58	11	32
42.0 Insurance claims and indemnities .....	26		
99.9 Total obligations .....	5,640	6,505	4,873

**Personnel Summary**

Total number of full-time permanent positions .....	57	58	58
Total compensable workyears: Full-time equivalent employment .....	57	58	58

**Program and Financing (in thousands of dollars)**

Identification code 49-0100-0-1-251	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Mathematical and physical sciences .....	435,310	463,377	514,000
00.02 Engineering .....	144,907	162,765	205,000
00.03 Biological, behavioral, and social sciences .....	239,292	257,714	297,000
00.04 Geosciences .....	266,866	284,588	330,000
00.05 Scientific, technological, and international affairs .....	38,223	43,682	51,000
00.06 Computer and information sciences and engineering .....	100,879	116,396	143,000
00.07 Program development and management .....	71,836	79,100	95,000
00.91 Total direct program .....	1,297,313	1,407,622	1,635,000
01.01 Reimbursable program .....	29,245	38,000	38,000
10.00 Total obligations .....	1,326,558	1,445,622	1,673,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-28,908	-38,000	-38,000
17.00 Recovery of prior year obligations .....	-3,853		
Unobligated balance available, start of year:			
21.40 Appropriation .....	-197	-1,472	
21.98 Fund balance .....	-1,123		
24.40 Unobligated balance available, end of year: Appropriation .....	1,472		
25.00 Unobligated balance lapsing .....	111		
40.00 Budget authority (appropriation) .....	1,294,060	1,406,150	1,635,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	1,297,650	1,407,622	1,635,000
Obligated balance, start of year:			
72.40 Appropriation .....	851,862	831,949	882,571
72.98 Fund balance .....	273		
74.40 Obligated balance, end of year: Appropriation .....	-831,949	-882,571	-958,571
77.00 Adjustments in expired accounts .....	-4,876		
78.00 Adjustments in unexpired accounts .....	-3,853		
90.00 Outlays .....	1,309,107	1,357,000	1,559,000

**NATIONAL SCIENCE FOUNDATION**

*Federal Funds*

**General and special funds:**

**RESEARCH AND RELATED ACTIVITIES**

For necessary expenses in carrying out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), [title IX of the National Defense Education Act of 1958 (42 U.S.C. 1876-1879),] and the Act to establish a National Medal of Science (42 U.S.C. 1880-1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of one aircraft; hire of passenger motor vehicles; not to exceed [2,500] \$6,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; [\$1,406,150,000] \$1,635,000,000, to remain available until September 30, [1988] 1989: *Provided*, [That of the funds appropriated in this Act, not more than \$85,060,000 shall be available for astronomical sciences: *Provided further*, That of the funds appropriated in this Act, or from funds appropriated previously to the Foundation, not more than \$76,500,000 shall be available for program development and management in fiscal year 1987: *Provided further*,] That contracts may be entered into under the program development and management [limitation] activity in fiscal year [1987] 1988 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: *Provided further*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

The major research program activities of the Foundation are:

*Mathematical and physical sciences.*—Research in this activity is directed at increasing understanding of natural laws and phenomena. It includes research in mathematics, astronomy, physics, chemistry, and materials science. Studies deal with a broad range of significant science areas such as new amorphous materials and materials of limited dimensionality, organometallic chemistry and catalysis, the fundamental forces and constituents of physical matter, studies of galaxies, planets, and stars, and new mathematical structures and techniques. Provision of modern research instrumentation and facilities and support of young scientists is stressed in all programs.

*Engineering.*—Research supported by this activity aims to increase U.S. engineering capability and strength, and focus that capability and strength on areas which are relevant to national problems and long-term needs. Topics supported include: electrical, communications, and systems engineering; chemical, biochemical, and thermal engineering; mechanics, structures, and materials engineering; science base development in design, manufacturing, and computer integrated engineering; fundamental research underpinning emerging and critical engineering systems; and cross-disciplinary research, including Engineering Research Centers.

*Biological, behavioral, and social sciences.*—This activity supports research in cellular biology, molecular biology, behavioral and neural sciences, environmental biology, and social and economic sciences. Research covers: inquiry into the mechanisms underlying the

General and special funds—Continued

RESEARCH AND RELATED ACTIVITIES—Continued

ways living organisms develop, grow, reproduce, maintain themselves, and age; studies in environmental biology, including the behavior of biological communities and ecological and physiological adaptations of populations to natural environments; attempts to understand the biological, environmental, and cultural factors that underlie the behavior of human beings and animals, with explicit emphasis on nervous system structure and function; and analysis of the underlying forms and processes affecting economies, organizations and societies, as well as the development of scientific data bases and the improvement of measurement methodology.

**Geosciences.**—This research advances knowledge of the properties and dynamics of the planet Earth. The program includes studies of geologic forces and their history; ocean dynamics and resources; the influence of the Arctic; and, the physics and chemistry of the atmosphere.

**Scientific, technological, and international affairs.**—This activity facilitates international scientific cooperation; provides policy-oriented data, information and analysis; and supports cross-disciplinary activities that strengthen the Nation's scientific and engineering research base. Programs cover small business innovation research; cooperative scientific activities between the U.S. and advanced and developing countries; policy research and analysis; science resources studies; and special research initiation and improvement activities.

**Computer and information sciences and engineering.**—Research is directed at "information processing" in the broadest sense of the term, ranging from fundamental theory to systems engineering. In addition, significant attention is devoted to advanced computer and communication facilities and services for the general U.S. scientific and engineering research community. Research activities include fundamental computing research, information systems applications, and microelectronics information processing systems. Service activities include access to national supercomputer centers and support for national research networking, and the research and development required to make them maximally productive.

**Program development and management.**—This activity provides for the operation, support, management, and direction of all NSF programs and activities and includes necessary funds to develop, manage, and coordinate these program activities.

Object Classification (in thousands of dollars)

Identification code 49-0100-0-1-251	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	39,342	41,210	44,200
11.3 Other than full-time permanent .....	6,436	6,620	7,175
11.5 Other personnel compensation .....	1,114	990	1,330
11.8 Special personal services payments .....	246	250	250
11.9 Total personnel compensation .....	47,138	49,070	52,955
12.1 Personnel benefits: Civilian .....	5,355	6,350	9,325
21.0 Travel and transportation of persons .....	2,608	3,500	3,799
22.0 Transportation of things .....	216	225	251
23.1 Rental payments to GSA .....	4,673	6,067	7,138
23.3 Communications, utilities, and miscellaneous charges .....	2,996	3,633	6,142
24.0 Printing and reproduction .....	575	535	535

25.0 Other services .....	157,133	171,207	198,500
26.0 Supplies and materials .....	640	830	1,000
31.0 Equipment .....	3,663	3,715	7,285
41.0 Grants, subsidies, and contributions .....	1,072,316	1,162,490	1,348,070
99.0 Subtotal, direct obligations .....	1,297,313	1,407,622	1,635,000
99.0 Reimbursable obligations .....	29,245	38,000	38,000
99.9 Total obligations .....	1,326,558	1,445,622	1,673,000

Personnel Summary

Total number of full-time permanent positions .....	1,006	1,112	1,142
Total compensable workyears:			
Full-time equivalent employment .....	1,124	1,174	1,204
Full-time equivalent of overtime and holiday hours .....	4	4	4

UNITED STATES ANTARCTIC PROGRAM ACTIVITIES

For necessary expenses in carrying out the research and operational support for the United States Antarctic Program pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875); maintenance and operation of aircraft and purchase of flight services for research and operations support; maintenance and operation of research ships and charter or lease of ships for research and operations support; hire of passenger motor vehicles; not to exceed **[\$1,000] \$1,500** for official reception and representation expenses; **[\$117,000,000,] \$143,000,000**, to remain available until expended: *Provided*, That receipts for support services and materials provided to individuals for non-Federal activities may be credited to this appropriation: *Provided further*, That no funds in this account shall be used for the purchase of aircraft. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 49-0200-0-1-251	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 U.S. Antarctic research program .....	11,016	12,500	13,500
00.02 Operations support .....	99,145	104,581	129,500
10.00 Total obligations .....	110,161	117,081	143,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-31		
21.40 Unobligated balance available, start of year .....	-59	-81	
24.40 Unobligated balance available, end of year .....	81		
40.00 Budget authority (appropriation) .....	110,151	117,000	143,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	110,161	117,081	143,000
72.40 Obligated balance, start of year .....	107,876	61,130	66,211
74.40 Obligated balance, end of year .....	-61,130	-66,211	-72,211
78.00 Adjustments in unexpired accounts .....	-31		
90.00 Outlays .....	156,875	112,000	137,000

**U.S. Antarctic program.**—The Foundation manages the U.S. program in the Antarctic and supports a multi-disciplinary research program on weather and climate, earth sciences, glaciology and other physical and biological characteristics of Antarctica and its surrounding seas. This activity is the major expression of U.S. interest and presence in Antarctica.

**Operations support.**—Logistical support, including aircraft, helicopters and vessels and living accommodations at three Antarctic bases, is provided.

Object Classification (in thousands of dollars)			
Identification code	1986 actual	1987 est.	1988 est.
49-0200-0-1-251			
25.0 Other services.....	98,323	104,551	128,000
41.0 Grants, subsidies, and contributions.....	11,838	12,530	15,000
99.9 Total obligations.....	110,161	117,081	143,000

**[SCIENTIFIC ACTIVITIES OVERSEAS]**

**[ (SPECIAL FOREIGN CURRENCY PROGRAM) ]**

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for scientific activities, as authorized by law, \$700,000, to remain available until September 30, 1988: *Provided*, That this appropriation shall be available in addition to other appropriations to the National Science Foundation for payments in the foregoing currencies.]

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)			
Identification code	1986 actual	1987 est.	1988 est.
49-0102-0-1-251			
<b>Program by activities:</b>			
10.00 Total obligations.....	1,098	725	
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-232		
21.40 Unobligated balance available, start of year.....	-2	-25	
24.40 Unobligated balance available, end of year.....	25		
25.00 Unobligated balance lapsing.....	68		
40.00 Budget authority (appropriation).....	957	700	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,098	725	
72.40 Obligated balance, start of year.....	7,745	5,454	4,179
74.40 Obligated balance, end of year.....	-5,454	-4,179	-2,179
77.00 Adjustments in expired accounts.....	-1,158		
78.00 Adjustments in unexpired accounts.....	-232		
90.00 Outlays.....	1,999	2,000	2,000

The special foreign currency program utilizes U.S.-owned excess currencies in certain foreign countries to support cooperative scientific projects, seminars, and the travel of U.S. and foreign scientists involved in mutually beneficial efforts. Payments for this program are made in foreign currencies which the Department of the Treasury determines to be excess to the requirements of the United States. This program will be terminated at the end of FY 1987.

Object Classification (in thousands of dollars)			
Identification code	1986 actual	1987 est.	1988 est.
49-0102-0-1-251			
21.0 Travel and transportation of persons.....	64	40	
25.0 Other services.....	58	35	
41.0 Grants, subsidies, and contributions.....	976	650	
99.9 Total obligations.....	1,098	725	

**SCIENCE AND ENGINEERING EDUCATION ACTIVITIES**

For necessary expenses in carrying out science and engineering education programs and activities pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), including award of graduate fellowships, services as authorized by 5 U.S.C. 3109, and rental of conference rooms in the District of Columbia, [\$99,000,000] \$115,000,000, to remain available until September 30, [1988] 1989: *Provided*, That to the extent that

the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally. (*Additional authorizing legislation to be proposed.*)

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)			
Identification code	1986 actual	1987 est.	1988 est.
49-0106-0-1-251			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Research career development.....	25,938	27,300	36,000
00.02 Materials development and informal science education.....	21,423	26,025	26,000
00.03 Teacher preparation and enhancement.....	26,257	30,500	36,000
00.04 Research, studies and program assessment.....	5,718	5,711	7,500
00.05 College science instrumentation.....	5,259	9,500	9,500
00.91 Total direct program.....	84,595	99,036	115,000
01.01 Reimbursable program.....	2,100	5,000	5,000
10.00 Total obligations.....	86,695	104,036	120,000
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-2,100	-5,000	-5,000
17.00 Recovery of prior year obligations.....	-21		
21.40 Unobligated balance available, start of year.....	-31,494	-36	
24.40 Unobligated balance available, end of year.....	36		
25.00 Unobligated balance lapsing.....	45		
40.00 Budget authority (appropriation).....	53,161	99,000	115,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	84,595	99,036	115,000
72.40 Obligated balance, start of year.....	105,812	115,903	119,939
74.40 Obligated balance, end of year.....	-115,903	-119,939	-131,939
77.00 Adjustments in expired accounts.....	-332		
78.00 Adjustments in unexpired accounts.....	-21		
90.00 Outlays.....	74,151	95,000	103,000

The major science and engineering education activities of the Foundation are:

**Research career development.**—Promotes the future strength of the Nation's scientific endeavors by awarding graduate research fellowships to some of the most promising graduate students in science and engineering, and by supporting enrichment activities for talented high school students.

**Materials development and informal science education.**—Promotes improvement in science and mathematics education for the Nation's schools through the development of instructional materials for students and teachers, and through development of programs of informal science education using museums, the media and other out-of-school organizations.

**Teacher preparation and enhancement.**—Focuses on upgrading the quality of faculty and the teaching of science and mathematics across the Nation. Supports projects for pre-professional programs, continuing education, and professional development of teachers, and the Presidential Awards for Excellence in Science and Mathematics teaching. Supports development of resource centers at institutions with significant minority enrollment and other model programs for women, minorities and the handicapped.

**Research, studies and program assessment.**—Supports research to better understand the process of teaching and learning, and supports studies and analyses to provide a systematic and current understanding of the condition of science and mathematics education in the United States.

General and special funds—Continued

SCIENCE AND ENGINEERING EDUCATION ACTIVITIES—Continued

*College science instrumentation.*—Assists in strengthening science and engineering instruction at the Nation's undergraduate colleges through support for modern scientific equipment to upgrade teaching laboratories.

Object Classification (in thousands of dollars)

Identification code 49-0106-0-1-251	1986 actual	1987 est.	1988 est.
Direct obligations:			
25.0 Other services.....	3,395	3,961	5,000
41.0 Grants, subsidies, and contributions.....	81,200	95,075	110,000
99.0 Subtotal, direct obligations.....	84,595	99,036	115,000
99.0 Reimbursable obligations.....	2,100	5,000	5,000
99.9 Total obligations.....	86,695	104,036	120,000

Trust Funds

DONATIONS

Program and Financing (in thousands of dollars)

Identification code 49-8960-0-7-251	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Ocean drilling programs.....	12,518	15,000	4,900
00.02 Gifts and donations.....	284	200	75
00.03 U.S.-Spain scientific and technological program.....	72	75	25
10.00 Total obligations.....	12,874	15,275	5,000
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-261		
21.40 Unobligated balance available, start of year.....	-1,126	-1,779	
24.40 Unobligated balance available, end of year.....	1,779		
60.00 Budget authority (appropriation) (permanent, indefinite).....	13,266	13,496	5,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	12,874	15,275	5,000
72.40 Obligated balance, start of year.....	7,230	12,323	22,598
74.40 Obligated balance, end of year.....	-12,323	-22,598	-22,598
78.00 Adjustments in unexpired accounts.....	-261		
90.00 Outlays.....	7,520	5,000	5,000

Activities funded are:

U.S. dollars which are advanced from foreign governments as contributions to the cost of the international phase of ocean drilling (IPOD) under the National Science Foundation ocean drilling programs.

Gifts and donations are used for costs associated with meetings for visiting foreign scientists and certain special functions of the National Science Board. These funds are not otherwise available.

Complementary Agreement Seven of the Agreement on Friendship, Defense and Cooperation, between the United States and Spain, provides for the establishment of a research grant program to promote cooperative efforts in basic research between these countries. Principal activities supported include: cooperative research, joint seminars, exchange of senior scientists and short-term research development visits.

Object Classification (in thousands of dollars)

Identification code 49-8960-0-7-251	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....	25	30	25
24.0 Printing and reproduction.....	327	380	125
25.0 Other services.....	12,522	14,865	4,850
99.9 Total obligations.....	12,874	15,275	5,000

NATIONAL TRANSPORTATION SAFETY BOARD

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902), **[\$22,240,000] \$23,560,000**, of which not to exceed \$500 may be used for official reception and representation expenses. (Additional authorizing legislation to be proposed.)

Note.—Public Laws 99-500 and 99-591, section 101(d), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 95-0310-0-1-407	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Policy and direction.....	2,564	2,670	2,830
00.02 Accident investigation.....	10,185	10,610	11,240
00.03 Technology.....	4,922	5,130	5,430
00.04 Safety programs.....	1,475	1,540	1,630
00.05 Administration.....	1,544	1,610	1,710
00.06 Administrative law judges.....	651	680	720
10.00 Total obligations.....	21,341	22,240	23,560
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	21,341	22,240	23,560
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	21,341	22,240	23,560
72.40 Obligated balance, start of year.....	2,221	2,498	2,547
74.40 Obligated balance, end of year.....	-2,498	-2,547	-2,551
77.00 Adjustments in expired accounts.....	203		
90.00 Outlays.....	21,268	22,190	23,556

The National Transportation Safety Board, as an independent nonregulatory agency, is charged with promoting transportation safety through the investigation of accidents, the conduct of special studies, the development of recommendations to prevent accidents, the evaluation of the effectiveness of other Government agencies in preventing transportation accidents, and the review of appeals on actions taken against transportation certificates and licenses.

*Policy and direction.*—This activity provides Board-wide policy and program guidance, the determination of probable cause of transportation accidents, the issuance of safety recommendations, the approval of accident reports, the final review of appeals involving airman and seaman certificates and licenses, the implementation and direction of policies and programs, liaison with the Congress and other Government agencies, and legal and public affairs advice and services.

*Accident investigation.*—This activity provides for the management of accident investigations, the development of their probable cause, the development of rec-

ommendations, and the preparation of reports on aviation, railroad, highway, marine, pipeline, and hazardous materials accidents.

**Technology.**—This activity provides specialized advice and services for the Board's accident investigation, accident prevention, and safety promotion activities in the areas of human, vehicular, environmental, and operational factors. It develops recommendations, provides laboratory support, and conducts special investigations.

**Safety programs.**—This activity provides oversight of other transportation agencies through the conduct of evaluations of their safety programs. This activity also provides oversight of transportation systems through the conduct of safety studies. In addition, it manages the development and follow-up of the Board's safety recommendations and the Board's responses to Notices of Proposed Rulemaking. It provides statistical analysis of transportation accident and incident data, and it acts as program manager for some of the Board's safety objectives to insure action is taken on certain transportation safety problems not being addressed by Government or industry.

**Administration.**—This activity provides administrative support to assure accomplishment of Board programs through financial management, personnel management and training, procurement and facilities services, automated data processing services, equal employment opportunity, and other administrative support.

**Administrative law judges.**—These judges conduct hearings on appeal from the suspension, amendment, modification, revocation, or denial of any operating certificate or license issued by the Secretary of Transportation under the Federal Aviation Act of 1958.

SELECTED WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Major accident investigation reports.....	36	36	34
Other accident investigation reports.....	5,966	3,686	3,505
Safety recommendations.....	538	400	380
Safety studies.....	8	8	7
Certificate and license appeals.....	789	730	695

The 1986 workload data presented in the preceding table reflects a major effort to substantially reduce a backlog of cases, which accounts for its higher levels.

Object Classification (in thousands of dollars)

Identification code 95-0310-0-1-407	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	12,664	13,249	13,108
11.3 Other than full-time permanent.....	240	144	194
11.5 Other personnel compensation.....	535	413	500
11.8 Special personal services payments.....	15	15	15
11.9 Total personnel compensation.....	13,454	13,821	13,817
12.1 Personnel benefits: Civilian.....	1,644	2,080	2,512
21.0 Travel and transportation of persons.....	1,131	1,159	1,237
22.0 Transportation of things.....	84	64	87
23.1 Rental payments to GSA.....	1,222	1,761	2,066
23.2 Rental payments to others.....	71	75	88
23.3 Communications, utilities, and miscellaneous charges.....	941	933	967
24.0 Printing and reproduction.....	415	411	409
25.0 Other services.....	1,569	1,665	1,647
26.0 Supplies and materials.....	219	225	226
31.0 Equipment.....	590	45	503
42.0 Insurance claims and indemnities.....	1	1	1
99.9 Total obligations.....	21,341	22,240	23,560

Personnel Summary

Total number of full-time permanent positions.....	351	351	351
Total compensable workyears:			
Full-time equivalent employment.....	323	324	324
Full-time equivalent of overtime and holiday hours.....	8	8	8

EMERGENCY FUND

Program and Financing (in thousands of dollars)

Identification code 95-0311-0-1-407	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....			
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-649	-649	-649
24.40 Unobligated balance available, end of year.....	649	649	649
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
72.40 Obligated balance, start of year.....	351	60	
74.40 Obligated balance, end of year.....	-60		
90.00 Outlays.....	291	60	

The National Transportation Safety Board is mandated by Congress to investigate all catastrophic transportation accidents and, therefore, has no control over the frequency of costly accident investigations. The emergency fund provides a funding mechanism by which periodic accident investigation cost fluctuations can be met without delaying critical phases of the investigations.

NEIGHBORHOOD REINVESTMENT CORPORATION

Federal Funds

General and special funds:

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101-8107), **[\$19,000,000] \$18,669,000.**

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 82-1300-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	17,669	19,000	18,669
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	17,669	19,000	18,669
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	17,669	19,000	18,669
90.00 Outlays.....	17,669	19,000	18,669

The major activities of the Corporation include the establishment of Neighborhood Partnership Programs, providing technical services to, and assistance in the expansion to other neighborhoods of Neighborhood Housing Services (NHS), including multi-family housing strategies, in older, declining residential neighborhoods;

General and special funds—Continued

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION—Continued

identifying, evaluating, and supporting neighborhood preservation projects that show promise as strategies for reversing neighborhood decline; replicating successful neighborhood preservation projects; and, promoting a national secondary market for local NHS revolving loan funds.

The Corporation receives both Federal and non-Federal funding to finance its program activities. The program and financing schedule above reflects only direct Federal appropriations to the Corporation. For 1988, \$18,669,000 is requested. The following business-type tables reflect the total program activity of the Corporation and include all sources of financing, both Federal and non-Federal.

BUDGET ACTIVITY

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Neighborhood Partnership Programs:			
1. Establishing new, supplementing existing programs.....	12,782	14,117	13,575
2. Research and pilot replication.....	1,840	2,309	2,177
3. General administration.....	4,576	4,730	4,600
<b>Total corporate obligations.....</b>	<b>19,198</b>	<b>21,156</b>	<b>20,352</b>
Sources of financing:			
1. Federal appropriation.....	17,669	19,000	18,669
2. Payments from other entities.....	400		
3. Reimbursements for services provided.....	341	775	775
4. Other sources.....	1,155	1,089	708
Unused balance, start of year.....	125	492	200
Net obligations incurred.....	19,198	21,156	20,352
Unused balance, end of year.....	-492	-200	
Obligated balances, start of year.....	3,376	4,371	3,400
Obligated balances, end of year.....	4,371	3,400	3,200
<b>Net corporate outlay.....</b>	<b>18,203</b>	<b>22,127</b>	<b>20,552</b>

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue.....	19,510	20,664	20,352
Expense.....	19,137	21,125	20,326
<b>Net gain (loss) for the year.....</b>	<b>373</b>	<b>-461</b>	<b>26</b>

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance.....	3,968	5,748	3,685	3,490
Receivables.....	814	854	1,265	1,260
Property and equipment.....	521	443	474	500
Other assets.....	207	144	150	150
<b>Total assets.....</b>	<b>5,510</b>	<b>7,189</b>	<b>5,574</b>	<b>5,400</b>
<b>Liabilities:</b>				
Accounts payable.....	1,334	1,679	1,500	1,500
Other liabilities.....	3,614	4,575	3,600	3,400
<b>Total liabilities.....</b>	<b>4,948</b>	<b>6,254</b>	<b>5,100</b>	<b>4,900</b>
<b>Analysis of change in corporate equity:</b>				
Opening balance.....	822	562	935	474
Net change.....	-260	373	-461	26
<b>Closing balance.....</b>	<b>562</b>	<b>935</b>	<b>474</b>	<b>500</b>

Object Classification of Corporation Obligations (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Salaries and benefits.....	8,254	8,790	9,100
Occupancy.....	1,249	1,255	1,270
Professional services.....	509	738	738
Travel and transportation of persons.....	1,580	1,686	1,786
Conferences and workshops.....	244	383	250
Telephone, postage and delivery.....	764	655	675
Printing and supplies.....	366	443	450
Grants and grant commitments.....	4,828	5,277	4,145
Other general and administrative.....	662	659	643
Local project development.....	742	1,270	1,295
<b>Total obligations.....</b>	<b>19,198</b>	<b>21,156</b>	<b>20,352</b>

Personnel Summary

	1986 actual	1987 est.	1988 est.
<b>Non-Federal employees:</b>			
Total number of full-time permanent positions.....	208	215	217
Total compensable workyears:			
Full-time equivalent employment.....	201	208	210
Full-time equivalent of overtime and holiday hours.....	8	8	8

NUCLEAR REGULATORY COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act, as amended, including the employment of aliens; services authorized by section 3109 of title 5, United States Code; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms, official representation expenses (not to exceed \$8,000, \$20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, \$401,000,000, \$427,800,000, to remain available until expended: *Provided*, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That moneys received by the Commission for the cooperative nuclear safety research program and the material and information access authorization programs including criminal history checks under Section 149 of the Atomic Energy Act, as amended, may be retained and used for salaries and expenses associated with those programs, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
31-0200-0-1-276			
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Nuclear reactor regulation.....	79,848	80,810	82,115
00.02 Inspection and enforcement.....	94,398	100,571	106,290
00.03 Nuclear material safety and safeguards.....	38,532	40,423	40,175
00.04 Nuclear regulatory research.....	123,785	111,685	118,860
00.05 Program technical support.....	31,286	33,644	33,302
00.06 Program direction and administration.....	42,054	43,141	47,058
00.91 Total direct program.....	409,903	410,274	427,800
01.01 Reimbursable program.....	131	1,800	2,500
10.00 Total obligations.....	410,034	412,074	430,300
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-189	-1,788	-2,500
17.00 Recovery of prior year obligations.....	-5,793		
21.40 Unobligated balance available, start of year.....	-13,312	-9,286	

24.40	Unobligated balance available, end of year.....	9,286		
40.00	<b>Budget authority (appropriation).....</b>	<b>400,026</b>	<b>401,000</b>	<b>427,800</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	409,845	410,286	427,800
72.40	Obligated balance, start of year.....	136,913	120,020	118,806
74.40	Obligated balance, end of year.....	-120,020	-118,806	-123,606
78.00	Adjustments in unexpired accounts.....	-5,793		
90.00	<b>Outlays.....</b>	<b>420,945</b>	<b>411,500</b>	<b>423,000</b>

**Nuclear reactor regulation.**—The primary objective of the Nuclear Reactor Regulatory Program is to regulate the safe operation of nuclear power reactors including the review of applications and issuance of licenses for nuclear power reactors. This program is carried out to ensure that the design, siting, construction and on-going operations are conducted in a manner which adequately protects the public health and safety and the environment. The program's emphasis continues to shift from reviews of applications for nuclear power plant construction to the review of plant operation and maintenance of over 100 existing, licensed nuclear power reactors. This program also involves the evaluation and resolution of technical issues that provide necessary improvements in reactor safety; the licensing of reactor operators; the review, evaluation and approval of standard plant criteria and designs; the review and evaluation of advanced reactor concepts and designs that are proposed by the Department of Energy and/or private industry; and the regulatory oversight of the cleanup operations at Three Mile Island Unit 2.

**Inspection and enforcement.**—The primary objective of the Inspection Program is to ensure that nuclear reactors, fuel facilities and material licensees under Nuclear Regulatory Commission jurisdiction are constructed, operated and used in a manner which protects the public health and safety and the environment. Enforcement action is taken against licensees who do not comply with the Nuclear Regulatory Commission's regulations. In addition to routine periodic inspection on specific areas of licensee operation or construction, the inspection program also systematically assesses the performance of reactor and fuel facility licensees. Emphasis is placed on understanding the reasons for licensee performance, sharing the information with the licensee and focusing agency inspections accordingly. A formal assessment report is issued for each licensee every twelve to eighteen months. In addition, the Nuclear Regulatory Commission maintains an emergency Operations Center, to receive calls of reportable events and to determine the appropriate immediate action.

**Nuclear material safety and safeguards.**—The primary objective of the Nuclear Material Safety and Safeguards Program is to ensure that all non-reactor activities and all safeguards activities regulated by the Nuclear Regulatory Commission are conducted in a manner which adequately protects the public health and safety and the environment. This program regulates activities ranging from very complex operations, such as the disposal of high-level radioactive waste in deep geologic repositories, the manufacturing of reactor fuel and the production of medical radiopharmaceuticals, to relatively simple operations, such as the use of

small quantities of radioisotopes in medical diagnostics. The Safeguards Program is designed to ensure that licensee activities are adequate to deter and protect against threats of radiological sabotage and threats of theft or diversion of special nuclear material both at facilities and during transport. The Nuclear Material Safety and Safeguards program affects almost 10,000 licensees across the United States.

Major emphasis during 1988 will continue to be placed on implementation of the Uranium Mill Tailings Radiation Control Act of 1978, the Nuclear Waste Policy Act of 1982, and the Low-Level Radioactive Waste Policy Act of 1980, as amended in 1985.

**Nuclear Regulatory Research.**—The primary objective of the Nuclear Regulatory Research Program is to provide independently verified safety information which forms a sound technical basis for rulemaking and regulatory decisions regarding the licensing and safe operation of nuclear power reactors and other nuclear facilities. The research program emphasizes the early identification of potential safety problems with operating reactors and the development of criteria for the safe disposal of nuclear waste.

The research program is conducted in the following six major areas: aging and degradation of materials in nuclear power reactors; complex operational reactor coolant accidents and events; consequences and risk of severe accidents; risk and reliability research; seismic analysis; and nuclear waste disposal.

		Object Classification (in thousands of dollars)		
Identification code 31-0200-0-1-276		1986 actual	1987 est.	1988 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	146,592	149,171	143,728
11.3	Other than full-time permanent .....	3,813	3,905	3,763
11.5	Other personnel compensation .....	2,717	2,812	2,709
11.8	Special personal services payments.....	285	312	300
11.9	Total personnel compensation .....	153,407	156,200	150,500
12.1	Personnel benefits: Civilian .....	18,520	19,593	18,070
13.0	Benefits for former personnel .....	30	30	30
21.0	Travel and transportation of persons .....	10,070	9,920	10,970
22.0	Transportation of things.....	660	650	720
23.1	Rental payments to GSA.....	10,081	9,930	10,980
23.2	Rental payments to others.....	1,116	1,100	1,210
23.3	Communications, utilities, and miscellaneous charges...	12,543	12,360	13,660
24.0	Printing and reproduction .....	2,662	2,620	2,900
25.0	Other services.....	194,446	191,596	211,820
26.0	Supplies and materials.....	3,712	3,660	4,050
31.0	Equipment.....	1,725	1,700	1,800
41.0	Grants, subsidies, and contributions .....	906	890	980
42.0	Insurance claims and indemnities .....	25	25	30
99.0	Subtotal, direct obligations .....	409,903	410,274	427,800
99.0	Reimbursable obligations .....	131	1,800	2,500
99.9	Total obligations .....	410,034	412,074	430,300

Personnel Summary			
Total number of full-time permanent positions.....	3,283	3,245	3,185
Total compensable workyears:			
Full-time equivalent employment .....	3,445	3,369	3,250
Full-time equivalent of overtime and holiday hours .....	68	68	68

**OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For the expenses necessary for the Occupational Safety and Health Review Commission, **[\$5,750,000] \$6,232,000.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 95-2100-0-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Commission review.....	2,208	2,394	2,571
00.02 Administrative law judge determinations.....	2,061	2,229	2,409
00.03 Executive direction.....	1,043	1,127	1,252
10.00 Total obligations.....	5,312	5,750	6,232
<b>Financing:</b>			
25.00 Unobligated balance lapsing.....	335		
40.00 Budget authority (appropriation).....	5,647	5,750	6,232
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	5,312	5,750	6,232
72.40 Obligated balance, start of year.....	569	511	615
74.40 Obligated balance, end of year.....	-511	-615	-647
77.00 Adjustments in expired accounts.....	-88		
90.00 Outlays.....	5,282	5,646	6,200

The Review Commission, established by the Occupational Safety and Health Act of 1970, adjudicates contested enforcement actions of the Secretary of Labor. The Commission holds factfinding hearings and issues orders affirming, modifying, or vacating the Secretary's enforcement actions.

**SELECTED WORKLOAD DATA**

	1986 actual	1987 est.	1988 est.
<b>Commission review activities:</b>			
Cases pending beginning of year.....	96	65	50
Cases called for review.....	45	55	64
Cases decided.....	76	70	85
<b>Administrative law judge activities:</b>			
Cases pending beginning of year.....	651	807	852
New cases received.....	1,674	1,670	1,800
<b>Case dispositions:</b>			
Prior to assignment to judge.....	83	110	130
After assignment but without hearing.....	1,246	1,310	1,380
Heard and decided by judge.....	189	205	220

**Object Classification (in thousands of dollars)**

Identification code 95-2100-0-1-554	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	3,540	3,812	3,997
11.5 Other personnel compensation.....	10	31	25
11.9 Total personnel compensation.....	3,550	3,843	4,022
12.1 Personnel benefits: Civilian.....	376	521	741
13.0 Benefits for former personnel.....	2		
21.0 Travel and transportation of persons.....	103	123	127
22.0 Transportation of things.....		2	2
23.1 Rental payments to GSA.....	689	585	682
23.3 Communications, utilities, and miscellaneous charges.....	74	104	104
24.0 Printing and reproduction.....	10	20	10
25.0 Other services.....	317	423	419
26.0 Supplies and materials.....	98	105	100
31.0 Equipment.....	93	24	25
99.9 Total obligations.....	5,312	5,750	6,232

**Personnel Summary**

Total number of full-time permanent positions.....	90	81	90
Total compensable workyears: Full-time equivalent employment.....	78	90	90

**PANAMA CANAL COMMISSION**

*Federal Funds*

**General and special funds:**

**[OPERATING EXPENSES] OPERATIONS AND FACILITIES\***

\*See Part II for additional information.

For operating expenses necessary for the Panama Canal Commission, including hire of passenger motor vehicles and aircraft; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5908), not to exceed **[\$9,000] \$10,000** for official reception and representation expenses of the Board; operation of guide services; residence for the Administrator, disbursements by the Administrator for employee and community projects; not to exceed **[\$3,000] \$5,000** for official reception and representation expenses of the Secretary; not to exceed **[\$24,000] \$28,000** for official reception and representation expenses of the Administrator; and to employ services as authorized by law (5 U.S.C. 3109); **[\$409,770,000] \$467,050,000**, to be derived from the Panama Canal Commission Fund: *Provided*, That there may be credited to this appropriation funds received from the Panama Canal Commission's capital outlay account for expenses incurred for supplies and services provided for capital projects.

**[CAPITAL OUTLAY]**

**[For]** Of the amount appropriated in the preceding paragraph, **\$37,000,000** shall remain available until expended for acquisition, construction, replacement, and improvement of facilities, structures, and equipment required by the Panama Canal Commission, including the purchase of not to exceed **[forty-one] 42** passenger motor vehicles for replacement only (including large heavy-duty vehicles used to transport Commission personnel across the Isthmus of Panama, the purchase price of which shall not exceed \$14,000 per vehicle); and to employ services authorized by law (5 U.S.C. 3109) **[\$24,403,000]**, to be derived from the Panama Canal Commission Fund and to remain available until expended].

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year.....	180,787	167,715	168,656
Collections and offsetting receipts:			
Tolls and other revenues:			
Current law.....	436,961	449,527	463,409
Proposed legislation.....			-463,409
Total available for appropriation.....	617,748	617,242	168,656
Appropriation:			
Current law.....	-444,084	-434,173	-467,050
Proposed legislation.....			467,050
Appropriation (P.L. 99-155):			
Current law.....	-6,450	-6,400	-13,500
Proposed legislation.....			13,500
Proposed appropriation to revolving fund.....			-168,656
Supplemental appropriation request.....		-8,013	
Unobligated balance returned to unappropriated offsetting receipts	6,009		
Prior year obligation.....	-5,509		
Unappropriated balance, end of year.....	167,715	168,656	

**Program and Financing (in thousands of dollars)**

Identification code 95-5190-0-2-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Operating expenses:</b>			
00.01 Transit operations.....	284,050	278,952	285,521
00.02 Supply and logistics services.....	58,850	56,750	67,031
00.03 Administrative and general expense.....	50,609	54,508	57,938

00.04	Interest expense .....	4,838	6,400	13,500
00.05	Special retirement costs .....	19,560	19,560	19,560
00.60	Contingency payment to Panama .....	1,119		
00.91	Total direct program .....	419,025	416,170	443,550
01.01	Reimbursable program .....	1,851	2,273	2,408
01.92	Total operating expenses .....	420,876	418,443	445,958
	Capital investment:			
02.01	Transit operation projects .....	16,004	20,707	25,180
02.02	General support projects .....	5,103	6,406	6,840
02.03	Utilities projects .....	5,046	3,790	4,480
02.91	Total capital investment .....	26,153	30,903	36,500
10.00	Total obligations .....	447,029	449,346	482,458
	Financing:			
11.00	Offsetting collections from: Federal funds .....	-1,851	-2,273	-2,408
17.00	Recovery of prior year obligations .....	-450		
21.40	Unobligated balance available, start of year .....	-19,373	-19,170	-12,670
24.40	Unobligated balance available, end of year .....	19,170	12,670	13,170
25.00	Unobligated balance lapsing .....	6,009		
39.00	Budget authority .....	450,534	440,573	480,550
	Budget authority:			
	Current:			
40.00	Appropriation (special fund) .....	444,084	434,173	467,050
40.00	Appropriation (indefinite, special fund, P.L. 99-195) .....	6,450		
	Permanent:			
60.00	Appropriation (indefinite, special fund, P.L. 99-195) .....		6,400	13,500
	Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	445,178	447,073	480,050
72.40	Obligated balance, start of year .....	58,590	96,973	83,822
74.40	Obligated balance, end of year .....	-96,973	-83,822	-86,372
77.00	Adjustments in expired accounts .....	5,474		
78.00	Adjustments in unexpired accounts .....	-450		
90.00	Outlays .....	411,819	460,224	477,500

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	450,534	440,573	480,550
Outlays .....	411,819	460,224	477,500
Supplemental under existing legislation:			
Budget authority .....		8,013	
Outlays .....		8,013	
Proposed legislation: Special fund:			
Budget authority .....			-480,550
Outlays .....			-477,500
Proposed legislation: Revolving fund:			
Budget authority .....			168,656
Outlays .....			75,809
Total:			
Budget authority .....	450,534	448,586	168,656
Outlays .....	411,819	468,237	75,809

The Panama Canal Act of 1979 established the Panama Canal Commission to operate and maintain the interoceanic waterway. The Commission is self-sufficient in its operations and makes payments to the Republic of Panama as specified in the Panama Canal Treaty of 1977.

**Budget program—Transit operations.**—The services performed by this activity are (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Maintenance of channels and dams .....	40,289	45,027	40,197
Navigation service and control .....	70,870	74,465	77,919
Lock operations .....	49,320	48,685	51,360
General repairs, engineering, and maintenance services .....	56,379	52,826	53,946
Fire and facility protection services .....	9,823	10,779	11,366
Public service payments to Panama .....	10,000	10,000	10,000
Payments to Panama .....	66,960	68,497	69,551
General canal expense .....	19,532	20,546	20,380
Total operating expenses .....	323,173	330,825	334,719

Less intra-agency recoveries .....	-34,817	-31,214	-32,290
Net operating expenses .....	288,356	299,611	302,429

Annuity payments to Panama are for certain public services to be provided by Panama, a fixed annuity of \$10 million, and an annuity based on net tonnage of vessels transiting the canal. These payments are prescribed in paragraph 5 of article III and paragraph 4(a) and 4(b) of article XIII of the Panama Canal Treaty of 1977.

In 1988, the Transit Reservation System, which is designed to finance partially the capital program, is projected to generate \$7.0 million. Vessel traffic volume and other indices of workload are as follows:

	1986 actual	1987 est.	1988 est.
Ship transits (over 300 net Panama Canal tons) .....	12,023	12,260	12,365
Tolls (in thousands of dollars) .....	322,734	333,000	339,000

Capital obligations for 1988 include the following major projects: replacement of one tugboat, replacement of two diesel cranes, replacement and addition of transit equipment, installation of a fire protection system at locks facilities, replacement of transformers containing PCB at locks facilities, and other improvements to transit facilities.

**Supporting services.**—The services performed by these support activities are (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Supply and logistical services .....	35,976	35,972	36,728
Utilities .....	37,682	39,470	40,510
Other supporting services .....	17,439	11,763	11,638
Total operating expenses .....	85,097	87,205	88,876
Less intra-agency recoveries .....	-23,966	-22,525	-23,570
Net operating expenses .....	61,131	64,680	65,306

Capital obligations for 1988 include several projects for electric power and communication systems improvements.

**Administrative and general expense.**—This category includes the overall direction and administrative expenses of the Commission; the costs of the employee health benefits program; special retirement costs; the annuitant welfare program; death and disability payments; and the cost of health and education services provided to Commission employees and dependents at Department of Defense facilities. Also included is the interest expense on the investment of the U.S. Government in the Canal. Interest collected since January 1986 and thereafter is being paid into miscellaneous receipts of the U.S. Treasury. In 1988 the Panama Canal Commission is proposed to be converted to a revolving fund agency. This proposal follows this presentation.

Object Classification (in thousands of dollars)

Identification code	95-5190-0-2-403	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1 Full-time permanent .....		149,705	164,015	174,107
11.3 Other than full-time permanent .....		9,983	7,560	8,013
11.5 Other personnel compensation .....		31,849	27,828	28,815
11.8 Special personal services payments .....		216	157	154
11.9 Total personnel compensation .....		191,753	199,560	211,089
12.1 Personnel benefits: Civilian .....		21,589	22,360	24,292
13.0 Benefits for former personnel .....		21,577	21,564	21,529
21.0 Travel and transportation of persons .....		3,387	3,771	3,846
22.0 Transportation of things .....		2,402	3,739	3,327

General and special funds—Continued

[CAPITAL OUTLAY]—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	95-5190-0-2-403	1986 actual	1987 est.	1988 est.
23.1	Rental payments to GSA .....	85	89	93
23.3	Communications, utilities, and miscellaneous charges .....	4,013	4,961	4,570
24.0	Printing and reproduction .....	228	339	341
25.0	Other services .....	30,985	39,878	33,134
26.0	Supplies and materials .....	42,024	40,059	53,558
31.0	Equipment .....	19,885	22,253	22,169
32.0	Lands and structures .....	5,201	7,136	12,581
41.0	Grants, subsidies, and contributions .....	68,104	68,522	69,576
42.0	Insurance claims and indemnities .....	30,958	8,715	8,853
43.0	Interest and dividends .....	4,838	6,400	13,500
99.9	Total obligations .....	447,029	449,346	482,458

Personnel Summary

Total number of full-time permanent positions .....	7,838	8,020	8,077
Total compensable workyears:			
Full-time equivalent employment .....	8,336	8,550	8,665
Full-time equivalent of overtime and holiday hours .....	959	750	692

OPERATIONS AND FACILITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	95-5190-2-2-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
Operating expenses:				
00.01	Transit operations .....			-285,521
00.02	Supply and logistics services .....			-67,031
00.03	Administrative and general expense .....			-57,938
00.04	Interest expense .....			-13,500
00.05	Special retirement costs .....			19,560
00.91	Total direct program .....			-443,550
01.01	Reimbursable program .....			-2,408
01.92	Total operating expenses .....			-445,958
Capital investment:				
02.01	Transit operation projects .....			-25,180
02.02	General support projects .....			-6,840
02.03	Utilities projects .....			-4,480
02.91	Total capital investment .....			-36,500
10.00	Total obligations .....			-482,458
<b>Financing:</b>				
11.01	Offsetting collections from: Federal funds .....			2,408
22.40	Unobligated balance transferred, net .....			12,670
24.40	Unobligated balance available, end of year .....			-13,170
39.00	Budget authority .....			-480,550
Budget authority:				
40.00	Appropriation (current, special fund) .....			-467,050
40.00	Appropriation (indefinite, P.L. 99-195) .....			-13,500
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			-480,050
73.40	Obligated balance transferred, net .....			-83,822
74.40	Obligated balance, end of year .....			86,372
90.00	Outlays .....			-477,500

This legislative proposal reflects the effect of the change in financing in 1988 from a special fund appropriation to a revolving fund agency. All receipts in 1988 and beyond will be credited to the revolving fund account.

Object Classification (in thousands of dollars)

Identification code	95-5190-2-2-403	1986 actual	1987 est.	1988 est.
Personnel compensation:				
11.1	Full-time permanent .....			-174,107
11.3	Other than full-time permanent .....			-8,013
11.5	Other personnel compensation .....			-28,815
11.8	Special personal services payments .....			-154
11.9	Total personnel compensation .....			-211,089
12.1	Personnel benefits; Civilian .....			-24,292
13.0	Benefits for former personnel .....			-21,529
21.0	Travel and transportation of persons .....			-3,846
22.0	Transportation of things .....			-3,327
23.1	Rental payments to GSA .....			-93
23.3	Communications, utilities, and miscellaneous charges .....			-4,570
24.0	Printing and reproduction .....			-341
25.0	Other services .....			-33,134
26.0	Supplies and materials .....			-53,558
31.0	Equipment .....			-22,169
32.0	Lands and structures .....			-12,581
41.0	Grants, subsidies, and contributions .....			-69,576
42.0	Insurance claims and indemnities .....			-8,853
43.0	Interest and dividends .....			-13,500
99.9	Total obligations .....			-482,458

Personnel Summary

Total number of full-time permanent positions .....	-8,077
Total compensable workyears:	
Full-time equivalent employment .....	-8,665
Full-time equivalent of overtime and holiday hours .....	-692

OPERATIONS AND FACILITIES

(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code	95-4061-2-3-403	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Operating expenses:				
00.01	Transit operations .....			285,521
00.02	Supply and logistics services .....			67,031
00.03	Administrative and general .....			48,959
00.04	Interest expense .....			75,218
00.05	Special retirement costs .....			19,560
00.06	Contingency payment to Panama .....			
00.07	Other general expenses .....			8,979
00.91	Total operating expenses .....			505,268
Capital investment:				
02.01	Transit operation projects .....			25,180
02.02	General support projects .....			6,840
02.03	Utilities projects .....			4,480
02.91	Total capital investment .....			36,500
10.00	Total obligations .....			541,768
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources .....			-463,409
22.40	Unobligated balance transferred, net .....			-12,670
24.98	Unobligated balance available, end of period:			
	Fund balance .....			102,967
40.00	Budget authority (appropriation) .....			168,656
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....			78,359
73.40	Obligated balance transferred, net .....			83,822
74.98	Obligated balance, end of period: Fund balance .....			-86,372
90.00	Outlays .....			75,809

The Panama Canal Act of 1979 established the Panama Canal Commission to operate and maintain the interoceanic waterway. The Commission is self-sufficient in its operations and makes payments to the Republic of Panama as specified in the Panama Canal

Treaty of 1977. The Commission currently is financed by tolls deposited in a special fund, but is proposed to be financed as a revolving fund in 1988.

**Budget program—Transit operations.**—The services performed by this activity are (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Maintenance of channels and dams .....			40,197
Navigation service and control .....			77,919
Lock operations .....			51,360
General repairs, engineering, and maintenance services .....			53,946
Fire and facility protection services .....			11,366
Public service payments to Panama .....			10,000
Payments to Panama .....			69,551
General canal expense .....			20,380
<b>Total operating expenses .....</b>			<b>334,719</b>
Less intra-agency recoveries .....			-32,290
<b>Net operating expenses .....</b>			<b>302,429</b>

Annuity payments to Panama are for certain public services to be provided by Panama, a fixed annuity of \$10 million, and an annuity based on net tonnage of vessels transiting the canal. These payments are prescribed in paragraph 5 of article III and paragraph 4(a) and 4(b) of article XIII of the Panama Canal Treaty of 1977.

In 1988, the Transit Reservation System, which is designed to finance partially the capital program, is projected to generate \$7.0 million. Vessel traffic volume and other indices of workload are as follows:

	1986 actual	1987 est.	1988 est.
Ship transits (over 300 net Panama Canal tons) .....			12,365
Tolls (in thousands of dollars) .....			339,000

Capital obligations for 1988 include the following major projects: replacement of one tugboat, replacement of two diesel cranes, replacement and addition of transit equipment, installation of a fire protection system at locks facilities, replacement of transformers containing PCB at locks facilities, and other improvements to transit facilities.

**Supporting services.**—The services performed by these support activities are (in thousands of dollars):

	1986 actual	1987 est.	1988 est.
Supply and logistical services .....			36,728
Utilities .....			40,510
Other supporting services .....			11,638
<b>Total operating expenses .....</b>			<b>88,876</b>
Less intra-agency recoveries .....			-23,570
<b>Net operating expenses .....</b>			<b>65,306</b>

Capital obligations for 1988 include several projects for electric power and communication systems improvements.

**Administrative and general expenses.**—This category includes the overall direction and administrative expenses of the Commission; the costs of the employee health benefits program; special retirement costs; the annuitant welfare program; death and disability payments; and the cost of health and education services provided to Commission employees and dependents at Department of Defense facilities. Also included is the interest expense on the investment of the U.S. Government in the Canal from fiscal year 1980 to December 1985 which will be paid into the U.S. Treasury along with the interest collected in 1988.

Object Classification (in thousands of dollars)			
Identification code	95-4061-2-3-403	1986 actual	1987 est. 1988 est.
<b>Personnel compensation:</b>			
11.1	Full-time permanent .....		152,455
11.3	Other than full-time permanent .....		7,315
11.5	Other personnel compensation .....		28,330
11.8	Special personal services payments .....		120
11.9	<b>Total personnel compensation .....</b>		<b>188,220</b>
12.1	Personnel benefits: Civilian .....		13,299
13.0	Benefits for former personnel .....		21,494
21.0	Travel and transportation of persons .....		1,272
22.0	Transportation of things .....		2,321
23.3	Communications, utilities, and miscellaneous charges .....		1,790
24.0	Printing and reproduction .....		93
25.0	Other services .....		20,647
26.0	Supplies and materials .....		52,995
31.0	Equipment .....		556
41.0	Grants, subsidies, and contributions .....		69,551
42.0	Insurance claims and indemnities .....		8,853
43.0	Interest and dividends .....		75,218
93.00	Expenses under limitation .....		85,459
99.9	<b>Total obligations .....</b>		<b>541,768</b>

**Personnel Summary**

Total number of full-time permanent positions .....	7,370
Total compensable workyears:	
Full-time equivalent employment .....	7,926
Full-time equivalent of overtime and holiday hours .....	683

**Revenue and Expenses (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Operating income or loss (—):</b>			
<b>Transit operations:</b>			
Revenue .....			413,289
Expense .....			-302,429
<b>Net operating income or loss (—) transit operations .....</b>			<b>110,860</b>
<b>Supporting services:</b>			
Revenue .....			42,504
Expense .....			-65,306
<b>Net operating income or loss (—) supporting services .....</b>			<b>-22,802</b>
<b>General expenses:</b>			
Revenue .....			516
Administrative and general .....			-48,906
Interest .....			-13,500
Special retirement costs .....			-19,560
Other miscellaneous expenses .....			-6,608
<b>Net operating income or loss (—) administrative and general .....</b>			<b>-88,058</b>
<b>Net operating income, total .....</b>			

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance with Treasury .....				189,339
Accounts receivable, net .....				12,372
Inventories, net .....				44,516
Properties, plant and equipment, net .....				486,505
Other assets .....				222,243
<b>Total assets .....</b>				<b>954,975</b>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities .....				92,801
Long-term liabilities (unfunded) .....				281,750
<b>Total liabilities .....</b>				<b>374,551</b>
Reserves .....				19,990
<b>Total liabilities and reserves .....</b>				<b>394,541</b>

General and special funds—Continued

OPERATIONS AND FACILITIES—Continued

Financial Condition (in thousands of dollars)—Continued

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Government equity:</b>				
Unexpended budget authority: Unobligated balance.....				72,826
Undelivered orders:				
Operations.....				17,908
Capital outlay.....				19,191
Total unexpended budget authority.....				109,925
Invested capital.....				450,509
Total Government equity.....				560,434

LIMITATIONS ON GENERAL AND ADMINISTRATIVE EXPENSES AND CAPITAL INVESTMENT

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Administrative and general:			
1. Executive direction.....			11,148
2. Operations direction.....			2,157
3. Financial management.....			13,190
4. Personnel administration.....			4,041
5. Reimbursement to DOD for education and hospital services.....			5,851
6. Federal Employees Health Benefits Act.....			8,122
7. Employment costs.....			4,450
Subtotal administrative and general obligations.....			48,959
Capital investment:			
1. Transit operation projects.....			25,180
2. General support projects.....			6,840
3. Utilities projects.....			4,480
Subtotal capital investment obligations.....			36,500
Total obligations under limitation.....			85,459
<b>Financing:</b>			
Limitation.....			85,959
Relation of obligations to outlays:			
Obligations incurred, net.....			85,459
Obligations balance, end of year.....			-5,601
Outlays from limitation.....			79,858

The limitation on administrative and general expenses provides for salaries and expenses associated with the overall direction and administrative expenses of the Commission.

**Executive Direction.**—Executive direction provides for the management planning, direction and control of overall Commission activities and operations. Provides for Congressional liaison through the Secretary's Office in Washington, and implements policies and directives of the Commission's Board.

**Operations Direction.**—Operations direction provides for the bureau-level direction and coordination of the non-administrative operations of the Commission. Included in this function are the costs associated with administering the director's offices for the various non-administrative Commission operating activities including the Marine Bureau, Engineering and Construction Bureau, and General Services Bureau.

**Financial Management.**—The Financial Management function is responsible for the development of financial, accounting and rate-making policies; development of fi-

ancial systems and procedures; maintenance of the general books of account and the preparation of financial statements and reports; establishment of systems of internal control; collection, custody and disbursement of funds and related fiscal matters; and financial planning and manpower control.

**Personnel Administration.**—This function has the overall agency responsibility for personnel administration and management, and the joint personnel program that provides staffing services for participating federal agencies in the Panama Canal area on a cost-sharing basis.

**Reimbursement to Department of Defense for education and hospital services.**—Commission's cost for hospital and education services provided to eligible Commission employees, their dependents and certain other personnel. Also provides for a limited number of scholarships to attend the Panama Canal College.

**Employer's contributions to Federal Employees Health Benefit Act (FEHBA).**—Commission's share of premium costs for employees' health benefits insurance.

**Employment Costs.**—Included in this activity are certain employment costs of the Commission which are general in nature and not identifiable with other specific activities. The estimates include provisions for employees' states travel, repatriation and certain other statutory costs required by the U.S. Government.

The limitation on capital investment provides for projects in the capital program in the following areas:

**Transit operations.**—Capital obligations include replacement of one tugboat, replacement of two diesel cranes, replacement and addition of transit equipment, installation of a fire protection system at locks facilities, replacement of transformers containing PCB at locks facilities, and other improvements to transit facilities.

**General support.**—Capital obligations include replacement of overaged motor vehicles, improvements to Commission buildings and facilities and other replacement and addition of miscellaneous equipment.

**Utilities services.**—Capital obligations include several projects for electric power, water and communications systems improvements.

Object Classification (in thousands of dollars)

Identification code	95-4061-0-3-403	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....			21,652
11.3	Other than full-time permanent.....			698
11.5	Other personnel compensation.....			485
11.8	Special personal services payments.....			34
11.9	Total personnel compensation.....			22,869
12.1	Personnel benefits: Civilian.....			10,993
13.0	Benefits for former personnel.....			35
21.0	Travel and transportation of persons.....			2,574
22.0	Transportation of things.....			1,006
23.1	Rental payments to GSA.....			93
23.3	Communications, utilities, and miscellaneous charges.....			2,780
24.0	Printing and reproduction.....			248
25.0	Other services.....			10,079
26.0	Supplies and materials.....			563
31.0	Equipment.....			21,613
32.0	Lands and structures.....			12,581
41.0	Grants, subsidies, and contributions.....			25

93.0	Limitation expenses included in schedule of fund as a whole.....			-85,459
99.0	Total obligations subject to limitation.....			

**Personnel Summary**

Total number of full-time permanent positions.....	707
Total compensable workyears:	
Full-time equivalent employment.....	739
Full-time equivalent of overtime and holidays.....	9

**PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION**

*Federal Funds*

**General and special funds:**

**SALARIES AND EXPENSES**

For necessary expenses, as authorized by section 17(a) of Public Law 92-578, as amended, **[\$2,397,000] \$2,531,000**, for operating and administrative expenses of the Corporation. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

**Program and Financing (in thousands of dollars)**

Identification code	42-0100-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	2,192	2,397	2,531
<b>Financing:</b>				
25.00	Unobligated balance lapsing.....	23		
40.00	<b>Budget authority (appropriation).....</b>	<b>2,215</b>	<b>2,397</b>	<b>2,531</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	2,192	2,397	2,531
72.40	Obligated balance, start of year.....	376	404	608
74.40	Obligated balance, end of year.....	-404	-608	-853
77.00	Adjustments in expired accounts.....	-3		
90.00	<b>Outlays.....</b>	<b>2,161</b>	<b>2,193</b>	<b>2,286</b>

This appropriation provides funds for the Corporation's basic operating expenses that are not directly related to land acquisition and development activities.

**Objection Classification (in thousands of dollars)**

Identification code	42-0100-0-1-451	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	1,152	1,300	1,328
11.3	Other than full-time permanent.....	77	50	50
11.5	Other personnel compensation.....	28	30	30
11.9	Total personnel compensation.....	1,257	1,380	1,408
12.1	Personnel benefits: Civilian.....	136	175	276
21.0	Travel and transportation of persons.....	9	20	20
22.0	Transportation of things.....		2	2
23.1	Rental payments to GSA.....	260	260	275
23.3	Communications, utilities, and miscellaneous charges.....	50	60	60
24.0	Printing and reproduction.....	68	65	65
25.0	Other services.....	317	340	355
26.0	Supplies and materials.....	35	45	45
31.0	Equipment.....	60	50	25
99.9	Total obligations.....	2,192	2,397	2,531

**Personnel Summary**

Total number of full-time permanent positions.....	36	36	33
Total compensable workyears: Full-time equivalent employment.....	37	36	34

**PUBLIC DEVELOPMENT**

For public development activities and projects in accordance with the development plan as authorized by section 17(b) of Public Law 92-578, as amended, **[\$3,924,000] \$3,000,000**, to remain available until expended. (*Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).*)

**Program and Financing (in thousands of dollars)**

Identification code	42-0102-0-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Operating expenses: Relocation assistance.....	83	500	400
<b>Capital investment:</b>				
01.01	Public improvements.....	11,070	4,700	2,500
01.02	Historic preservation.....	170	700	1,400
01.03	Development rights, demolition, parks, accrued interest, taxes, and studies.....	27		
10.00	Total obligations.....	11,350	5,900	4,300
<b>Financing:</b>				
14.00	Non-Federal sources.....	-21		
17.00	Recovery of prior year obligations.....	-1,435		
21.40	Unobligated balance available, start of year.....	-10,145	-3,343	-1,367
24.40	Unobligated balance available, end of year.....	3,343	1,367	67
40.00	<b>Budget authority (appropriation).....</b>	<b>3,092</b>	<b>3,924</b>	<b>3,000</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	11,329	5,900	4,300
72.40	Obligated balance, start of year.....	8,587	13,058	12,361
74.40	Obligated balance, end of year.....	-13,058	-12,361	-13,311
78.00	Adjustments in unexpired accounts.....	-1,435		
90.00	<b>Outlays.....</b>	<b>5,423</b>	<b>6,597</b>	<b>3,350</b>

**Relocation assistance.**—The Corporation provides assistance to business tenants displaced from their existing locations within the PADC project area.

**Public improvements.**—Pennsylvania Avenue and adjoining public areas are being progressively reconstructed and improved, creating a thoroughfare having new sidewalks, curbs, lighting, landscaping, and street furniture.

**Historic preservation.**—Buildings of architectural merit are being restored and retained.

**Development rights, demolition, parks, accrued interest, taxes, and studies.**—Various costs associated with completing the program are funded in this activity.

**Object Classification (in thousands of dollars)**

Identification code	42-0102-0-1-451	1986 actual	1987 est.	1988 est.
25.0	Other services.....	1,340	1,250	1,200
32.0	Lands and structures.....	9,926	4,150	2,700
42.0	Insurance claims and indemnities.....	84	500	400
99.9	Total obligations.....	11,350	5,900	4,300

**Public enterprise funds:**

**LAND ACQUISITION AND DEVELOPMENT FUND**

**Program and Financing (in thousands of dollars)**

Identification code	42-4084-0-3-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	7,676	20,000	20,000
<b>Financing:</b>				
14.00	Offsetting collections from: Non-Federal sources.....	-35,353	-3,000	-14,000
17.00	Recovery of prior year obligations.....	-7		
<b>Unobligated balance available, start of year:</b>				
21.47	Authority to borrow.....	-23,747	-23,747	-6,747
21.98	Fund balance.....	-2	-21,129	-11,129

Public enterprise funds—Continued

LAND ACQUISITION AND DEVELOPMENT FUND—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code 42-4084-0-3-451	1986 actual	1987 est.	1988 est.
Unobligated balance available, end of year:			
24.47 Authority to borrow .....	23,747	6,747	.....
24.98 Fund balance .....	21,129	11,129	.....
27.00 Reduction pursuant to P.L. 99-177 in resources derived from offsetting collections .....	1,075	.....	.....
31.00 Redemption of debt .....	5,482	10,000	11,876
39.00 Budget authority .....	.....	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	-27,677	17,000	6,000
72.47 Obligated balance, start of year: Authority to borrow .....	2	2	12,002
74.47 Obligated balance, end of year: Authority to borrow .....	-2	-12,002	-17,002
78.00 Adjustments in unexpired accounts .....	-7	.....	.....
90.00 Outlays .....	-27,684	5,000	1,000

**Property acquisition.**—The Corporation will continue to acquire private property to accelerate redevelopment in the project area in accordance with the approved PADC plan. Such property will be acquired through borrowings from the U.S. Treasury, and from revenues earned by the Corporation from the lease or sale of property.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Revenue .....	38,210	3,500	14,500
Expense .....	-34,721	-7,000	-11,000
Net operating income or loss (-) .....	3,489	-3,500	3,500

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Fund balance:				
Cash .....	.....	5,497	11,129	.....
U.S. Securities (par) .....	.....	15,632	.....	.....
Accounts receivable .....	2,560	3,808	3,000	1,000
Real property .....	73,696	57,035	77,000	92,000
Total assets .....	76,256	81,970	91,129	93,000
<b>Liabilities and equity:</b>				
Other liabilities .....				
Borrowing from U.S. Treasury .....	81,574	84,853	97,593	90,036
Total liabilities .....	81,625	84,936	97,593	90,036
<b>Government equity:</b>				
Unobligated balance .....	16,991	23,747	6,747	.....
Borrowing authority .....	-23,747	-23,749	-18,749	-17,002
Invested capital .....	1,387	-2,962	5,538	19,966
Total Government equity .....	-5,369	-2,964	-6,464	2,964
<b>Analysis of changes in Government equity:</b>				
Retained income or deficit (-):				
Opening balance .....	-1,913	-5,369	-2,964	.....
Adjustments for prior periods .....	-18	-1,084	.....	.....
Transactions: Net operating income or loss (-) .....	-3,438	3,489	-3,500	.....
Closing balance .....	-5,369	-2,964	-6,464	.....
Total Government equity .....	-5,369	-2,997	-6,464	.....

Object Classification (in thousands of dollars)

Identification code 42-4084-0-3-451	1986 actual	1987 est.	1988 est.
25.0 Other services .....	876	100	100
32.0 Land and structures .....	6,800	14,900	16,900
43.0 Interest and dividends .....	.....	5,000	3,000
99.9 Total obligations .....	7,676	20,000	20,000

Trust Funds

GIFTS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code 42-8112-0-7-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0) .....	2,883	.....	.....
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources .....	-2,233	.....	.....
21.40 Unobligated balance available, start of year .....	-108	-8	-8
24.40 Unobligated balance available, end of year .....	8	8	8
60.00 Budget authority (appropriation) (permanent, indefinite) .....	550	.....	.....
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	650	.....	.....
72.40 Obligated balance, start of year .....	2	.....	.....
90.00 Outlays .....	652	.....	.....

Note.—After 1986 all gifts and donations will be reflected as budget authority and trust fund receipts.

The gifts to the Corporation will be used to pay various expenses of the public improvements activity and sponsor events in the parks and plazas within the PADC area.

POSTAL SERVICE

Federal Funds

General and special funds:

PAYMENT TO THE POSTAL SERVICE FUND\*

\*See Part II for additional information.

For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004 and for revenue forgone on free and reduced rate mail, pursuant to [subsections (b) and] subsection (c) of section 2401 of title 39, United States Code; [\$650,000,000] \$71,795,000: Provided, That mail for overseas voting and mail for the blind shall continue to be free: Provided further, That six-day delivery and rural delivery of mail shall continue at the 1983 level: Provided further, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: Provided further, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1987: Provided further, That

(a) Section 2254 of title 18, United States Code, is amended by adding after subsection (b) the following:

“(c) The Postal Service may carry out a forfeiture under this section if the violation involves the mails. The Postal Service shall exercise the authority of the Attorney General under subsection (b) of this section with respect to such forfeiture.”

(b) Section 2003 of title 39, United States Code, is amended—

(1) in subsection (b)(5), by striking out “and”;

(2) in subsection (b)(6), by striking out the period at the end and inserting “; and” in lieu thereof;

(3) by inserting at the end of subsection (b) the following:

“(7) amounts (including proceeds from the sale of forfeited items) from any civil administrative forfeiture conducted by the Postal Service under title 18.”; and

(4) in the first sentence of subsection (e)(1), by striking out “under this title” and inserting in lieu thereof “as provided by law”.

(c) Section 2254 of title 18, United States Code, is amended—

(1) in subsection (a) by inserting before the period at the end of paragraph (1) “, and any property, real or personal, tangible or intangible, which was used or intended to be used, in any manner or part, to facilitate a violation of this chapter”;

(2) in subsection (b) by striking “Attorney General,” and inserting “Attorney General or the Postal Service,”; and

(3) by adding at the end the following new subsection:

“(d) The authority of the Postal Service under subsection (b) shall be exercised only where the conduct with respect to which such seizure or forfeiture occurs includes use of the mails in violation of this chapter.”]. (Postal Service Appropriations Act, 1987 as included in Public Law 99-500 and 99-591, section 101(m).)

**Program and Financing** (in thousands of dollars)

Identification code 18-1001-0-1-372	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Payment to the Postal Service fund for:			
00.01 Previous nonfunded liabilities of the Post Office Department .....			39,507
00.02 Free and reduced-rate mail .....	750,335	591,024	32,288
00.03 Reconciliation adjustment—free and reduced-rate mail .....		58,976	
10.00 Total obligations (object class 41.0) .....	750,335	650,000	71,795
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-34,499		
40.00 <b>Budget authority (appropriation) .....</b>	<b>715,836</b>	<b>650,000</b>	<b>71,795</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	715,836	650,000	71,795
90.00 Outlays .....	715,836	650,000	71,795

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	715,836	650,000	71,795
Outlays .....	715,836	650,000	71,795
<b>Supplemental under existing legislation:</b>			
Budget authority .....		79,177	
Outlays .....		79,177	
<b>Total:</b>			
Budget authority .....	715,836	729,177	71,795
Outlays .....	715,836	729,177	71,795

The Budget is patterned on the recommendations made by the Postal Rate Commission in its June 1986 Study of the Revenue Forgone Appropriation. It virtually eliminates the Revenue Forgone Appropriation while it continues lower rates for most religious and charitable mailings. The proposal establishes separate subclass pricing for these reduced-rate payers; and, it continues a small appropriation for the former Post Office Department worker compensation liabilities and free mail for the blind and overseas voters.

**U.S. POSTAL SERVICE APPROPRIATION REQUEST**

Herewith transmitted without change, as required by Public Law 93-328, is the appropriation request of the U.S. Postal Service for 1988 as submitted to the Office of Management and Budget.

**Program and Financing** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Payment to the Postal Service fund for:			
1. Previous nonfunded liabilities of the Post Office Department .....			39,507
2. Free and reduced-rate mail .....	750,335	591,024	720,965
3. Reconciliation adjustment—free and reduced-rate mail .....		58,976	
Total payments to the Postal Service Fund (total obligations) .....	750,335	650,000	760,472
<b>Financing:</b>			
Offsetting collections from: Federal funds .....	-34,499		-18,545
<b>Budget authority (appropriations) .....</b>	<b>715,836</b>	<b>650,000</b>	<b>741,927</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	715,836	650,000	741,927
Outlays .....	715,836	650,000	741,927

**Public enterprise funds:**

**POSTAL SERVICE FUND**

**Program and Financing** (in thousands of dollars)

Identification code 18-4020-0-3-372	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Postal field operations .....	23,784,518	25,730,057	28,397,691
00.02 Transportation .....	2,219,709	2,360,966	2,541,822
00.03 Building occupancy .....	796,287	859,614	898,218
00.04 Supplies and services .....	783,419	981,380	1,062,925
00.05 Research and development .....	7,156	15,637	16,419
00.06 Administration and regional operations .....	2,617,195	2,629,600	3,058,308
00.07 Interest .....	186,711	273,199	367,635
00.08 Servicewide expenses .....	62,549	103,551	107,374
00.90 Capital investment .....	2,386,167	2,365,874	1,985,785
01.01 Adjustments for prior year obligations: Workers' compensation .....		79,177	39,507
02.00 Total direct program .....	32,843,711	35,399,055	38,475,684
02.01 Reimbursable program .....	170,507	182,066	205,918
10.00 Total obligations .....	33,014,218	35,581,121	38,681,602
<b>Financing:</b>			
Offsetting collections from:			
11.00 Federal funds .....	-2,212,825	-2,123,602	-1,505,692
14.00 Non-Federal sources .....	-29,098,721	-31,139,534	-34,476,755
21.98 Unobligated balance available, start of year:			
Fund balance .....	-206,364	-241,903	-241,903
24.98 Unobligated balance available, end of year: Fund balance .....	241,903	241,903	241,903
25.00 Unobligated balance restored .....	-35,539		
31.00 Redemption of debt .....	85,800	135,800	201,200
67.10 <b>Budget authority (authority to borrow) (permanent, indefinite) .....</b>	<b>1,788,472</b>	<b>2,453,785</b>	<b>2,900,355</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	1,702,672	2,317,985	2,699,155
Obligated balance, start of year:			
72.47 Authority to borrow .....	5,737,074	6,275,546	7,094,331
72.98 Fund balance .....	2,288,139	3,410,090	3,857,210
Obligated balance, end of year:			
74.47 Authority to borrow .....	-6,275,546	-7,094,331	-8,294,686
74.98 Fund balance .....	-3,410,090	-3,857,210	-2,758,915
90.00 Outlays .....	42,249	1,052,080	2,597,095

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority .....	1,788,472	2,453,745	2,900,355
Outlays .....	42,249	1,052,080	2,597,095
<b>Proposed for later transmittal under proposed legislation:</b>			
Budget authority .....			376,000

## Public enterprise funds—Continued

## POSTAL SERVICE FUND—Continued

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

[In thousands of dollars]			
Outlays .....			376,000
Total:			
Budget authority .....	1,788,472	2,453,745	3,276,355
Outlays .....	42,249	1,052,080	2,973,095

The Postal Reorganization Act of 1970, Public Law 91-375, converted the Post Office Department into the U.S. Postal Service, an independent establishment within the executive branch. The Postal Service commenced operations July 1, 1971. This agency is charged with providing patrons with reliable mail service at reasonable rates and fees.

The U.S. Postal Service is governed by an 11-member Board of Governors, including 9 Governors appointed by the President, a Postmaster General who is selected by the Governors, and a Deputy Postmaster General who is selected by the Governors and the Postmaster General.

Decisions on changes in domestic rates of postage and fees for postal services are recommended to the Governors of the Postal Service by the independent Postal Rate Commission after a hearing on the record under the Administrative Procedure Act. The Commission also recommends decisions on changes in the domestic mail classification schedule to the Governors. Decisions of the Governors on rates of postage, fees for postal services, and mail classification are final, subject to judicial review.

**Programs.**—Included are all postal activities providing window services; processing, delivery, and transportation of mail; research and development; administration of postal field activities; and associated expenses of providing facilities and financing.

**Financing.**—The activities of the U.S. Postal Service are financed from the following sources: (1) mail and services revenue, (2) reimbursements from Federal and non-Federal sources, (3) proceeds from borrowing, (4) interest from U.S. securities and other investments, and (5) appropriations by the Congress. All receipts and deposits are made to the Postal Service Fund and are available without fiscal year limitation for payment of all expenses incurred, retirement of obligations, investment in capital assets, and investment in obligations and securities.

Section 2005 of title 39, United States Code, authorizes the Postal Service to borrow by issuing obligations which may not exceed \$10 billion outstanding at any one time. In any one fiscal year, the net increase in amounts outstanding may not exceed \$1.5 billion in obligations issued for the purpose of capital improvements and \$500 million for the purpose of defraying operating expenses. As of September 30, 1988, it is expected that the total debt instruments issued and outstanding pursuant to this authority will amount to \$5.852 billion.

**Operating.**—Estimated receipts will total \$35.7 billion in 1988. This includes \$34.0 billion from mail and services revenue, \$268 million from investment income, \$40 million from appropriations and \$1.4 billion representing the estimated net impact of potential new rates in 1988.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue and operating receipts:			
Mail and service revenues .....	30,102,091	32,066,603	33,814,159
Total appropriations .....	715,836	729,177	741,927
Less: POD transitional costs.....		-79,177	-39,507
Net appropriations.....	715,836	650,000	702,420
Estimated net impact of potential new rates .....			1,400,000
Total revenues .....	30,817,927	32,716,603	35,916,579
Operating expenses:			
Payable from the Postal Service fund, funded:			
Postal field operations.....	23,784,518	25,730,057	28,397,691
Transportation .....	2,219,709	2,360,966	2,541,822
Building occupancy .....	796,287	859,614	898,218
Supplies and services .....	783,419	981,380	1,062,925
Research and development.....	7,156	15,637	16,419
Administration and regional operations.....	2,617,195	2,629,600	3,058,308
Service-wide expenses .....	104,083	108,820	112,801
Total accrued costs.....	30,312,367	32,686,074	36,088,184
Other operating expenses (nonfunded):			
Depreciation and amortization of fixed assets <sup>1</sup> .....	394,689	390,916	461,497
Expendable equipment and other write-offs .....	9,539	9,539	9,539
Total other operating expenses (nonfunded) ..	404,228	400,455	471,036
Total operating expenses .....	30,716,595	33,086,529	36,559,220
Net operating income or loss .....	101,332	-369,926	-642,641
Investment income .....	316,838	278,900	298,000
Interest expense .....	113,562	173,199	247,365
Net income or loss .....	304,608	-264,225	-592,006

<sup>1</sup> Includes offsetting net losses from the sale of assets of the following amounts: \$7,280 thousand in 1986, \$3,970 thousand in 1987, and \$3,190 thousand in 1988.

## Impact of Administration's Recommendations (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Mail and Service Revenues.....			215,000
Appropriations .....			-670,132
Investment income .....			-30,000
Retirement cost increase.....			-11,000
Annuitant health cost increase.....			-365,000
Net change.....			-861,132
Adjusted net income or loss (-).....	304,608	-264,225	-1,453,138

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Current assets:				
Cash .....	287,602	138,863	369,399	265,104
Investments .....	2,362,116	3,803,416	4,020,000	2,650,000
Accounts receivable:				
U.S. Government agencies .....	194,718	237,084	245,584	253,684
Foreign countries .....	197,332	269,747	274,747	283,747
Other.....	56,662	79,447	81,447	82,947
Total.....	448,712	586,278	601,778	620,378
Less: Allowance .....	-20,769	-23,739	-24,239	-24,839
Accounts receivable, net.....	427,943	562,539	577,539	595,539
Inventories.....	147,987	143,086	198,086	198,086
Advances and prepayments .....	22,421	20,616	21,616	23,616
Total current assets.....	3,248,069	4,668,520	5,186,640	3,732,345
Other assets.....	6,868	9,377	9,322	9,267
Property and equipment, net.....	6,233,687	7,093,238	8,341,148	9,846,160
Deferred retirement costs.....	17,571,593	18,043,047	18,432,326	21,293,066
Total assets .....	27,060,217	29,814,182	31,969,436	34,880,838

<b>Liabilities:</b>				
<b>Current liabilities:</b>				
Outstanding money orders.....	302,310	360,587	360,587	360,587
Compensation and employee benefits.....	1,638,604	1,768,690	1,916,598	1,424,531
Accounts payable to other Government agencies.....	101,232	106,262	139,262	199,262
Other accounts payable and accrued expenses.....	659,132	835,856	870,856	910,856
Notes payable—FFB <sup>2</sup> .....	85,800	135,800	201,200	269,200
Mortgages payable.....	6,000	6,000	6,000	6,000
Prepaid permit mail and box rentals.....	564,815	614,276	666,276	716,276
Estimated prepaid postage in hands of the public.....	954,000	1,019,000	1,084,000	1,149,000
<b>Total current liabilities.....</b>	<b>4,311,893</b>	<b>4,846,471</b>	<b>5,244,779</b>	<b>5,035,712</b>
<b>Long-term debt:</b>				
Notes payable—FFB <sup>2</sup> .....	1,604,200	2,718,400	4,152,200	5,583,000
USPS bonds payable.....	250,000	250,000	250,000	250,000
Mortgages payable.....	129,063	124,249	118,249	112,249
<b>Total long-term debt.....</b>	<b>1,983,263</b>	<b>3,092,649</b>	<b>4,520,449</b>	<b>5,945,249</b>
<b>Other liabilities:</b>				
Employees' accumulated leave.....	776,121	814,933	839,933	885,933
Workers' compensation <sup>1</sup> .....	2,776,000	3,048,000	3,263,000	3,583,000
Other.....	20,000	20,000	20,000	20,000
Amounts payable for retirement benefits.....	17,134,576	17,630,261	17,983,632	20,766,439
<b>Total other liabilities.....</b>	<b>20,706,697</b>	<b>21,513,194</b>	<b>22,106,565</b>	<b>25,255,372</b>
<b>Total liabilities.....</b>	<b>27,001,853</b>	<b>29,452,314</b>	<b>31,871,793</b>	<b>36,236,333</b>
<b>Government equity:</b>				
<b>Undelivered orders:</b>				
Operations.....	749,552	701,841	701,841	701,841
Capital investment.....	903,589	2,097,175	2,908,349	3,030,836
<b>Total undelivered orders.....</b>	<b>1,653,141</b>	<b>2,799,016</b>	<b>3,610,190</b>	<b>3,732,677</b>
Unfinanced borrowing authority obligated.....	-5,737,074	-6,275,546	-7,094,331	-8,345,728
Investment in property, equipment and inventories, net.....	4,142,297	3,838,398	3,581,784	3,257,556
<b>Total Government equity.....</b>	<b>58,364</b>	<b>361,868</b>	<b>97,643</b>	<b>-1,355,495</b>
<b>Total liabilities and equity.....</b>	<b>27,060,217</b>	<b>29,814,182</b>	<b>31,969,436</b>	<b>34,880,838</b>
<b>Analysis of changes in Government equity:</b>				
<b>Non-interest-bearing capital:</b>				
Start of year.....		58,364	361,868	97,643
Transfers and adjustments.....		-1,104		
Net income or loss (-) for year.....		304,608	-264,225	-1,453,138
<b>Total.....</b>		<b>361,868</b>	<b>97,643</b>	<b>-1,355,495</b>

<sup>1</sup> The Postal Service records as an operating expense in the year of injury the discounted present value of the total estimated costs of claims based upon estimates of length of time claims will be paid depending upon severity of injury, age, assumed mortality and other factors.

<sup>2</sup> Notes payable transactions in thousands of dollars:

	Outstanding				
	Issued	Retired	Total	Current	Long-term
Sept. 30, 1985, balance.....	5,470,000	3,780,000	1,690,000	85,800	1,604,200
Sept. 30, 1986.....	1,250,000	85,800	2,854,200	135,800	2,718,400
Sept. 30, 1987.....	1,635,000	135,800	4,353,400	201,200	4,152,200
Sept. 30, 1988.....	1,700,000	201,200	5,852,200	269,200	5,583,000

**Object Classification (in thousands of dollars)**

Identification code 18-4020-0-3-372	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	16,083,127	16,823,492	17,537,965
11.3 Other than full-time permanent.....	2,867,305	3,246,917	3,719,491
11.5 Other personnel compensation.....	1,950,905	2,091,441	2,246,802
11.8 Special personal services payments.....	6	6	6
11.9 Total personnel compensation.....	20,901,343	22,161,856	23,504,264
12.1 Personnel benefits: Civilian.....	3,805,056	4,422,966	6,120,408
13.0 Benefits for former personnel.....	-7,843	103,332	67,740
21.0 Travel and transportation of persons.....	151,711	155,986	159,959
22.0 Transportation of things.....	2,656,260	2,822,454	3,029,402
23.1 Rental payments to GSA.....	35,461	36,220	37,039
23.2 Rental payments to others.....	372,225	403,051	429,999
23.3 Communications, utilities, and miscellaneous charges.....	374,112	392,967	417,507
24.0 Printing and reproduction.....	59,668	66,303	69,853

25.0 Other services.....	578,241	663,911	703,330
26.0 Supplies and materials.....	577,380	749,883	801,047
31.0 Equipment.....	1,483,999	1,195,619	636,399
32.0 Lands and structures.....	902,763	1,170,850	1,350,000
42.0 Insurance claims and indemnities.....	56,823	58,553	61,147
43.0 Interest and dividends: Notes and bonds.....	186,711	273,199	367,635
43.0 Interest—CS unfunded liabilities.....	880,308	903,971	925,873
99.9 Total obligations.....	33,014,218	35,581,121	38,681,602

**Personnel Summary**

POSTAL SERVICE			
Total number of full-time permanent positions.....	607,939	624,503	640,227
Total compensable workyears:			
Full-time equivalent employment.....	739,511	764,527	793,937
Full-time equivalent of overtime and holiday hours.....	38,899	40,245	41,869

POSTAL RATE COMMISSION			
Total number of full-time permanent positions.....	63	63	63
Total compensable workyears: Full-time equivalent employment.....	60	60	60

**POSTAL SERVICE FUND**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 18-4020-2-3-372	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Postal field operations.....			143,600
00.06 Administration and regional operations.....			232,400
10.00 Total obligations (object class 12.1).....			376,000
<b>Financing:</b>			
47.10 Authority to borrow (indefinite).....			376,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			376,000
90.00 Outlays.....			376,000

Legislation will be proposed to increase the employer's contribution for retirement beginning in 1988 by 2 percent each year until the Postal Service is paying the full cost of benefits for its employees. Legislation will also be proposed to require the Postal Service to pay the government's portion of health insurance costs for all postal annuitants.

**RAILROAD RETIREMENT BOARD**

**Federal Funds**

**General and special funds:**

**[DUAL BENEFITS PAYMENTS ACCOUNT] FEDERAL WINDFALL SUBSIDY**

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, **[\$380,000,000 all of which] \$276,000,000; and in addition, \$92,000,000 shall be derived from the rail pension fund: Provided, That the total amount shall include the amounts of any funds credited to the account during the fiscal year pursuant to section 417 of Public Law 98-76: Provided further, That all such sums shall be credited to the account in 12 approximately equal amounts on the first day of each month in the fiscal year.**

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 60-0111-0-1-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	372,669	380,000	368,000

General and special funds—Continued

**[DUAL BENEFITS PAYMENTS ACCOUNT] FEDERAL WINDFALL  
SUBSIDY—Continued**

Program and Financing (in thousands of dollars)—Continued

Identification code 60-0111-0-1-601	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds .....			-92,000
25.00 Unobligated balance lapsing .....	2,561	100	100
<b>39.00 Budget authority .....</b>	<b>375,230</b>	<b>380,100</b>	<b>276,100</b>
Budget authority:			
40.00 Appropriation .....	375,135	380,000	276,000
42.00 Transferred from other accounts .....	95	100	100
<b>43.00 Appropriation (adjusted) .....</b>	<b>375,230</b>	<b>380,100</b>	<b>276,100</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	372,669	380,000	276,000
72.40 Obligated balance, start of year .....	270		
77.00 Adjustments in expired accounts .....	1,689		
<b>90.00 Outlays .....</b>	<b>374,628</b>	<b>380,000</b>	<b>276,000</b>

This appropriation is a Federal subsidy to the rail industry pension for costs not financed by the railroad sector. The American taxpayer subsidy annually approaches \$1,000 per rail employee.

*Subsidy for windfall payments.*—When first authorized in 1974, the windfall subsidy appropriation was estimated at \$250 million annually for 25 years, or a total subsidy of \$6.25 billion. In two years, the annual windfall subsidy estimate increased by 45 percent and, within five years, the Railroad Retirement Board reported that the original 1974 estimate had doubled to \$500 million and would continue to increase if there were any inflation after 1980.

The Carter administration, faced with increasingly large projected subsidy costs, sought to limit to \$350 million annually the general taxpayers' liability to subsidize this rail industry pension, a position also reflected in the March revisions to the 1982 budget. Based on their collectively-bargained agreement and assuming a \$350 million subsidy appropriation, rail labor and management successfully sought congressional restructuring of the rail industry windfall in Public Law 97-35. The rail sector sought to limit windfall payments to the appropriated subsidy amounts rather than rely on the rail industry funded retirement account. This extended the subsidy well beyond the year 2000.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for unnegotiated checks, \$3,100,000, to remain available through September 30, 1989, which shall be the maximum amount available for payments pursuant to section 417 of Public Law 98-76 [Provided, That these funds shall remain available through September 30, 1988].

Further, for the foregoing purposes for fiscal year 1989, \$3,100,000, to remain available through September 30, 1990, which shall be the maximum amount available for payments pursuant to section 417 of Public Law 98-76.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 60-0113-0-1-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Added subsidy for past windfalls .....	793,200		
00.02 Unnegotiated check reimbursement .....	3,000	3,000	3,000
00.03 Tier I tax subsidy .....	70,000	56,000	62,000
00.04 Tier II tax subsidy .....	266,000	201,000	43,000
00.05 Windfall tax subsidy .....	51,000	47,000	41,000
00.06 Repayable benefit advances .....	2,163,262	2,255,000	2,317,000
<b>10.00 Total obligations (object class 42.0) .....</b>	<b>3,346,462</b>	<b>2,562,000</b>	<b>2,466,000</b>
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-1,000		
25.00 Unobligated balance lapsing .....	105		
<b>39.00 Budget authority .....</b>	<b>3,345,567</b>	<b>2,562,000</b>	<b>2,466,000</b>
Budget authority:			
40.00 Appropriation .....	2,200	3,100	3,100
41.00 Transferred to other accounts .....	-95	-100	-100
<b>43.00 Appropriation (adjusted) .....</b>	<b>2,105</b>	<b>3,000</b>	<b>3,000</b>
<b>60.00 Appropriation (permanent, indefinite) .....</b>	<b>3,343,462</b>	<b>2,559,000</b>	<b>2,463,000</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	3,346,462	2,562,000	2,466,000
<b>90.00 Outlays .....</b>	<b>3,346,462</b>	<b>2,562,000</b>	<b>2,466,000</b>

This account funds temporary direct Federal subsidies to the railroad pension fund, and other payments to the railroad social security equivalent fund. In 1988, the rail industry pension fund will receive \$146 million in direct Federal subsidies from the American taxpayer.

MILWAUKEE RAILROAD RESTRUCTURING, ADMINISTRATION

Program and Financing (in thousands of dollars)

Identification code 60-0108-0-1-603	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Benefits payments funded by DOT transfer (total obligations) (object class 42.0) .....	2,089		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-5,537	-3,448	-3,262
22.40 Unobligated balance transferred, net .....		186	
24.40 Unobligated balance available, end of year .....	3,448	3,262	3,262
<b>39.00 Budget authority .....</b>			
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	2,089		
72.40 Obligated balance, start of year .....	149	37	
74.40 Obligated balance, end of year .....	-37		
<b>90.00 Outlays .....</b>	<b>2,201</b>	<b>37</b>	

Under the Milwaukee Railroad Restructuring Act and the Rock Island Railroad Transition and Employee Assistance Act, this appropriation provides the Railroad Retirement Board with funds to administer certain aspects of an employee protection agreement, benefit schedule, and other functions.

Trust Funds

LIMITATION ON RAILROAD UNEMPLOYMENT INSURANCE  
ADMINISTRATION FUND

[For further expenses necessary for the Railroad Retirement Board, for administration of the Railroad Unemployment Insurance Act, not less than \$14,942,000 shall be apportioned for fiscal year 1987 from moneys credited to the railroad unemployment insurance administration fund, and of this amount \$2,106,000 shall be derived

from contributions credited to the railroad unemployment insurance account and shall be credited to the railroad unemployment insurance administration fund as authorized by section 11(a)(iv) of the Railroad Unemployment Insurance Act: *Provided*, That such portion of the foregoing amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 336 full-time equivalent employees.】

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Maintenance of rail earnings accounts.....	586	594	365
Processing of rail unemployment insurance claims.....	7,194	7,279	4,472
Processing of rail sickness claims.....	5,139	5,199	3,195
Rail claimant placement services.....	296	299	184
Administration.....	1,277	1,292	794
Office of Inspector General.....	221		
Total obligations.....	14,714	14,663	9,010
<b>Financing:</b>			
Unobligated balance available, start of year.....	-3,696	-922	-88
Appropriation from Railroad Unemployment Insurance Trust Fund.....	-1,280	-2,106	
Unobligated balance transferred, net.....	3,038	977	2,106
Unobligated balance available, end of year.....	922	88	1,372
Limitation.....	13,698	12,700	12,400
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	14,714	14,663	9,010
Obligated balance, start of year.....	7,737	3,635	3,298
Obligated balance, end of year.....	-3,635	-3,298	-3,308
Outlays from limitation.....	18,816	15,000	9,000

The Board administers a separate rail sector fund for unemployment and sickness insurance payments. Administrative expenses are financed from employer unemployment taxes.

**Maintenance of rail earnings accounts.**—Unemployment and sickness payments are based on individual records of rail earnings and daily wage rates.

**Processing of rail unemployment insurance claims.**—Claims for unemployment compensation are filed with employers and certified for payment through the headquarters office. Unemployment claims are projected to decline by 63 percent from 1983 to 1988, resulting in a proportionate reduction in workloads and staffing requirements. The budget proposes to increase rail sickness and unemployment insurance administrative resources and staffing above the levels justified by declining workloads, to enhance the prevention and detection of waste, fraud, and abuse.

**WORKLOAD**

	1985 actual	1986 actual	1987 est.	1988 est.	1989 est.	1990 est.
Unemployment claims.....	717,600	746,500	786,000	712,000	655,000	583,000
Cumulative workload decline (%).....		+4	+10	-1	-9	-19
Sickness claims.....	345,400	355,500	323,000	294,000	284,000	274,000
Cumulative workload decline (%).....		+3	-6	-15	-18	-21
Unemployment claims processed per staff year by RRB.....	1,893	1,964	2,332	3,525		

**Processing of rail sickness claims.**—These claims are filed by mail and certified for payment through the headquarters office. Sickness claims are also projected to decline by 15 percent, from 345,400 in 1985 to 294,000 in 1988.

**Rail claimant placement services.**—The Board conducts an employment service for unemployment benefit claimants.

**Administration.**—The costs of administration are shared between this and the rail pension program on an allocated basis, which is periodically revised for actual experience.

**Object Classification** (in thousands of dollars)

Identification code 20-8042-0-7-999	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	9,009	8,501	5,340
11.3 Other than full-time permanent.....	275	129	116
11.5 Other personnel compensation.....	289	331	62
11.9 Total personnel compensation.....	9,573	8,961	5,518
12.1 Personnel benefits: Civilian.....	1,202	1,180	742
13.0 Benefits for former personnel.....	1	27	16
21.0 Travel and transportation of persons.....	216	199	66
22.0 Transportation of things.....	44	38	35
23.3 Communications, utilities, and miscellaneous charges.....	1,642	1,829	1,575
24.0 Printing and reproduction.....	121	164	90
25.0 Other services.....	1,653	1,679	829
26.0 Supplies and materials.....	218	307	139
31.0 Equipment.....	44	279	
93.0 Administrative expenses included in schedule of fund as a whole.....	-14,714	-14,663	-9,010
99.0 Total administrative obligations.....			

**Personnel Summary**

	1986 actual	1987 est.	1988 est.
Total number of full-time permanent positions.....	391	342	204
Total compensable workyears:			
Full-time equivalent employment.....	382	336	201
Full-time equivalent of overtime and holiday hours.....	9	9	7

**RAIL INDUSTRY PENSION FUND**

**Program and Financing** (in thousands of dollars)

Identification code 60-8011-0-7-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Retirement, disability, and survivor benefit payments.....	1,460,803	2,215,911	2,303,511
00.02 Administrative expenses.....	20,864	29,523	26,689
00.03 Interest on refund of taxes.....	25	25	25
00.91 Total direct program.....	1,481,692	2,244,459	2,330,225
01.01 Reimbursable program.....	2,743	2,834	3,496
10.00 Total obligations.....	1,484,435	2,248,293	2,333,721
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds.....	-2,743	-2,834	-3,496
21.40 Unobligated balance available, start of year:			
U.S. securities (par).....	-3,509,452	-5,858,276	-6,500,817
22.40 Unobligated balance transferred, net.....	-229,532		
Unobligated balance available, end of year:			
24.40 Treasury balance.....	2,000		
24.40 U.S. securities (par).....	5,856,276	6,500,817	6,895,592
60.00 Budget authority (appropriation) (permanent, indefinite).....	3,600,984	2,888,000	2,725,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	1,481,692	2,245,459	2,330,225
Obligated balance, start of year:			
72.40 Treasury balance.....	37,422	107,202	2,045
72.40 U.S. securities (par).....	470,000	-251,853	-143,237
Obligated balance, end of year:			
74.40 Treasury balance.....	-107,202	-2,045	-3,845
74.40 U.S. securities (par).....	251,853	143,237	135,212
90.00 Outlays.....	2,133,765	2,242,000	2,320,400

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

	[In thousands of dollars]		
Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	3,600,984	2,888,000	2,725,000

RAIL INDUSTRY PENSION FUND—Continued

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS—Continued

(In thousands of dollars)			
Outlays .....	2,133,765	2,242,000	2,320,400
Proposed for later transmittal under proposed legislation:			
Budget authority .....			230,000
Outlays .....			65,000
Total:			
Budget authority .....	3,600,984	2,888,000	2,955,500
Outlays .....	2,133,765	2,242,000	2,385,400

Railroad retirees generally receive the equivalent to a social security benefit and a rail industry pension collectively bargained like other private pension plans but embedded in Federal law. About 314,000 individuals also receive a "windfall" benefit.

STATUS OF FUNDS

(In thousands of dollars)			
	1986 actual	1987 est.	1988 est.
Unexpended balance brought forward:			
U.S. securities (par) .....	3,979,452	5,604,423	6,357,580
Cash .....	37,422	109,202	2,045
Balance of fund, start of year .....	4,016,874	5,713,625	6,359,625
Cash income during the year:			
Governmental receipts:			
Industry pension contribution:			
Employer pension contribution .....	1,604,130	1,542,500	1,539,400
Employee pension contributions .....	439,086	444,500	443,600
Refund of contribution .....	-6,837	-200	-200
RUI repayment tax .....		174,000	153,000
Special payment, proposed legislation .....			92,000
Proposed legislation, increased contributions .....			125,000
Payments from:			
Interest and profit on investments .....	450,405	483,200	504,200
Proposed legislation, interest effect .....			13,000
Income tax on tier I .....	3,000	-5,000	
Income tax on tier II .....	266,000	201,000	43,000
Income tax on windfall .....	51,000	47,000	41,000
Unnegotiated checks .....	1,000	1,000	1,000
Windfall subsidy .....	793,200		
Total annual income, current law .....	3,600,984	2,888,000	2,725,000
Proposed legislation .....			230,000
Cash outgo during year:			
Payments and claims:			
Industry pension:			
Retirement annuities .....	1,381,080	1,461,012	1,550,394
Disability annuities .....	83,901	86,308	91,459
Survivor annuities .....	451,994	451,021	427,618
Occupational disability annuities .....	191,765	215,634	228,504
Proposed legislation for industry pensions .....			-27,000
Proposed legislation, special payments .....			92,000
Administrative expenses (net of reimbursements from other funds): Authorized program .....	25,000	27,000	22,400
Increase retirement contribution .....		1,000	
Interest on refunds of taxes .....	25	25	25
Total annual outgo, current law .....	2,133,765	2,242,000	2,320,400
Proposed legislation .....			65,000
Lending (net) to RUI and Social Security equivalent benefit account .....	229,532		
Proposed legislation (RUIA repayment) .....			231,000
Unexpended balance carried forward:			
U.S. securities (par) .....	5,604,423	6,357,580	6,760,380
Cash .....	109,202	2,045	3,845
Balance of fund, end of year (current law) .....	5,713,625	6,359,625	6,764,225
Balance of fund, end of year (proposed legislation) .....			7,160,225

**Income.**—Railroad industry pension fund revenues are derived from pension contributions by railroad employers and employees; interest on investments; various temporary subsidies; and payments from the Federal old-age, survivors and disability insurance trust funds.

The railroad retirement system has an annual financial interchange with social security. Under this arrangement, social security paid railroad retirement some \$24 billion, with annual payments exceeding \$2 billion. It was designed by the rail sector to help finance the rail industry pension, placing social security in the same position in which it would have been if railroad employment had been directly covered by social security.

**Retirement, disability, and survivor benefit payments.**—Estimates reflect the increases in benefit rates provided by law.

**Administrative expenses.**—These expenses are subject to annual limitations in appropriation acts (see Limitation on Administration).

Object Classification (in thousands of dollars)

Identification code 60-8011-0-7-601	1986 actual	1987 est.	1988 est.
Direct obligations:			
42.0 Insurance claims and indemnities .....	1,460,803	2,215,911	2,303,511
43.0 Interest and dividends .....	25	25	25
93.0 Administrative expenses (see separate schedule) .....	20,864	29,523	26,689
99.0 Subtotal, direct obligations .....	1,481,692	2,245,459	2,330,225
99.0 Reimbursable obligations: Administrative expenses .....	2,743	2,834	3,496
99.9 Total obligations .....	1,484,435	2,248,293	2,333,721

RAIL INDUSTRY PENSION FUND  
(Proposed for later transmittal, proposed legislation)

Program and Financing (in thousands of dollars)

Identification code 60-8011-2-7-601	1986 actual	1987 est.	1988 est.
Program by activities:			
00.01 Retirement, disability, and survivor benefit payments .....			-27,000
00.02 Special payments to windfall account .....			92,000
10.00 Total obligations (object class 42.0) .....			65,000
Financing:			
22.40 Unobligated balance transferred, net .....			-231,000
24.40 Unobligated balance available, end of year: U.S. securities (par) .....			396,000
40.00 Budget authority (appropriation) .....			230,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....			65,000
90.00 Outlays .....			65,000

These proposals would: (1) make uniform the treatment of rail pension payments for cost-of-living adjustment purposes; (2) freeze cost-of-living adjustments on rail pensions for 1 year; (3) extend Federal/State unemployment insurance coverage to railroad employment; (4) require the railroad retirement system to pay the full normal costs of Railroad Retirement Board employees' civil service retirement benefits to the civil service retirement trust fund; (5) require the rail sector to finance 25 percent of full windfall costs; (6) require the Secretary of Health and Human Services to conduct continuing disability reviews for railroad retirement disability beneficiaries; and (7) raise rail pension contributions 1.5 percent on January 1, 1988, with a subsequent 1.5 percent increase on January 1, 1989.

LIMITATION ON ADMINISTRATION

For [expenses] necessary expenses for the Railroad Retirement Board, not more than [\$57,756,000] \$55,389,000, to be derived from

the railroad retirement accounts: **Provided**, That such portion of the foregoing amount as may be necessary shall be available for the payment of personnel compensation and benefits for not less than 1,217 full-time equivalent employees: **Provided further**, That \$500,000 of the foregoing amount shall be available only to the extent necessary to process workloads not anticipated in the budget estimates and after maximum absorption of the costs of such workloads within the remainder of the existing limitation has been achieved: **Provided further**, That notwithstanding any other provision of law, no portion of this limitation shall be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j); 45 U.S.C. 228a-r) **[.]**: **Provided further**, That for purposes of the second sentence of 5 U.S.C. 8334(a)(1), the contributions from this account and from the railroad unemployment insurance administration fund shall equal the full normal costs of civil service retirement benefits, less employee contributions, as determined by the Office of Personnel Management.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
<b>Rail Industry Pension Fund:</b>			
Maintenance of rail earnings accounts .....	457	584	505
Processing rail applications .....	7,774	10,092	8,577
Maintenance of rail beneficiary rolls .....	11,663	15,127	12,869
Medicare .....	1,143	1,482	1,261
Administration .....	1,520	1,971	1,677
Office of Inspector General .....	307		
<b>Total, Rail Industry Pension Fund .....</b>	<b>22,864</b>	<b>29,256</b>	<b>24,889</b>
<b>Railroad Social Security Equivalent Benefit:</b>			
Maintenance of rail earnings accounts .....	585	568	609
Processing rail applications .....	9,929	9,648	10,337
Maintenance of rail beneficiary rolls .....	14,897	14,477	15,511
Medicare .....	1,461	1,419	1,520
Administration .....	1,942	1,888	2,023
Office of Inspector General .....	392		
<b>Total, Railroad Social Security Equivalent Benefit .....</b>	<b>29,206</b>	<b>28,000</b>	<b>30,000</b>
<b>Total direct program .....</b>	<b>52,070</b>	<b>57,256</b>	<b>54,889</b>
<b>Reimbursable program .....</b>	<b>2,743</b>	<b>2,834</b>	<b>3,496</b>
<b>Total obligations .....</b>	<b>54,813</b>	<b>60,090</b>	<b>58,385</b>
<b>Financing:</b>			
Offsetting collections from: Trust funds .....	-2,743	-2,834	-3,496
Unobligated balance lapsing .....	3,352	500	500
<b>Limitation .....</b>	<b>55,422</b>	<b>57,756</b>	<b>55,389</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net .....	52,070	57,256	54,889
Obligated balance, start of year .....	16,658	11,938	11,454
Obligated balance, end of year .....	-11,938	-11,454	-11,454
<b>Outlays from limitation .....</b>	<b>56,790</b>	<b>57,740</b>	<b>54,889</b>

**Maintenance of rail earnings accounts.**—Eligibility for retirement and the amount of rail benefits paid are based on individual rail earnings records.

**Processing rail applications.**—This activity includes processing annuity claims under the Railroad Retirement Act of 1974. Based on amendments enacted in Public Law 97-35, benefit computations were simplified. Coupled with the continued decline in railroad retirement applications and automation of previously manual procedures, the Board's workload devoted to this activity is expected to continually decrease each year. The table below shows the continued decline anticipated in major workloads.

	1986 actual	1987 est.	1988 est.
Pending, start of year .....	27,000	25,579	21,979
New Railroad Retirement applications .....	83,702	82,000	79,000
New Social Security certifications .....	12,346	13,000	13,000
Total dispositions (excluding partial awards) .....	97,469	98,600	95,500
Pending, end of year .....	25,579	21,979	18,479

**Maintenance of rail beneficiary rolls.**—The Board will explore and adopt new approaches to improve service to beneficiaries, primarily by making improvements in automation.

As shown below, the Board projects this workload will continue to decline, as the number of beneficiaries on the rolls continues to decline.

	1986 actual	1987 est.	1988 est.
Total beneficiaries .....	940,583	928,000	916,000

**Medicare.**—This activity includes on a reimbursable basis processing applications for the Social Security and Health Care Financing Administrations of the Department of Health and Human Services to establish eligibility for health and medical insurance benefits under title XVIII of the Social Security Act for rail beneficiaries.

**Administration.**—The cost of administration is shared between the rail pension, social security, and the railroad unemployment insurance programs.

In recognition of the continuing decline in virtually all its major workloads, the Board will explore and adopt new approaches to improve service to beneficiaries, primarily by making improvements in automation.

**Object Classification** (in thousands of dollars)

Identification code 60-8011-0-7-601	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	28,674	30,144	31,589
11.3 Other than full-time permanent .....	737	726	819
11.5 Other personnel compensation .....	751	1,026	436
<b>Total personnel compensation .....</b>	<b>30,162</b>	<b>31,896</b>	<b>32,844</b>
12.1 Personnel benefits: Civilian .....	3,712	3,914	7,698
13.0 Benefits for former personnel .....	4	61	62
21.0 Travel and transportation of persons .....	484	675	458
22.0 Transportation of things .....	163	167	200
23.2 Rental payments to others .....	5,332	6,990	6,903
24.0 Printing and reproduction .....	534	680	604
25.0 Other services .....	10,751	10,953	5,302
26.0 Supplies and materials .....	745	864	817
31.0 Equipment .....	183	1,056	1
93.0 Administrative expenses included in schedule of fund as a whole .....	-52,070	-57,256	-54,889
<b>Subtotal, direct obligations .....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>
<b>Reimbursable obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1,365	1,000	1,055
11.1 Full-time permanent .....	35	45	96
11.3 Other full-time permanent .....	275	200	28
11.5 Other personnel compensation .....	56	46	29
11.5 Other personnel compensation .....	1		
<b>Total personnel compensation .....</b>	<b>1,696</b>	<b>1,246</b>	<b>1,112</b>
<b>Total personnel compensation .....</b>	<b>36</b>	<b>45</b>	<b>96</b>
12.1 Personnel benefits: Civilian .....	155	136	146
12.1 Personnel benefits: Civilian .....	4	4	12
13.0 Benefits for former personnel .....			2
21.0 Travel and transportation of persons .....	61	10	22
22.0 Transportation of things .....			5
23.2 Rental payments to others .....	109	108	108
23.3 Communications, utilities, and miscellaneous charges .....	101	101	91
23.3 Communications, utilities, and miscellaneous charges .....	189	428	501
24.0 Printing and reproduction .....	42	42	15
25.0 Other services .....			232
25.0 Other services .....	332	694	1,117

LIMITATION ON ADMINISTRATION—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
60-8011-0-7-601			
26.0 Supplies and materials	13	7	13
26.0 Supplies and materials	5	13	16
31.0 Equipment			8
93.0 Administrative expenses included in schedule of fund as a whole	-2,177	-1,650	-1,754
93.0 Administrative expenses included in schedule of fund as a whole	-566	-1,184	-1,742
99.0 Subtotal, reimbursable obligations			
99.9 Total obligations			

Personnel Summary

<b>Direct:</b>			
Total number of full-time permanent positions	1,168	1,177	1,173
Total compensable workyears:			
Full-time equivalent employment	1,157	1,163	1,157
Full-time equivalent of overtime and holiday hours	22	22	18
<b>Reimbursable:</b>			
Total number of full-time permanent positions	57	58	58
Total compensable workyears: Full-time equivalent employment	55	57	57

LIMITATION ON REVIEW ACTIVITY

For expenses necessary for the Railroad Retirement Board for audit, investigatory, and review activities, as authorized by section 418 of Public Law 98-76 not more than **[\$1,267,000] \$3,800,000** to be derived from the railroad retirement accounts and rail unemployment insurance administration fund [..]: *Provided, That for purposes of the second sentence of 5 U.S.C. 8334(a)(1), the contributions from this account shall equal the full normal costs of civil service retirement benefits, less employee contributions, as determined by the Office of Personnel Management.*

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operations (total obligations)		1,267	3,800
<b>Financing:</b>			
Limitation		1,267	3,800
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net		1,267	3,800
Obligated balance, start of year			7
Obligated balance, end of year		-7	-48
Outlays from limitation		1,260	3,759

**Office of Inspector General.**—The Office of the Inspector General of the Railroad Retirement Board was established by Public Law 98-76. In 1988, 86 full-time equivalent staff will be devoted to this activity, 21 of whom shall be funded from the railroad unemployment accounts, and 65 of whom shall be funded by the railroad retirement accounts. All audit, investigatory, and review activities will be brought under this office's direction.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
60-8011-0-7-601			
Personnel compensation:			
11.1 Full-time permanent		889	2,380

11.5 Other personnel compensation		28	44
11.9 Total personnel compensation		917	2,424
12.1 Personnel benefits: Civilian		148	404
21.0 Travel and transportation of persons		60	204
22.0 Transportation of things		6	23
23.2 Communications, utilities, and other rent		10	30
24.0 Printing and reproduction		3	12
25.0 Other services		116	504
26.0 Supplies and materials		7	54
31.0 Equipment			145
93.0 Administrative expenses included in schedule of fund as a whole		-1,267	-3,800
99.0 Total obligations			

Personnel Summary

Total number of full-time permanent positions	26	87
Total compensation workyears: Full-time equivalent employment	25	86

SUPPLEMENTAL ANNUITY PENSION FUND

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
60-8012-0-7-602			
<b>Program by activities:</b>			
00.01 Supplemental payments	59,640	117,000	116,000
00.02 Administrative expenses	2,000	2,000	2,000
10.00 Total obligations	61,640	119,000	118,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: U.S. securities (par)	-37,044	-42,127	-44,127
22.40 Unobligated balance transferred, net	2,226		
24.40 Unobligated balance available, end of year: U.S. securities (par)	42,127	44,127	46,127
60.00 Budget authority (appropriation) (permanent, indefinite)	68,949	121,000	120,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	61,640	119,000	118,000
Obligated balance, start of year:			
72.40 Treasury balance	52,541	2,623	2,623
72.40 U.S. securities (par)	782	-3,736	-3,736
Obligated balance, end of year:			
74.40 Treasury balance	-2,623	-2,623	-2,623
74.40 U.S. securities (par)	3,736	3,736	3,736
90.00 Outlays	115,986	119,000	118,000

In addition to rail social security, rail industry pensions and special windfalls, the Railroad Retirement Board pays supplemental annuities to rail workers retiring at age 60 with 30 years of creditable rail service or at age 65 with 25-29 years of creditable service. Monthly benefit amounts are calculated from a base of \$23, adding \$4 for every year of service over 25, up to a maximum monthly benefit of \$43. Employers finance benefits on a pay-as-you-go basis by a cents-per-hour tax, currently established at 22½ cents per hour.

STATUS OF FUNDS

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Unexpended balance carried forward:</b>			
U.S. securities (par)	37,826	38,391	40,391
Cash	52,451	2,623	2,623
Balance of fund, start of year	90,277	41,014	43,014
<b>Cash income during the year:</b>			
Supplemental taxes	66,947	119,000	118,000
Interest	2,452	2,000	2,000
Total annual income	68,949	121,000	120,000

Transfer of balances.....	-2,226		
Cash outgo during the year:			
Benefit payments.....	113,986	117,000	116,000
Administrative expenses.....	2,000	2,000	2,000
Total outgo.....	115,986	119,000	118,000
Unexpended balance carried forward:			
U.S. securities (par).....	38,391	40,391	42,391
Cash.....	2,623	2,623	2,623
Balance of fund, end of year.....	41,014	43,014	45,014

Object Classification (in thousands of dollars)

Identification code 60-8012-0-7-601	1986 actual	1987 est.	1988 est.
42.0 Insurance claims and indemnities.....	59,640	117,000	116,000
93.0 Administrative expenses (see separate schedule).....	2,000	2,000	2,000
99.9 Total obligations.....	61,640	119,000	118,000

RAILROAD SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT

Program and Financing (in thousands of dollars)

Identification code 60-8010-0-7-601	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Social security equivalent benefits.....	4,122,300	3,837,000	3,968,000
00.02 Repayment of benefit advances.....	2,100,361	2,477,000	2,541,000
00.03 Repayment of interest on loans from RR account.....	8,069		
00.04 Administrative expenses.....	29,206	28,000	30,000
10.00 Total obligations.....	6,259,936	6,342,000	6,539,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: U.S. securities (par).....	-622,959	-385,429	-406,429
22.40 Unobligated balances transferred, net.....	227,306		
24.40 Unobligated balance available, end of year: U.S. securities (par).....	385,429	406,429	468,429
60.00 Budget authority (appropriation) (permanent, indefinite).....	6,249,712	6,363,000	6,601,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	6,259,936	6,342,000	6,539,000
Receivables in excess of obligations, start of year:			
72.10 Treasury balance.....	-80,946	-83,109	
72.10 U.S. securities (par).....	-408,678	-30,211	-53,098
Obligated balance, start of year:			
72.40 Treasury balance.....			4,778
72.40 U.S. securities (par).....			
Receivables in excess of obligations, end of year:			
74.10 Treasury balance.....	83,109		
74.10 U.S. securities (par).....	30,211	53,098	
Obligated balance, end of year:			
74.40 Treasury balance.....		-4,778	-4,778
74.40 U.S. securities (par).....			-31,902
90.00 Outlays.....	5,883,632	6,277,000	6,454,000

All railroad retirees receive the equivalent of a social security benefit, and they may also receive other additions including rail industry pension payments, windfall payments, and supplemental annuities. Social security benefits for former railroad employees are funded by the social security trust funds, and rail industry pension payments are the responsibility of the rail sector. The combination of both these payments in a single trust fund gave rise to serious concerns that social security payments to railroad retirees might be jeopardized by the continuing financial problems of the rail industry pension fund. To ensure and protect the integrity of social security benefits to railroad retirees, the Railroad Retirement Solvency Act of 1983 mandated that beginning in 1985, the financing and payment of Federal

social security benefits be separated from the rail industry pension trust fund.

STATUS OF FUNDS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Unexpended balance carried forward:			
U.S. securities (par).....	214,281	355,218	353,331
Cash.....	-80,946	-83,109	4,778
Balance of fund, start of year.....	133,335	272,109	358,109
Cash income during the year:			
Government receipts:			
Social security equivalent taxes:			
Railroad employees.....	858,132	821,000	850,500
Railroad employers.....	858,131	821,000	850,500
Transfer of taxes to Federal hospital insurance fund.....	-321,100	-329,000	-331,000
Income taxes:			
Received.....	67,000	61,000	62,000
Payments from:			
Federal old-age and survivors insurance trust fund.....	2,585,101	2,697,000	2,801,000
Federal disability insurance trust fund.....	67,654	49,000	49,000
Interest transferred to Federal hospital insurance funds.....	-43,291	-31,000	-23,000
Unnegotiated checks.....		2,000	2,000
Advances against the financial interchange:			
Principal.....	2,158,700	2,249,000	2,311,000
Interest.....	6,562	6,000	6,000
Interest and profit on investments.....	12,823	17,000	23,000
Total annual income.....	6,249,712	6,363,000	6,601,000
Net transfers to RRA.....	-227,306		

	1986 actual	1987 est.	1988 est.
Cash outgo year:			
Payments and claims:			
Social security benefits.....	3,745,836	3,832,000	3,957,000
Advances from FOASI Trust Fund.....	-762,981	-745,000	-745,000
Advances from FDI Trust Fund.....	-55,770	-55,000	-55,000
Old-age and survivors insurance certifications.....	761,959	745,000	745,000
Disability insurance certifications.....	56,951	55,000	55,000
Repayment of advances against the financial interchange:			
Principal.....	1,877,700	2,178,000	2,255,000
Interest.....	222,661	239,000	212,000
Repayments to the RR account interest.....	8,069		
Administrative expenses.....	29,206	28,000	30,000
Total annual outgo.....	5,883,632	6,277,000	6,454,000
Unexpended balance carried forward:			
U.S. securities (par).....	355,218	353,331	500,331
Cash.....	-83,109	4,778	4,778
Balance of fund, end of year.....	272,109	358,109	505,109

Object Classification (in thousands of dollars)

Identification code 60-8010-0-7-601	1986 actual	1987 est.	1988 est.
42.0 Insurance claims and indemnities.....	4,122,300	3,837,000	3,968,000
92.0 Repayment of benefit advances and loans.....	2,108,430	2,477,000	2,541,000
93.0 Administrative expenses (see separate schedule).....	29,206	28,000	30,000
99.9 Total obligations.....	6,259,936	6,342,000	6,539,000

SECURITIES AND EXCHANGE COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed \$3,000 for official reception and representation expenses, **[\$110,500,000]** \$145,036,000, of which not to exceed \$10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation has been proposed.)

## General and special funds—Continued

## SALARIES AND EXPENSES—Continued

## Program and Financing (in thousands of dollars)

Identification code	50-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Full disclosure.....	26,925	28,959	47,737
00.02	Prevention and suppression of fraud.....	33,497	38,030	43,762
00.03	Supervision and regulation of securities markets.....	12,826	13,843	15,430
00.04	Investment management regulation.....	10,945	11,736	13,377
00.05	Legal services.....	6,621	6,938	7,718
00.06	Economic and statistical analysis.....	2,239	2,429	2,767
00.07	Program direction.....	11,729	12,565	14,245
00.91	Total direct program.....	104,782	114,500	145,036
01.01	Reimbursable program.....	57	57	57
10.00	Total obligations.....	104,839	114,557	145,093
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	—57	—57	—57
25.00	Unobligated balance lapsing.....	1,542		
39.00	Budget authority.....	106,323	114,500	145,036
40.00	Appropriation.....	106,323	110,500	145,036
44.20	Supplemental for civilian pay raises.....		1,837	
44.40	Supplemental for retirement contributions (P.L. 99-335).....		2,163	
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	104,782	114,500	145,036
72.40	Obligated balance, start of year.....	9,457	10,416	10,322
74.40	Obligated balance, end of year.....	—10,416	—10,322	—14,803
89.00	Outlays.....	103,822	114,594	140,555
Outlays:				
90.00	Outlays, excluding pay and retirement supplementals.....	103,822	110,881	140,268
91.20	Outlays from civilian pay raise supplemental.....		1,705	132
91.40	Outlays from retirement contribution supplemental.....		2,008	155

## SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	106,323	114,500	145,036
Outlays.....	103,822	114,594	140,555
Proposed for later transmittal under proposed legislation:			
Budget authority.....			—486
Outlays.....			—486
Total:			
Budget authority.....	106,323	114,500	144,550
Outlays.....	103,822	114,594	140,069

The primary purpose of the Commission is to protect the interests of the investing public.

**Full disclosure.**—To insure that investors will be provided with material facts concerning securities offered for public sale, issuers who propose to offer new securities for public sale are required to file registration statements with the Commission at its home or regional offices. Issuers having total assets and security-holder populations of specified sizes are also required to furnish comparable information on a continuing basis in annual and other periodic reports, in proxy solicitation materials, and in tender offers and acquisition reports. Commission staff review these filings to insure full and fair disclosure and to prevent fraud and misrepresentation.

**Electronic filing project (Edgar).**—In 1984, the SEC began a pilot project that has successfully tested the feasibility of receiving, analyzing and disseminating full disclosure filings electronically. Through the end of 1986, the pilot has received approximately 12,000 filings electronically.

In early 1987, the SEC plans to select a contractor to develop an operational system. The operational system will provide the Commission with a capability for electronic receipt, analysis and dissemination of most of the full disclosure filings currently filed in paper. Transition from the pilot to the operational system will occur during 1987. The operational contract will be for eight years. The total cost from appropriated funds for the life of the contract is estimated to be \$46.5 million with the greatest expenditure, \$20 million, required in 1988.

## SELECTED WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Filings of initial 1933 Act registration statements—other than investment companies.....	2,222	2,150	2,100
Filings of repeat 1933 Act registration statements—other than investment companies.....	4,669	4,700	4,700
Preliminary proxy statements and statements to stockholders—other than investment companies filed.....	8,914	8,999	9,155
Annual and periodic reports filed—other than investment companies.....	51,999	52,250	52,650
Ownership and transaction reports filed.....	124,093	136,502	136,502

**Prevention and suppression of fraud.**—Suspected fraud and manipulation in the purchase, sale, and trading of securities, illegal distributions of unregistered securities, and other unlawful conduct is prevented, minimized, or eliminated by investigating complaints, questionable trading activities, and other indications of possible violations of the Federal securities laws. In addition, remedies through civil, criminal and administrative legal actions are sought as appropriate.

## SELECTED WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Investigations initiated.....	343	367	396
Administrative proceedings opened.....	121	129	139
Injunctive actions initiated.....	172	184	199

**Supervision and regulation of securities markets.**—Trading in the securities markets of the United States is regulated to prevent fraud, manipulation, and deception, to promote competition, and to insure the maintenance of fair, honest, and efficient markets. The Commission oversees the work of self-regulatory organizations, including their formation of a national market system and a nationwide system for the prompt and accurate clearance and settlement of securities transactions.

## SELECTED WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Review of changes in the rules and procedures of self-regulatory organizations.....	335	340	350
Inspections of self-regulatory organizations.....	22	22	23
Broker-dealers registered.....	11,225	12,100	12,900
Broker-dealer oversight examinations.....	481	480	500

**Investment Management Regulation.**—This program insures that investment companies and investment advisers carry out their fiduciary obligations and fully and fairly disclose their activities to investors. Registrations are examined, filings are analyzed, and registered entities are inspected. This program also protects the public's interest in public utility holding company systems.

## SELECTED WORKLOAD DATA

	1986 actual	1987 est.	1988 est.
Registration statements processed.....	1,422	1,454	1,532
Proxy statements processed.....	1,281	1,524	1,795
Investment company inspections.....	643	660	675

Investment advisors inspections.....	1,263	1,200	1,300
Exemptive orders issued.....	367	370	370
Public utility financial transactions reviewed.....	400	400	400
Examination of Public utility annual and periodic reports.....	740	675	675

**Legal services.**—This program provides legal and adjudicatory services for the Commission. Included are: litigation, legal advisory services, legislation, administration of Government-wide statutes, administrative proceedings, and court assistance in corporate bankruptcy reorganizations.

**SELECTED WORKLOAD DATA**

	1986 actual	1987 est.	1988 est.
Advisory comments/memoranda.....	251	251	303
Litigation closed.....	107	107	120
Administrative proceedings completed.....	121	135	135
Legislative comments and testimony.....	130	130	145
Chapter 11 cases in which the Commission has appeared.....	52	52	52

**Economic and statistical research.**—The Economic and Statistical Research Program provides the Commission with research studies on capital markets issues as well as policy recommendations and the objective data and technical support required to evaluate the economic impact of regulatory and policy decisions. Economic and financial data is produced on an on-going basis as part of the overall Federal economic statistical program.

**Program direction.**—Beyond supporting the five Commissioners and their staffs, this program includes management direction and analysis, financial management, personnel, automated data processing, public affairs, records and library services, and general administrative services.

**Object Classification (in thousands of dollars)**

Identification code 50-0100-0-1-376	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	66,838	71,137	76,588
11.3 Other than full-time permanent.....	363	441	444
11.5 Other personnel compensation.....	1,054	1,098	1,102
11.9 Total personnel compensation.....	68,255	72,676	71,134
12.1 Personnel benefits: Civilian.....	7,919	11,011	16,287
13.0 Benefits for former personnel.....	95	105	172
21.0 Travel and transportation of persons.....	2,679	2,941	3,268
22.0 Transportation of things.....	77	65	67
23.1 Rental payments to GSA.....	9,231	8,975	10,913
23.3 Communications, utilities, and miscellaneous charges.....	3,894	5,146	6,123
24.0 Printing and reproduction.....	961	1,164	1,208
25.0 Other services.....	8,393	9,502	25,160
26.0 Supplies and materials.....	1,507	1,761	1,946
31.0 Equipment.....	1,768	1,154	1,758
42.0 Insurance claims and indemnities.....	3		
99.0 Subtotal, direct obligations.....	104,782	114,500	145,036
99.0 Reimbursable obligations.....	57	57	57
99.9 Total obligations.....	104,839	114,557	145,093

**Personnel Summary**

Total number of full-time permanent positions.....	2,080	2,086	2,267
Total compensable workyears:			
Full-time equivalent employment.....	1,898	1,950	2,086
Full-time equivalent of overtime and holiday hours.....	12	12	12

**SALARIES AND EXPENSES**

(Proposed for later transmittal, proposed legislation)

**Program and Financing (in thousands of dollars)**

Identification code 50-0100-2-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Public utility holding company regulation (total obligations).....			—486
<b>Financing:</b>			
40.00 Budget authority (appropriation).....			—486
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			—486
90.00 Outlays.....			—486

Legislation will be proposed to repeal the Public Utility Holding Company Act of 1935.

**Object Classification (in thousands of dollars)**

Identification code 50-0100-2-1-376	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....			—370
12.1 Personnel benefits: Civilian.....			—45
23.1 Rental payments to GSA.....			—39
23.2 Communications, utilities, and other rent.....			—6
25.0 Other services.....			—2
26.0 Supplies and materials.....			—5
31.0 Equipment.....			—19
99.9 Total obligations.....			—486

**Personnel Summary**

Total number of full-time permanent positions.....	—13
Total compensable workyears: Full-time equivalent employment.....	—13

**Public enterprise funds:**

**INVESTMENT IN SECURITIES INVESTOR PROTECTION CORPORATION**

**Program and Financing (in thousands of dollars)**

Identification code 50-4068-0-3-376	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.47 Unobligated balance available, start of year: Authority to borrow.....	—1,000,000	—1,000,000	—1,000,000
24.47 Unobligated balance available, end of year: Authority to borrow.....	1,000,000	1,000,000	1,000,000
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 Outlays.....			

The Securities and Exchange Commission is authorized to make loans to the Securities Investor Protection Corporation (SIPC) in the event that the fund maintained by SIPC is insufficient to satisfy the claims of customers of failing brokerage firms. To date, SIPC has not needed these loans.

**SELECTIVE SERVICE SYSTEM**

**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES\***

\*See Part II for additional information.

General and special funds—Continued

SALARIES AND EXPENSES—Continued

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101-4118) for civilian employees; and not to exceed \$1,000 for official reception and representation expenses; **[\$26,128,400] \$26,520,000.** *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States [; *Provided further*, That upon enactment of this Act, the amendments to title 32 of the Code of Federal Regulations set forth at 51 Fed. Reg. 17618-17628 (May 14, 1986) shall be null and void].

*Further, for the foregoing purposes, \$26,959,000, to become available for obligation on October 1, 1988.*

Note.—Public Laws 99-500 and 99-591, section 101(g), provide funds to the extent and in the manner provided for in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code 90-0400-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01 Direct program .....	26,125	26,128	26,520	26,959
01.01 Reimbursable program .....	93	20	20	.....
10.00 Total obligations .....	26,218	26,148	26,540	26,959
<b>Financing:</b>				
11.00 Offsetting collections from: Federal funds...	-93	-20	-20	.....
25.00 Unobligated balance lapsing .....	3	.....	.....	.....
40.00 Budget authority (appropriation) .	26,128	26,128	26,520	26,959
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net.....	26,125	26,128	26,520	26,959
72.40 Obligated balance, start of year .....	9,714	13,367	10,557	10,557
74.40 Obligated balance, end of year .....	-13,367	-10,557	-10,557	-10,557
77.00 Adjustments in expired accounts .....	1	.....	.....	.....
90.00 Outlays .....	22,475	28,938	26,520	26,959

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

	(In thousands of dollars)			
Enacted/requested:	1986 actual	1987 est.	1988 est.	1989 est.
Budget authority.....	26,128	26,128	26,520	26,959
Outlays .....	22,475	28,938	26,520	26,959
<b>Recission proposal:</b>				
Budget authority.....	.....	-409	.....	.....
Outlays .....	.....	-409	.....	.....
<b>Total:</b>				
Budget authority.....	26,128	25,719	26,520	26,959
Outlays .....	22,475	28,529	26,520	26,959

In 1988 and 1989 the Selective Service System will continue to register men as they reach age 18, conduct a non-registrant identification program to insure compliance with the law, and maintain a data base of registrant records. The System will continue to enhance its capability to respond rapidly and efficiently from its standby posture.

Mobilization readiness remains one of the System's major objectives. Activities in support of this objective include all facets of National and Regional operational planning, maintenance of automated registration information, a comprehensive training program for the Selective Service Reserve Forces, a training program for the standby board members, and administrative functions. The processing procedures of the Registrant Information Management System will continue to be

tested and refined to insure that it can fully satisfy the emergency manpower needs of the Armed Forces.

The reimbursable program funds reserve and National Guard officer training for mobilization assignments in specific positions with the Selective Service System. Special focus of the program is on the exercise of the mobilization plans to ensure a high readiness capability in the event of mobilization.

In 1988, registration improvement activities will continue to concentrate on target cities in the geographical areas where the registration shortfalls are the greatest. Public awareness efforts, enhanced compliance, Federal and State legislation requiring registration for employment, and student financial assistance all contribute toward improved compliance with the law.

Object Classification (in thousands of dollars)

Identification code 90-0400-0-1-054	1986 actual	1987 est.	1988 est.	1989 est.
<b>Direct obligations:</b>				
<b>Personnel compensation:</b>				
11.1 Full-time permanent .....	6,344	6,572	6,621	6,670
11.3 Other than full-time permanent.....	314	383	386	386
11.5 Other personnel compensation .....	162	185	186	186
11.8 Special personal services payments .....	6,772	6,815	6,892	6,910
11.9 Total personnel compensation .....	13,592	13,955	14,085	14,152
12.1 Personnel benefits: Civilian .....	1,073	1,190	1,565	1,645
13.0 Benefits for former personnel .....	20	25	25	25
21.0 Travel and transportation of persons .....	627	652	690	714
22.0 Transportation of things .....	19	15	16	17
23.1 Rental payments to GSA.....	814	1,022	1,058	1,095
23.3 Communications, utilities, and miscellaneous charges .....	2,607	2,637	2,729	2,824
24.0 Printing and reproduction .....	720	719	744	770
25.0 Other services .....	5,937	5,436	5,120	5,212
26.0 Supplies and materials .....	367	328	339	351
31.0 Equipment .....	349	149	149	154
99.0 Subtotal, direct obligations .....	26,125	26,128	26,520	26,959
99.0 Reimbursable obligations .....	93	20	20	.....
99.9 Total obligations .....	26,218	26,148	26,540	26,959

Personnel Summary

Total number of full-time permanent positions.....	277	277	277	277
Total compensable workyears:				
Full-time equivalent employment.....	268	277	277	277
Full-time equivalent of overtime and holiday hours.....	2	4	4	4

SMITHSONIAN INSTITUTION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed ten years), and protection of buildings, facilities, and approaches; not to exceed \$100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; **[\$183,920,000] \$204,862,000**, including such funds as may be necessary to support American overseas research centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations. (20 U.S.C. 41 et seq.; Department of the Interior and Related

Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).

Program and Financing (in thousands of dollars)				
Identification code	33-0100-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Direct program:				
00.01	Research .....	32,112	33,835	37,910
00.02	Museums .....	65,492	71,042	75,098
00.03	Public service .....	2,229	2,409	2,503
00.04	Directorate international activities .....	508	761	907
00.05	Special programs .....	6,978	6,713	6,903
00.06	Administrative and support activities .....	61,880	69,160	81,541
00.91	Total direct program .....	169,199	183,920	204,862
01.01	Reimbursable program .....	116	100	100
10.00	Total obligations .....	169,315	184,020	204,962
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds .....	-116	-100	-100
25.00	Unobligated balance lapsing .....	185		
40.00	<b>Budget authority (appropriation) .....</b>	<b>169,384</b>	<b>183,920</b>	<b>204,862</b>
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	169,199	183,920	204,862
72.40	Obligated balance, start of year .....	23,190	29,133	30,924
74.40	Obligated balance, end of year .....	-29,133	-30,924	-33,799
77.00	Adjustments in expired accounts .....	-213		
90.00	Outlays .....	163,043	182,129	201,987

The Smithsonian Institution conducts research in the natural and physical sciences and in the history of cultures, technology, and the arts; acquires and preserves for reference and study purposes over one hundred million items of scientific, cultural, and historic importance; maintains public exhibits representative of the arts, American history, aeronautics and astronautics, technology, anthropology, geology, and biology (including living animal exhibits); presents performances of American arts and crafts; undertakes education programs at all levels; and participates in the exchange of scholarly information.

The Institution is responsible for the operation and maintenance of 12 major exhibition buildings; a zoological park and animal conservation and research center; the Museum Support Center and other collections storage and preservation facilities at Silver Hill, MD; two natural preserves, in Panama and on the Chesapeake Bay; an astrophysical observatory on Mount Hopkins, AZ; and supporting administrative, laboratory, and storage areas. The Quadrangle, south of the Smithsonian Institution Building, is scheduled to open to the public in 1987. Visitor attendance to buildings on and off the Mall, including the National Zoological Park, is expected to total approximately 27 million in 1987. Millions more will view traveling exhibitions.

In 1988, emphasis will be placed on strengthening research capabilities; reinforcing the Institution's safety programs; improving the maintenance of the physical plant; and providing collections management support. Resources are also included for program planning and development for the commemoration of the Columbus Quincentenary.

Object Classification (in thousands of dollars)				
Identification code	33-0100-0-1-503	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	91,439	95,497	102,050
11.3	Other than full-time permanent .....	7,640	7,979	8,527
11.5	Other personnel compensation .....	3,104	3,242	3,464
11.9	Total personnel compensation .....	102,183	106,718	114,041
12.1	Personnel benefits: Civilian .....	12,338	15,508	24,727
13.0	Benefits for former personnel .....	168	398	398
21.0	Travel and transportation of persons .....	1,086	1,344	1,501
22.0	Transportation of things .....	575	657	740
23.1	Rental payments to GSA .....	228	205	200
23.2	Rental payments to others .....	1,770	1,900	2,027
23.3	Communications, utilities, and miscellaneous charges .....	13,721	18,110	18,727
24.0	Printing and reproduction .....	1,353	1,880	1,960
25.0	Other services .....	18,304	18,001	20,667
26.0	Supplies and materials .....	10,133	8,770	9,250
31.0	Equipment .....	6,202	10,404	10,599
32.0	Lands and structures .....	184	9	9
41.0	Grants, subsidies, and contributions .....	946	11	11
42.0	Insurance claims and indemnities .....	8	5	5
99.0	Subtotal, direct obligations .....	169,199	183,920	204,862
99.0	Reimbursable obligations .....	116	100	100
99.9	Total obligations .....	169,315	184,020	204,962
<b>Personnel Summary</b>				
Total number of full-time permanent positions .....		3,423	3,961	3,961
Total compensable workyears:				
Full-time equivalent employment .....		3,734	3,975	3,975
Full-time equivalent of overtime and holiday hours .....		68	68	68

#### MUSEUM PROGRAMS AND RELATED RESEARCH (SPECIAL FOREIGN CURRENCY PROGRAM)

Program and Financing (in thousands of dollars)				
Identification code	33-0102-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Grants for museum programs and related research in the natural and physical sciences and cultural history .....		1,200	161
00.02	Payments to the Moenjodaro salvage effort .....	1,020		
10.00	Total obligations (object class 41.0) .....	1,381	1,200	161
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-205		
21.40	Unobligated balance available, start of year .....	-159	-1,361	-161
24.40	Unobligated balance available, end of year .....	1,361	161	
40.00	<b>Budget authority (appropriation) .....</b>	<b>2,378</b>		
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....	1,381	1,200	161
72.40	Obligated balance, start of year .....	13,741	12,576	11,276
74.40	Obligated balance, end of year .....	-12,576	-11,276	-10,181
78.00	Adjustments in unexpired accounts .....	-205		
90.00	Outlays .....	2,341	2,500	1,256

This account supports a program of grants payable in excess U.S.-owned foreign currencies to U.S. universities, museums, and other institutions of higher learning, including the Smithsonian itself, for field research in areas of traditional Smithsonian competence in those countries where excess local currencies are available. Areas of research include archeology and related disciplines, systematic and environmental biology, astrophysics and Earth sciences, and museum programs.

General and special funds—Continued

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, [[\$2,500,000] \$5,150,000, to remain available until expended. (20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 33-0129-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	2,751	6,500	5,527
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-1,847	-4,377	-377
24.40 Unobligated balance available, end of year .....	4,377	377	
40.00 <b>Budget authority (appropriation) .....</b>	<b>5,281</b>	<b>2,500</b>	<b>5,150</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	2,751	6,500	5,527
72.40 Obligated balance, start of year .....	2,312	1,831	5,882
74.40 Obligated balance, end of year .....	-1,831	-5,882	-6,725
90.00 Outlays .....	3,232	2,449	4,684

This account is used to finance repairs, alterations, and improvements to existing National Zoological Park facilities, including exhibits, located in Rock Creek Park; to prepare plans and specifications for construction; to perform renovations, restorations, and new construction implementing the master plan approved by the Commission of Fine Arts and the National Capital Planning Commission in 1973; and to make repairs, modifications, and improvements to the animal conservation and research center at Front Royal, VA. Funds requested in 1988 will continue major facility renovations and improvements at the Rock Creek Park location, and support essential programs for renovation, repair and preventive maintenance of existing facilities at Rock Creek and Front Royal.

Object Classification (in thousands of dollars)

Identification code 33-0129-0-1-503	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons .....	9	21	18
25.0 Other services .....	2,364	5,585	4,750
26.0 Supplies and materials .....	374	885	751
32.0 Lands and structures .....	4	9	8
99.9 Total obligations .....	2,751	6,500	5,527

RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed \$10,000 for services as authorized by 5 U.S.C. 3109, [[\$12,975,000] \$14,254,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price: *Provided further*, That notwithstanding any other provisions of law, the Secretary of the Smithsonian Institution is authorized to expend and/or transfer to the State of Arizona, the counties of Santa Cruz and/or Pima, a sum not to exceed \$100,000 within available funds for the purpose of assisting in the construction or maintenance of an access to the Whipple Observatory]. (20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 33-0132-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	12,747	12,975	14,254
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-9,127	-6,916	-6,916
24.40 Unobligated balance available, end of year .....	6,916	6,916	6,916
40.00 <b>Budget authority (appropriation) .....</b>	<b>10,536</b>	<b>12,975</b>	<b>14,254</b>
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	12,747	12,975	14,254
72.40 Obligated balance, start of year .....	6,005	9,831	11,819
74.40 Obligated balance, end of year .....	-9,831	-11,819	-14,005
90.00 Outlays .....	8,921	10,987	12,068

This account encompasses repairs, alterations, and improvements; additions, renovations, and restorations of a long-term nature and utility; construction of minor new temporary and permanent buildings or facilities; and facilities planning and studies. In 1988, funds are sought to continue comprehensive programs to keep Smithsonian facilities, including roofs, facades, and terraces, in good repair and efficient operating condition; provide for the safety and security of visitors, staff and collections by upgrading existing and installing new fire detection and suppression systems; remove hazardous materials such as asbestos; upgrade heating, ventilating and air-conditioning systems to provide the proper environmental conditions for the National Collections and to improve energy efficiency; and provide for the needs of disabled visitors and staff. Other restoration and renovation improvements necessary to meet the research, exhibition, educational and conservation program objectives of Smithsonian organizations are also included.

Object Classification (in thousands of dollars)

Identification code 33-0132-0-1-503	1986 actual	1987 est.	1988 est.
21.00 Travel and transportation of persons .....	7	7	8
23.20 Rental payments to others .....	1		
25.0 Other services .....	12,704	12,932	14,207
26.0 Supplies and materials .....	32	33	34
31.0 Equipment .....	3	3	3
99.9 Total obligations .....	12,747	12,975	14,254

CONSTRUCTION

For necessary expenses [to construct, equip, and furnish the Center for African, Near Eastern, and Asian Cultures in the area south of the original Smithsonian Institution Building, and a research laboratory and conference facility at the Smithsonian Tropical Research Institute in Panama, \$6,095,000] to design and construct a base camp at the Fred L. Whipple Observatory, \$4,470,000, to remain available until expended[: *Provided*, That notwithstanding any other provision of law, the Institution is authorized to transfer to the State of Arizona, the counties of Santa Cruz and/or Pima, a sum not to exceed \$150,000 for the purpose of assisting in the construction or maintenance of an access to the Whipple Observatory. (20 U.S.C. 41 et seq.; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code 33-0133-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 National Air and Space .....		18	

00.02	Museum Support Center .....	32	167	.....
00.03	Quadrangle .....	3,356	7,672	.....
00.04	Hirshhorn Museum and Sculpture Garden.....	165	118	.....
00.05	Tropical Research Institute .....	.....	2,780	.....
00.06	Astrophysical Observatory.....	.....	.....	4,470
10.00	Total obligations.....	3,553	10,755	4,470
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-8	.....	.....
21.40	Unobligated balance available, start of year.....	-4,538	-4,798	-138
24.40	Unobligated balance available, end of year.....	4,798	138	138
40.00	Budget authority (appropriation) .....	3,805	6,095	4,470
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	3,553	10,755	4,470
72.40	Obligated balance, start of year .....	12,026	6,860	8,820
74.40	Obligated balance, end of year .....	-6,860	-8,820	-11,490
78.00	Adjustments in unexpired accounts .....	-8	.....	.....
90.00	Outlays.....	8,711	8,795	1,800

**National Air and Space.**—The National Air and Space Museum was completed and opened to the public on July 1, 1976. Necessary repairs to the building's facade and terrace will continue.

**Museum Support Center.**—The Institution accepted beneficial occupancy of the Museum Support Center in early 1983. These facilities will provide additional space for the care, curation, conservation, deposit, preparation, and study of the National Collections, for the related documentation of the collections, and for the training of museum conservators. Space presently used for storage will be returned to its intended use for public exhibition.

**Quadrangle.**—The construction and equipping of this new facility will continue in 1987 in preparation of the public opening.

**Hirshhorn Museum and Sculpture Garden.**—The unobligated balance of the construction account for the Hirshhorn Museum, returned to the Institution by the General Services Administration in 1985, will be used to correct defects related to the original construction of the building.

**Smithsonian Tropical Research Institute.**—To design and construct a scientific laboratory and research conference facility.

**Smithsonian Astrophysical Observatory.**—To design and construct a base camp at the Fred L. Whipple Observatory, Mt. Hopkins, AZ.

**Object Classification (in thousands of dollars)**

Identification code	33-0133-0-1-503	1986 actual	1987 est.	1988 est.
<b>SMITHSONIAN INSTITUTION</b>				
24.0	Printing and reproduction .....	13	40	17
25.0	Other services .....	1,451	4,432	1,842
26.0	Supplies and materials .....	357	1,091	453
31.0	Equipment .....	1,700	5,192	2,158
99.9	Subtotal obligations, Smithsonian Institution .....	3,521	10,755	4,470
<b>ALLOCATION TO GENERAL SERVICES ADMINISTRATION</b>				
32.0	Lands and structures.....	32	.....	.....
99.9	Total obligations.....	3,553	10,755	4,470

**NATIONAL GALLERY OF ART  
SALARIES AND EXPENSES**

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative

expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; purchase of one passenger motor vehicle for replacement only; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, **[\$34,607,000] \$37,259,000**, of which not to exceed \$2,420,000 for the special exhibition program shall remain available until expended. (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

**Program and Financing (in thousands of dollars)**

Identification code	33-0200-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations .....	33,924	34,627	37,284
<b>Financing:</b>				
17.00	Recovery of prior year obligations .....	-48	.....	.....
21.40	Unobligated balance available, start of year .....	-4,050	-2,316	-1,578
22.40	Unobligated balance transferred, net .....	.....	718	.....
24.40	Unobligated balance available, end of year.....	2,316	1,578	1,553
25.00	Unobligated balance lapsing .....	3	.....	.....
39.00	Budget authority .....	32,145	34,607	37,259
<b>Budget authority:</b>				
40.00	Appropriation.....	32,109	34,607	37,259
42.40	Transferred from other accounts .....	36	.....	.....
43.00	Appropriation (adjusted) .....	32,145	34,607	37,259
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....	33,924	34,627	37,284
72.40	Obligated balance, start of year .....	4,469	3,830	3,421
73.40	Obligated balance transferred, net.....	.....	-660	.....
74.40	Obligated balance, end of year .....	-3,830	-3,421	-3,243
77.00	Adjustments in expired accounts .....	-49	.....	.....
78.00	Adjustments in unexpired accounts .....	-48	.....	.....
90.00	Outlays.....	34,466	34,376	37,462

The National Gallery of Art receives, holds, and administers works of art acquired for the Nation by the Gallery's board of trustees. It also maintains and administers the Gallery buildings so as to give maximum care and protection to art treasures and to enable these works of art to be exhibited regularly to the public without charge. Number of visitors: 1986 actual—8,703,055; 1987 estimate—5,300,000; 1988 estimate—6,000,000.

**Object Classification (in thousands of dollars)**

Identification code	33-0200-0-1-503	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	14,626	16,482	17,314
11.3	Other than full-time permanent .....	1,695	1,151	1,200
11.5	Other personnel compensation .....	1,655	1,625	1,674
11.9	Total personnel compensation .....	17,976	19,258	20,188
12.1	Personnel benefits: Civilian .....	2,135	2,535	4,095
21.0	Travel and transportation of persons.....	120	201	220
22.0	Transportation of things .....	203	401	401
23.1	Rental payments to GSA .....	71	87	103
23.3	Communications, utilities, and miscellaneous charges .....	5,344	5,563	5,725
24.0	Printing and reproduction .....	187	224	224

General and special funds—Continued

NATIONAL GALLERY OF ART—Continued

SALARIES AND EXPENSES—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
33-0200-0-1-503			
25.0 Other services .....	3,340	3,346	3,366
26.0 Supplies and materials .....	2,169	2,107	2,107
31.0 Equipment .....	736	905	855
32.0 Lands and structures .....	1,643		
99.9 Total obligations .....	33,924	34,627	37,284

Personnel Summary

Total number of full-time permanent positions .....	865	872	878
Total compensable workyears:			
Full-time equivalent employment .....	768	847	847
Full-time equivalent of overtime and holiday hours .....	60	55	55

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds, and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, **[\$2,400,000]** \$400,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price: *Provided further*, That unexpended balances of amounts previously appropriated for this purpose under the heading "Salaries and expenses, National Gallery of Art" may be transferred to and merged with this appropriation and accounted for as one appropriation for the same time period as originally enacted. (Department of the Interior and Related Agencies Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
33-0201-0-1-503			
<b>Program by activities:</b>			
10.00 Total obligations .....		3,000	2,500
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....		-3,103	-3,221
22.40 Unobligated balance transferred, net .....		-718	
24.40 Unobligated balance available, end of year .....	3,103	3,221	1,121
39.00 Budget authority .....	3,103	2,400	400
<b>Budget authority:</b>			
40.00 Appropriation .....	3,139	2,400	400
41.40 Transferred to other accounts .....	-36		
43.00 Appropriation (adjusted) .....	3,103	2,400	400
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		3,000	2,500
72.40 Obligated balance, start of year .....			953
73.40 Obligated balance transferred, net .....		660	
74.40 Obligated balance, end of year .....		-953	-576
90.00 Outlays .....		2,707	2,877

This account encompasses repairs, alterations, and improvements; additions, renovations, and restorations of a long-term nature and utility; and facilities planning and study. The funds are used to keep National Gallery of Art facilities in good repair and efficient operating condition, and to continue with needed renovation and restoration.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
33-0201-0-1-503			
11.3 Personnel compensation: other than full-time permanent ..		43	58
12.1 Personnel benefits: Civilian personnel .....		3	4
25.0 Other services .....		200	200
32.0 Lands and structures .....		2,754	2,238
99.9 Total obligations .....		3,000	2,500

SALARIES AND EXPENSES, WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356), including hire of passenger vehicles and services as authorized by 5 U.S.C 3109, **[\$3,322,000]** \$3,998,000. (Department of the Interior and Related Agencies Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
33-0400-0-1-503			
<b>Program by activities:</b>			
10.00 Total obligations .....	3,185	3,322	3,998
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	42		
40.00 Budget authority (appropriation) .....	3,227	3,322	3,998
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,185	3,322	3,998
72.40 Obligated balance, start of year .....	1,285	1,282	1,282
74.40 Obligated balance, end of year .....	-1,282	-1,282	-1,282
90.00 Outlays .....	3,188	3,322	3,998

The objectives of the Woodrow Wilson Center are to produce scholarship of the highest quality on subjects that matter to our civilization and to communicate that scholarship to a wider audience within and beyond Washington through publication and dialog.

The Center has chosen to fulfill these objectives through its fellowship and guest scholar program. Each year the Center conducts a major open international competition for a limited number of fellowships. The scholars and the scholarly work they produce constitute the memorial to Woodrow Wilson. Virtually all of the Center's expenditures derive from the basic decision to create a resident body of fellows.

The Center is directed by its congressional statute to raise both public and private funds, and the Center's major objectives could not be attained by an exclusive reliance on either Federal appropriation or private contribution.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
33-0400-0-1-503			
11.1 Personnel compensation: Full-time permanent .....	1,114	1,166	1,395
12.1 Personnel benefits: Civilian .....	124	146	300
21.0 Travel and transportation of persons .....	75	64	88
22.0 Transportation of things .....	3	2	2
23.2 Rental payments to others .....	1	20	20
23.3 Communications, utilities, and miscellaneous charges .....	56	69	69
24.0 Printing and reproduction .....		3	3
25.0 Other services .....	489	370	569
26.0 Supplies and materials .....	46	57	57
31.0 Equipment .....	52	157	227
41.0 Grants, subsidies, and contributions .....	1,225	1,268	1,268
99.9 Total obligations .....	3,185	3,322	3,998

**Personnel Summary**

Total number of full-time permanent positions.....	33	33	38
Total compensable workyears: Full-time equivalent employment .....	33	33	37

**PAYMENT TO ENDOWMENT CHALLENGE FUND**

**Program and Financing (in thousands of dollars)**

Identification code 33-0401-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		497	497
<b>Financing:</b>			
21.40 Unobligated balance, start of year .....		-994	-497
24.40 Unobligated balance, end of year .....	994	497	
40.00 <b>Budget authority (appropriation)</b> .....	<b>994</b>		
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		497	497
90.00 Outlays .....		497	497

This schedule reflects the appropriation from the general fund to the Endowment Challenge Fund.

**Trust Funds**

**ENDOWMENT CHALLENGE FUND**

**Amounts Available for Appropriation (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Unappropriated balance, start of year .....			1,600
Receipts:			
Private contributions .....		1,500	982
Interest income .....		150	175
Total available for appropriation .....		1,650	2,757
Appropriations:			
Endowment challenge fund .....		-50	-150
Unappropriated balance, end of year .....		1,600	2,607

The Endowment Challenge Fund was established to stimulate private contributions to the Center. Income derived from the Fund may be used in support of the Center's activities.

**Program and Financing (in thousands of dollars)**

Identification code 33-8188-0-7-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		50	150
<b>Financing:</b>			
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....		<b>50</b>	<b>150</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		50	150
90.00 Outlays .....		50	150

This schedule shows the utilization of interest income from the Endowment Challenge Fund for the educational and administrative activities of the Woodrow Wilson International Center for Scholars.

**CANAL ZONE BIOLOGICAL AREA FUND**

**Program and Financing (in thousands of dollars)**

Identification code 33-8190-0-7-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	124	125	130
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-18	-44	-44
24.40 Unobligated balance available, end of year .....	44	44	39
60.00 <b>Budget authority (appropriation)</b> (permanent, indefinite) .....	<b>150</b>	<b>125</b>	<b>125</b>
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	124	125	130
72.40 Obligated balance, start of year .....	1	10	20
74.40 Obligated balance, end of year .....	-10	-20	-20
90.00 Outlays .....	115	115	130

Donations, subscriptions, and fees are appropriated and used to defray part of the expenses of maintaining and operating the Canal Zone biological area (60 Stat. 1101; 20 U.S.C. 79, 79a).

**Object Classification (in thousands of dollars)**

Identification code 33-8190-0-7-503	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent .....	86	88	92
12.1 Personnel benefits: Civilian .....	12	12	13
22.0 Transportation of things .....		6	6
24.0 Printing and reproduction .....	6		
25.0 Other services .....	1	5	5
26.0 Supplies and materials .....	19	10	10
31.0 Equipment .....		4	4
99.9 Total obligations .....	124	125	130

**Personnel Summary**

Total number of full-time permanent positions.....	6	6	6
Total compensable workyears: Full-time equivalent employment .....	6	6	6

**OTHER TEMPORARY STUDY COMMISSIONS**

**Federal Funds**

**General and special funds:**

**[COMMISSION ON EDUCATION OF THE DEAF]**

**[SALARIES AND EXPENSES]**

[For expenses necessary for the Commission on Education of the Deaf as authorized by section 301 of the Education of the Deaf Act of 1986, \$750,000, to remain available until expended.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code 48-0200-0-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....		499	251
<b>Financing:</b>			
21.40 Unobligated balance available start of year .....			-251
24.40 Unobligated balance available end of year .....		251	
40.00 <b>Budget authority (appropriations)</b> .....		<b>750</b>	
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....		499	251
72.40 Obligated balance, start of year .....			149

**General and special funds—Continued**

**[COMMISSION ON EDUCATION OF THE DEAF]—Continued**  
**[SALARIES AND EXPENSES]—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code 48-0200-0-1-503	1986 actual	1987 est.	1988 est.
74.40 Obligated balance, end of year.....		-149	
90.00 Outlays.....		350	400

This commission will study and report on the availability and quality of education programs provided to deaf individuals. The Commission will expire ninety days after it makes its final report, due early 1988. All activities will be financed from a one-time 1987 appropriation.

**Object Classification (in thousands of dollars)**

Identification code 48-0200-0-1-503	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		103	58
11.3 Others than full-time permanent.....		81	26
11.9 Total personnel compensation.....		184	84
12.1 Personnel benefits: Civilian.....		24	12
21.0 Travel and transportation of persons.....		34	10
23.1 Rental payments to GSA.....		20	12
23.2 Communications, utilities and other rent.....		14	8
24.0 Printing and reproduction.....		6	25
25.0 Other services.....		208	95
26.0 Supplies and materials.....		3	1
31.0 Equipment.....		6	4
99.9 Total obligations.....		499	251

**Personnel Summary**

Total number of full-time permanent positions.....	3	3
Total compensable workyears: Full-time equivalent employment.....	5	4

**COMMISSION ON EXECUTIVE, LEGISLATIVE, AND JUDICIAL SALARIES**  
**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code 48-2800-0-1-805	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	14		
<b>Financing:</b>			
17.00 Recovery of prior year obligations.....	-28		
21.40 Unobligated balance available, start of year.....	-13	-27	-27
24.40 Unobligated balance available, end of year.....	27	27	27
39.00 Budget authority.....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	14		
72.40 Obligated balance, start of year.....	42	1	
74.40 Obligated balance, end of year.....	-1		
78.00 Adjustments in unexpired accounts.....	-28		
90.00 Outlays.....	29	1	

The Commission was established to review and recommend to the President at 4-year intervals the appropriate pay levels for upper level positions in the executive, legislative, and judicial branches of the Federal Government.

**Object Classification (in thousands of dollars)**

Identification code 48-2800-0-1-805	1986 actual	1987 est.	1988 est.
11.3 Personnel compensation: Other than full-time permanent..	12		
25.0 Other services.....	2		
99.9 Total obligations.....	14		

**COMMISSION ON FEDERAL PAPERWORK**

**Program and Financing (in thousands of dollars)**

Identification code 48-1200-0-1-804	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
77.00 Adjustments in expired accounts.....	-5		
90.00 Outlays.....	-5		

**COMMISSION ON THE UKRAINE FAMINE**  
**Federal Funds**

**General and special funds:**

**SALARIES AND EXPENSES**

**Program and Financing (in thousands of dollars)**

Identification code 48-0050-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations.....	75	211	100
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....	-3		
21.40 Unobligated balance available, start of year.....		-311	-100
24.40 Unobligated balance available, end of year.....	311	100	
40.00 Budget authority (appropriation).....	383		
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	72	211	100
72.40 Obligated balance, start of year.....		14	
74.40 Obligated balance, end of year.....	-14		
90.00 Outlays.....	58	225	100

The Commission on the Ukraine Famine was established to conduct a study of the 1932-1933 famine in the Ukraine. The study will be completed and the Commission will terminate in fiscal year 1988.

**Object Classification (in thousands of dollars)**

Identification code 48-0050-0-1-153	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....	41	82	24
11.3 Other than full-time permanent.....	3		
11.9 Total personnel compensation.....	44	82	24
12.1 Personnel benefits: Civilian.....	8	15	4
21.0 Travel and transportation of persons.....	5	43	11
23.2 Rental payments to others.....		11	3
23.3 Communications, utilities, and miscellaneous charges.....	1	3	1
24.0 Printing and reproduction.....	1	2	25
25.0 Other services.....	15	54	31
26.0 Supplies and materials.....	1	1	1
99.9 Total obligations.....	75	211	100

**Personnel Summary**

Total number of full-time permanent positions.....	5	5	5
Total compensable workyears: Full-time equivalent employment.....	5	5	2

NATIONAL ALCOHOL FUELS COMMISSION  
*Federal Funds*

General and special funds:

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
48-1700-0-1-271			
<b>Financing:</b>			
21.40	Unobligated balance available, start of year	-1	-1
24.40	Unobligated balance, end of year	1	
25.00	Unobligated balance lapsing		1
39.00	<b>Budget authority</b>		
Relation of obligations to outlays:			
71.00	Obligations incurred, net		
90.00	Outlays		

The Commission submitted its final report in January 1981 and terminated its activities on June 27, 1981.

**[NATIONAL COUNCIL ON PUBLIC WORKS IMPROVEMENT]**  
*Federal Funds*

General and special funds:

**[SALARIES AND EXPENSES]**

**[For expenses necessary to carry out provisions of the Public Works Improvement Act of 1984, section 3121 of title 42, United States Code, \$1,750,000.] (Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).)**

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
48-1900-0-1-806			
<b>Program by activities:</b>			
10.00	Total obligations	870	2,987
<b>Financing:</b>			
21.40	Obligations incurred, net	-3,192	-2,323
24.40	Unobligated balance available, end of year	2,323	1,086
40.00	<b>Budget authority (appropriation)</b>		<b>1,750</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net	870	2,987
72.40	Obligated balance, start of year	7	262
74.40	Obligated balance, end of year	-262	-300
90.00	Outlays	615	2,949

The Council will conduct in-depth research on major public works issues facing the Nation, as mandated in the Public Works Improvement Act of 1984 and in the outline developed in the report *The Nation's Public Works; Defining The Issues*, published in September 1986. Research, together with input from public hearings, will form the basis of the Council's deliberations about its concluding report, scheduled for release late in 1987. The concluding report will present to the President and the Congress the Council's suggestions for improving the state of the Nation's infrastructure.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
48-1900-0-1-806			
11.1	Personnel compensation: Full-time permanent	276	700
11.9	Other personnel compensation	276	700
12.1	Personnel benefits: Civilian	28	78
21.0	Travel and transportation of persons	42	97
23.1	Rental payments to GSA		113

23.3	Communications, utilities, and miscellaneous charges	14	76	50
24.0	Printing and reproduction	11	50	30
25.0	Other services	462	1,840	462
26.0	Supplies and materials	7	15	8
31.0	Equipment	30	18	
99.9	<b>Total obligations</b>	<b>870</b>	<b>2,987</b>	<b>1,086</b>

Personnel Summary

Total number of full-time permanent positions	10	15	15
Total compensable workyears: Full-time equivalent employment	5	15	8

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION  
*Federal Funds*

General and special funds:

SALARIES AND EXPENSES

For necessary expenses of the Navajo and Hopi Indian Relocation Commission as authorized by Public Law 93-531, **[\$22,335,000]** \$21,490,000, to remain available until expended, for operating expenses of the Commission: *Provided*, That none of the funds contained in this or any other Act may be used to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Commission shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10: *Provided further*, That for certified eligible households for whom a benefit level has not been determined, such level shall hereafter be determined consistent with the interpretation of 25 U.S.C. 640d-14 issued by the Solicitor of the Department of the Interior on August 25, 1986].

**[The Commission shall review the eligibility of all households certified as eligible who have not received relocation benefits and shall decertify any household which was certified contrary to law or regulation: *Provided*, That those who are decertified are to be provided the opportunity to appeal that decision in accordance with 25 CFR 700.305.] (Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(h).)**

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
48-1100-0-1-806			
<b>Program by activities:</b>			
00.01	Operation of relocation commission	3,462	3,617
00.02	Assistance payments (bonus)	850	2,298
00.03	Relocation payments (housing)	13,689	15,071
00.04	Discretionary fund payments	3,313	2,018
10.00	<b>Total obligations</b>	<b>21,314</b>	<b>23,004</b>
<b>Financing:</b>			
17.00	Recovery of prior year obligations	-263	
21.40	Unobligated balance available, start of year	-325	-668
24.40	Unobligated balance available, end of year	668	
40.00	<b>Budget authority (appropriation)</b>	<b>21,395</b>	<b>22,335</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net	21,314	23,004
72.40	Obligated balance, start of year	8,543	6,693
74.40	Obligated balance, end of year	-6,693	-7,362
78.00	Adjustments in unexpired accounts	-263	
90.00	Outlays	22,901	22,335

The Navajo and Hopi Indian Relocation Commission was established by Public Law 93-531 to plan and conduct relocation activities associated with the settlement of a land dispute between the two tribes.

NAVAJO AND HOPI INDIAN RELOCATION COMMISSION—Continued  
General and special funds—Continued

SALARIES AND EXPENSES—Continued

Bonuses are paid to clients who volunteered for relocation prior to July 7, 1982. Relocation of clients includes such activities as certification, housing acquisition and construction, and land acquisition. Discretionary funds will be used for activities which will facilitate and expedite the overall relocation effort.

Object Classification (in thousands of dollars)

Identification code 48-1100-0-1-806	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent .....	1,445	1,800	1,935
12.1 Personnel benefits: Civilian .....	168	250	260
13.0 Benefits for former personnel .....	87		
21.0 Travel and transportation of persons .....	177	180	180
22.0 Transportation of things .....	5	5	5
23.2 Rental payments to others .....	124	130	135
23.3 Communications, utilities, and miscellaneous charges .....	124	150	165
24.0 Printing and reproduction .....	43	50	50
25.0 Other services .....	1,245	944	400
26.0 Supplies and materials .....	30	48	50
31.0 Equipment .....	14	60	25
32.0 Lands and structures .....	13,689	15,071	15,000
41.0 Grants, subsidies, and contributions .....	4,163	4,316	3,285
99.9 Total obligations .....	21,314	23,004	21,490

Personnel Summary

Total number of full-time permanent positions .....	54	59	59
Total compensable workyears: Full-time equivalent employment .....	57	62	62

[STATE JUSTICE INSTITUTE]

[SALARIES AND EXPENSES]

[For necessary expenses of the State Justice Institute, as authorized by Public Law 98-620, \$7,200,000 to remain available until expended.] (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code 48-0052-0-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 General administration .....		500	
00.02 Grants .....		6,700	
10.00 Total obligations .....		7,200	
<b>Financing:</b>			
25.00 Unobligated balance lapsing .....	8,344		
40.00 Budget authority (appropriation) .....	8,344	7,200	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		7,200	
72.40 Obligated balance, start of year .....			1,000
74.40 Obligated balance, end of year .....		-1,000	
90.00 Outlays .....		6,200	1,000

The State Justice Institute was established by the Congress in 1984 as a private, non-profit corporation, to make grants and undertake other activities designed to improve the administration of justice in the United States. The Administration proposes no additional appropriations for the Institute in 1988.

Object Classification (in thousands of dollars)

Identification code 48-0052-0-1-752	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent positions .....		221	
12.1 Personnel benefits: Civilian .....		43	
21.0 Travel and transportation of persons .....		48	
22.0 Transportation of things .....		2	
23.1 Rental payments to GSA .....		45	
23.3 Communications, utilities, and miscellaneous charges .....		30	
24.0 Printing and reproduction .....		12	
25.0 Other services .....		35	
26.0 Supplies and materials .....		9	
31.0 Equipment .....		55	
41.0 Grants, subsidies, and contributions .....		6,700	
99.9 Total obligations .....		7,200	

Personnel Summary

Total number of full-time permanent positions .....	9
Total compensable workyears: Full-time equivalent employment .....	6

TENNESSEE VALLEY AUTHORITY

Federal Funds

Public enterprise funds:

TENNESSEE VALLEY AUTHORITY FUND

(INCLUDING TRANSFER OF FUNDS)

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, and for entering into contracts and making payments under section 11 of the National Trails System Act, as amended, [\$100,000,000] \$72,773,000, to remain available until expended: *Provided*, That this appropriation and other moneys available to the Tennessee Valley Authority may be used hereafter for payment of the allowances authorized by section 5948[A] of title 5, United States Code: *Provided further*, That the official of the Tennessee Valley Authority referred to as the "inspector general of the Tennessee Valley Authority" is authorized, during the fiscal year ending September 30, [1987] 1988, to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and other documentary evidence necessary in the performance of the audit and investigation functions of that official, which subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of any appropriate United States district court: *Provided further*, That procedures other than subpoenas shall be used by the inspector general to obtain documents and evidence from Federal agencies. (*Energy and Water Development Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(e).*)

Program and Financing (in thousands of dollars)

Identification code 64-4110-0-3-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
<b>Natural resources:</b>			
00.01 Water resources .....	31,209	30,240	24,287
00.02 Land and forest resources .....	4,186	3,700	550
00.03 Resource management .....	5,070	4,475	2,455
00.04 Land Between The Lakes .....	8,441	7,900	7,210
00.10 Economic resources .....	15,694	11,770	
00.20 Agricultural Institute .....	4,947	4,277	3,661
00.21 National fertilizer development .....	50,287	47,155	40,229
00.22 National energy demonstrations .....	82		
00.23 Power program: Power supply and use .....	4,093,457	4,284,200	4,579,300
00.24 General services .....	71,925	124,240	55,318
00.25 Jobs program .....	77	2	
00.91 Total operating expenses .....	4,285,375	4,517,959	4,713,010
<b>Capital investment:</b>			
<b>Natural resources:</b>			
01.01 Water resources .....	7,137	7,749	4,922
01.02 Land and forest resources .....	163		



## Public enterprise funds—Continued

## TENNESSEE VALLEY AUTHORITY FUND—Continued

## (INCLUDING TRANSFER OF FUNDS)—Continued

	POWER PROGRAM—Continued Power proceeds and borrowings			Seven States Energy Corporation Federal Financing Bank Direct Loans		
	1986 actual	1987 estimate	1988 estimate	1986 actual	1987 estimate	1988 estimate
Capital transfers (payments to Treasury):						
Dividend.....	85,979	79,000	78,800			
Repayment of Government investment.....	20,000	20,000	20,000			
Redemption of debt.....				14,822	440,600	131,300
Authority to borrow.....	781,484	1,253,400	3,500	203,166	196,200	209,200
Relation of obligations to outlays:						
Obligations incurred, net.....	675,505	1,154,400	-95,300	188,344	-244,400	77,900
Obligated balance, start of year:						
Authority to borrow.....	399,980	585,464	687,864			
Fund balance.....	136,864	31,736	33,736			
Obligated balance, end of year:						
Authority to borrow.....	-585,464	-687,864	-376,864			
Fund balance.....	-31,736	-33,736	-9,436			
Outlays.....	595,149	1,050,000	240,000	188,344	-244,400	77,900

## APPROPRIATIONS AND NONPOWER PROCEEDS

## Program by activities:

## Operating expenses:

	1986 actual	1987 est.	1988 est.
1. Natural resources:			
(a) Water resources.....	31,209	30,240	24,287
(b) Land and forest resources.....	4,186	3,700	550
(c) Resource management.....	5,070	4,475	2,455
(d) Land Between The Lakes.....	8,441	7,900	7,210
2. Economic resources.....	15,694	11,770	
3. Agricultural Institute.....	4,947	4,277	3,661
4. National fertilizer development.....	50,287	47,155	40,229
5. National energy demonstrations.....	82		
6. General services.....	71,925	124,240	55,318
7. Jobs program.....	77	2	
Total operating expenses.....	191,918	233,759	133,710

## Capital investment:

	1986 actual	1987 est.	1988 est.
1. Natural resources:			
(a) Water resources.....	7,137	7,749	4,922
(b) Land and forest resources.....	163		
(d) Land Between The Lakes.....	72	90	100
4. National fertilizer development.....	5,483	4,438	4,037
5. National energy demonstrations.....	360	1,052	
6. General services.....	1,014	1,670	1,611
7. Jobs program.....	2		
Total capital investment.....	14,231	14,999	10,670
Total obligations.....	206,149	248,758	144,380

## Financing:

## Offsetting collections from:

Federal funds.....	-36,548	-8,220	-6,849
Non-Federal sources.....	-52,878	-133,935	-66,196
Unobligated balance available, start of year: Fund balance.....	-25,097	-7,760	-1,000
Unobligated balance available, end of year: Fund balance.....	7,760	1,000	2,288
Capital transfers (payments to Treasury): Dividend.....	142	157	150
Appropriation.....	99,528	100,000	72,773

## Relation of obligations to outlays:

Obligations incurred, net.....	116,723	106,603	71,335
Obligated balance, start of year: Fund balance.....	89,359	83,990	72,593
Obligated balance, end of year: Fund balance.....	-83,990	-72,593	-45,928
Outlays.....	122,092	118,000	98,000

**Budget program—natural resources.**—TVA concentrates its efforts on programs in navigation, flood control, dam safety, and maintenance of the waterway.

**Water resources.**—Includes operation and continuing development of the navigation channel from Paducah, KY, to Knoxville, TN.

For flood control, TVA operates a system of multi-purpose reservoirs to retain excessive seasonal runoff and regulate discharges at flow rates that can be accommodated by downstream channels and reservoirs. As a result, flood crests are reduced along the

Tennessee River and its tributaries and also the lower Ohio and Mississippi Rivers.

Dam safety modifications and maintenance activities ensure that the waterway system meets Federal safety guidelines in the event of severe flood conditions and maintenance is performed to keep the system in good and safe operating condition.

**Land and forest resources.**—This program consists of operation of dewatering areas associated with TVA's reservoir system.

**Resource management.**—The program contains two major areas of effort: Protection of public lands and waters under TVA trust; and valley mapping and demonstrations of remote sensing in support of TVA activities as well as the regional mapping needs of the U.S. Geological Survey.

**Land Between The Lakes.**—Work will continue on the development on this 170,000-acre area in Western Kentucky and Tennessee situated between TVA's Kentucky Reservoir and the Corps of Engineers' Barkley Reservoir.

**Agricultural Institute.**—TVA's agricultural programs are being targeted and packaged so that responsiveness and flexibility to current issues can be more easily accomplished. The primary functions of the institute will be to identify problems related to agricultural development and environmental quality, marshal skills and other resources from Federal, State, local and private organizations to demonstrate practical solutions to problems, and disseminate information and encourage adoption by others.

**National fertilizer development.**—The National Fertilizer Development Center in Muscle Shoals, AL, is active in two program areas: Research and development and technology development.

Research and development consists of basic chemical and agronomic research and development of fertilizer products and processes. This is accomplished in cooperation with the Department of Agriculture, the land-grant universities, and industry.

Technology development is conducted with the land-grant universities and the fertilizer industry. It includes small-plot demonstrations, tests and demonstrations of fertilizer materials and practices on selected operating farms.

Limited operation of the pilot test facility will continue research into improving the yield and economics of producing ethanol from the acid hydrolysis of hardwoods.

**Power program: Power supply and use.**—TVA is the sole supplier of electric power to an area of 80,000 square miles in the seven Tennessee Valley States. Income from power operations, net of interest charges and depreciation, and other operating expenses is estimated at \$569,300 thousand in 1988.

The power generating facilities presented in the capital investment table are financed from power proceeds and borrowings.

**General services.**—Operating costs for general service activities include bridge maintenance, fallout shelter maintenance, and reimbursable services furnished at the request and expense of other agencies.

**Financing.**—Amounts estimated to become available in 1988 are to be derived from (1) the requested appropriation of \$72,773 thousand; (2) nonpower revenues and receipts of \$73,045 thousand; and (3) power revenues and receipts of \$5,561,400 thousand. In addition, the budget program anticipates financing from borrowings of \$314,500 thousand backed by future revenues. A summary of the application of appropriations follows:

## APPLICATION OF APPROPRIATIONS

(In thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Operations:</b>			
1. Natural resources:			
(a) Water resources	31,082	29,275	23,722
(b) Land and forest resources	4,800	3,700	550
(c) Resource management	4,805	4,400	2,455
(d) Land Between The Lakes	6,900	6,250	5,900
2. Economic resources	14,010	11,700	
3. Agricultural Institute	5,184	4,000	3,636
4. National fertilizer development	32,337	29,735	25,050
6. General services	731	956	790
<b>Total operations</b>	<b>99,849</b>	<b>90,016</b>	<b>62,103</b>
<b>Capital investment:</b>			
1. Natural resources:			
(a) Water resources:			
Dam safety modifications	2,145	2,400	2,610
Additions and improvements	3,559	1,474	2,312
(b) Land and forest resources: Recreation facilities	250		
(d) Land Between The Lakes	95	90	100
4. National fertilizer development:			
Fertilizer test facilities	5,050	4,350	4,037
6. General services	2,052	1,670	1,611
<b>Total capital investment</b>	<b>13,151</b>	<b>9,984</b>	<b>10,670</b>
Unallocated	—9,000		
Gramm-Rudman-Hollings reduction	—4,472		
<b>Total appropriations</b>	<b>99,528</b>	<b>100,000</b>	<b>72,773</b>
Unobligated balance brought forward	21,400	6,655	
Unobligated balance carried forward	—6,655		
<b>Obligations, appropriated funds</b>	<b>114,273</b>	<b>106,655</b>	<b>72,773</b>

**Operating results and financial conditions.**—Only the power program and fertilizer introduction are intended to be self-supporting; the net expense of nonpower programs is covered largely by appropriation funding. Payments to the Treasury from power proceeds in 1988 are estimated at \$98,800 thousand—\$78,800 thousand as a dividend (return on the appropriation investment in the power program) and \$20,000 thousand as a reduction in the appropriation investment in the power program. Outstanding borrowings for the power program are expected to increase by \$314,500 thousand during 1988.

Total assets are estimated to increase by \$526,659 thousand during 1988. A total of \$561,700 thousand of the increase in assets is in the power program. This is offset by —\$35,041 thousand in nonpower programs. The estimate of liabilities at September 30, 1988, is \$65,391 thousand more than the estimate at September 30, 1987. Total Government equity at September 30, 1988, is estimated to be \$461,268 thousand greater than that at September 1987. This change includes the requested appropriation for 1988 and the net income from power operations, less payments to the Treasury and the net expense of nonpower programs.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>POWER PROGRAM</b>			
Power supply and use: Power operations:			
Revenue and receipts	4,726,999	5,031,600	5,556,500
Expense	4,452,729	4,495,500	4,987,200
<b>Net income, power operations</b>	<b>274,270</b>	<b>536,100</b>	<b>569,300</b>
<b>NONPOWER PROGRAMS</b>			
Natural resources:			
Water resources:			
Revenue	791	633	565
Expense	—31,898	—38,269	—32,715
<b>Net operating expense, water resources</b>	<b>—31,107</b>	<b>—37,636</b>	<b>—32,150</b>
Land and forest resources:			
Revenue			
Expense	—11,825	—3,661	—570
<b>Net operating expense, land and forest resources</b>	<b>—11,825</b>	<b>—3,661</b>	<b>—570</b>
Resource management:			
Revenue			
Expense	—4,578	—4,324	—2,383
<b>Net operating expense, resource management</b>	<b>—4,578</b>	<b>—4,324</b>	<b>—2,383</b>
Land Between The Lakes:			
Revenue	1,443	1,650	1,310
Expense	—9,689	—9,118	—8,475
<b>Net operating expense, Land Between The Lakes</b>	<b>—8,246</b>	<b>—7,468</b>	<b>—7,165</b>
Economic resources:			
Revenue			
Expense	—15,895	—11,625	
<b>Net operating expense, economic resources</b>	<b>—15,895</b>	<b>—11,625</b>	
Agricultural Institute:			
Revenue	2	25	25
Expense	—4,227	—4,556	—3,676
<b>Net operating expense, Agricultural Institute</b>	<b>—4,225</b>	<b>—4,531</b>	<b>—3,651</b>
National fertilizer development:			
Revenue	11,373	14,651	14,617
Expense	—60,667	—61,609	—51,763
<b>Net operating expense, national fertilizer development</b>	<b>—49,294</b>	<b>—46,958</b>	<b>—37,146</b>
National energy demonstrations:			
Revenue			
Expense	—115		
<b>Net operating expense, national energy demonstrations</b>	<b>—115</b>		
General services:			
Revenue	75,817	125,196	56,528
Expense	—76,595	—124,242	—55,318
<b>Net operating expense, general services</b>	<b>—778</b>	<b>954</b>	<b>1,210</b>

**Public enterprise funds—Continued**

**TENNESSEE VALLEY AUTHORITY FUND—Continued  
(INCLUDING TRANSFER OF FUNDS)—Continued**

**Revenue and Expense (in thousands of dollars)—Continued**

	1986 actual	1987 est.	1988 est.
Net expense, nonpower programs.....	— 126,063	— 115,249	— 81,855
Net income for the period.....	148,207	420,851	487,445

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>POWER PROGRAM</b>				
<b>Assets:</b>				
Fund balance with Treasury.....	136,864	31,736	33,736	9,436
Accounts receivable, net.....	481,285	520,975	520,975	520,975
Inventories.....	565,024	514,383	613,083	637,483
Real property and equipment, net.....	16,848,466	18,271,770	19,658,470	20,286,770
Deferred charges:				
Unamortized investment in cancelled nuclear units.....	2,627,608	2,341,779	2,109,785	1,856,385
Other deferred charges.....	257,536	322,132	317,532	282,632
Loans and other long-term receivables.....	287,748	279,574	313,674	310,374
Bond retirement and decommissioning funds.....	328,504	523,388	711,888	936,788
Total assets.....	21,533,035	22,805,737	24,279,143	24,840,843
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	785,972	898,928	1,013,928	686,028
Debt issued under borrowing authority:				
Borrowings from the public.....	1,725,000	1,625,000	1,380,000	1,380,000
Borrowings from Federal Financing Bank.....	14,381,000	15,077,000	16,473,000	16,787,500
Borrowings from Treasury.....	150,000	150,000	150,000	150,000
Unamortized discount and premium, net.....	— 3,796	— 3,435	— 3,035	— 2,635
Accruals for cancelled nuclear units.....	56,045	15,394		
Capital lease obligations.....	1,697,207	2,103,811	1,856,711	1,923,911
Accumulated provisions for decommissioning of nuclear plants, and reclamation of coal properties.....	83,078	112,013	144,413	181,413
Total liabilities.....	18,874,506	19,978,711	21,015,017	21,106,217
<b>Government equity:</b>				
Unexpended budget authority: Undelivered orders.....	232,157	239,247	228,647	221,247
Unfinanced budget authority: Borrowing authority.....	— 399,980	— 585,464	— 687,864	— 376,864
Invested capital.....	2,826,352	3,173,243	3,723,343	3,890,243
Total Government equity.....	2,658,529	2,827,026	3,264,126	3,734,626
<b>NONPOWER PROGRAMS</b>				
<b>Assets:</b>				
Fund balance with Treasury.....	114,563	93,799	73,593	48,216
Accounts receivable, net.....	14,843	13,493	13,493	13,493
Loans and other long-term receivables.....	42,265	46,940	46,940	46,940
Inventories.....	16,529	14,773	10,967	10,201
Real property and equipment, net.....	1,147,184	1,142,421	1,138,529	1,129,631
Total assets.....	1,335,384	1,311,426	1,283,522	1,248,481
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	81,017	81,723	71,274	45,465
<b>Government equity:</b>				
Unexpended budget authority:				
Unobligated balance.....	25,203	9,809	1,000	2,288
Undelivered orders.....	23,186	15,760	14,812	13,956
Invested capital.....	1,205,978	1,204,134	1,196,436	1,186,772
Total Government equity.....	1,254,367	1,229,703	1,212,248	1,203,016
<b>TOTAL</b>				
<b>Assets:</b>				
Fund balance with Treasury.....	251,427	125,535	107,329	57,652

Accounts receivable, net.....	496,128	534,468	534,468	534,468
Loans and long-term receivables.....	330,013	326,514	360,614	357,314
Inventories.....	581,553	529,156	624,050	647,684
Real property and equipment, net.....	17,995,650	19,414,191	20,796,999	21,416,401
Deferred charges:				
Unamortized investment in cancelled nuclear units.....	2,627,608	2,341,779	2,109,785	1,856,385
Other deferred charges.....	257,536	322,132	317,532	282,632
Bond retirement and decommissioning funds.....	328,504	523,388	711,888	936,788
Total assets.....	22,868,419	24,117,163	25,562,665	26,089,324
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	866,989	980,651	1,085,202	731,493
Debt issued under borrowing authority:				
Borrowings from the public.....	1,725,000	1,625,000	1,380,000	1,380,000
Borrowings from Federal Financing Bank.....	14,381,000	15,077,000	16,473,000	16,787,500
Borrowings from Treasury.....	150,000	150,000	150,000	150,000
Unamortized discount and premium, net.....	— 3,796	— 3,435	— 3,035	— 2,635
Accruals for cancelled nuclear units.....	56,045	15,394		
Capital lease obligations.....	1,697,207	2,103,811	1,856,711	1,923,911
Accumulated provisions for decommissioning of nuclear plants, and reclamation of coal properties.....	83,078	112,013	144,413	181,413
Total liabilities.....	18,955,523	20,060,434	21,086,291	21,151,682
<b>Government equity:</b>				
Unexpended budget authority:				
Unobligated balance.....	25,203	9,809	1,000	2,288
Undelivered orders.....	255,343	255,007	243,459	235,203
Unfinanced budget authority: Borrowing authority.....	— 399,980	— 585,464	— 687,864	— 376,864
Invested capital.....	4,032,330	4,377,377	4,919,779	5,077,015
Total Government equity.....	3,912,896	4,056,729	4,476,374	4,937,642

**Analysis of changes in Government equity:**

**POWER PROGRAM**

<b>Paid-in capital:</b>			
Opening balance.....	828,076	808,282	788,282
Transactions:			
Appropriations.....	223		
Transfers of property from other agencies.....	— 17		
Capital transfer.....	— 20,000	— 20,000	— 20,000
Closing balance.....	808,282	788,282	768,282
<b>Retained income (reinvested in the power program):</b>			
Opening balance.....	1,830,453	2,018,744	2,475,844
Transactions:			
Net operating income.....	274,270	536,100	569,300
Capital transfer.....	— 85,979	— 79,000	— 78,800
Closing balance.....	2,018,744	2,475,844	2,966,344
Total Government equity.....	2,827,026	3,264,126	3,734,626

**NONPOWER PROGRAMS**

<b>Paid-in capital:</b>			
Opening balance.....	2,865,900	2,967,299	3,065,093
Transactions:			
Appropriations.....	101,248	97,951	72,773
Transfers of property from other agencies.....	293		
Capital transfer.....	— 142	— 157	— 150
Closing balance.....	2,967,299	3,065,093	3,137,716
<b>Deficit (accumulated net expense of nonpower programs):</b>			
Opening balance.....	— 1,611,533	— 1,737,596	— 1,852,845
Transactions: Net expense.....	— 126,063	— 115,249	— 81,855
Closing balance.....	— 1,737,596	— 1,852,845	— 1,934,700
Total Government equity.....	1,229,703	1,212,248	1,203,016

**TOTAL**

<b>Paid-in capital:</b>			
Opening balance.....	3,693,976	3,775,581	3,853,375

Transactions:			
Appropriations.....	101,471	97,951	72,773
Transfers of property from other agencies.....	276		
Capital transfer.....	-20,142	-20,157	-20,150
Closing balance.....	3,775,581	3,853,375	3,905,998
Retained income (reinvested retained income from power operations, less accumulated net expense of nonpower programs):			
Opening balance.....	218,920	281,148	622,999
Transactions:			
Net income or loss (-).....	148,207	420,851	487,445
Capital transfer.....	-85,979	-79,000	-78,800
Closing balance.....	281,148	622,999	1,031,644
Total Government equity (end of year).....	4,056,729	4,476,374	4,937,642

Note.—Not included in these figures are the following undelivered orders (in thousands of dollars):

	1985 actual	1986 actual	1987 est.	1988 est.
Coal.....	5,223,513	3,729,684	3,729,684	3,729,684
Nuclear fuel.....	2,472,424	2,594,267	2,594,267	2,594,267
Materials and supplies.....	27,045	18,861	18,861	18,861
Total.....	7,722,982	6,342,812	6,342,812	6,342,812

Object Classification (in thousands of dollars)

Identification code 64-4110-0-3-999	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	619,573	718,544	685,444
11.3 Other than full-time permanent.....	247,133	287,418	274,178
11.5 Other personnel compensation.....	86,443	99,491	94,907
11.9 Total personnel compensation.....	953,149	1,105,453	1,054,529
12.1 Personnel benefits: Civilian.....	285,010	283,101	300,151
21.0 Travel and transportation of persons.....	20,105	24,289	27,051
22.0 Transportation of things.....	88,694	97,913	98,086
23.1 Rental payments to GSA.....	2	2	2
23.3 Communications, utilities, and miscellaneous charges.....	67,085	70,998	72,612
24.0 Printing and reproduction.....	337	450	480
25.0 Other services.....	596,169	623,891	779,413
26.0 Supplies and materials.....	1,270,111	1,623,180	731,300
31.0 Equipment.....	124,249	360,065	158,554
32.0 Lands and structures.....	71,228	102,534	105,056
33.0 Investments and loans.....	460,513	454,363	459,494
41.0 Grants, subsidies, and contributions.....	195,900	202,000	214,100
42.0 Insurance claims and indemnities.....	14,916	701	452
43.0 Interest and dividends.....	1,690,818	1,690,818	1,818,400
99.9 Total obligations.....	5,838,286	6,639,758	5,819,680

Personnel Summary

Total number of full-time permanent positions.....	21,432	23,000	22,600
Total compensable workyears:			
Full-time equivalent employment.....	27,613	29,500	29,500
Full-time equivalent of overtime and holiday hours.....	1,843	2,000	2,000

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

Federal Funds

General and special funds:

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388, [ \$2,040,000 ] \$2,183,000: *Provided*, That persons other than members of the United States Holocaust Memorial Council may be designated as members of committees associated with the United States Holocaust Memorial Council subject to appointment by the Chairman of the Council: *Provided further*, That any persons so designated shall serve without cost to the Federal Government: *Provided further*, That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further*, That the Chairman of the Council may waive any Council bylaw when the Chairman determines such waiver will be in the best interest of the Council: *Provided further*, That immediately after taking such action the Chairman shall send written notice to every voting

member of the Council and such waiver shall become final if 30 days after the Chairman has sent such notice, a majority of Council members do not disagree in writing with the action taken. (36 U.S.C. 1401; Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591 section 101(h); additional authorizing legislation to be proposed.)

Program and Financing (in thousands of dollars)

Identification code 95-3300-0-1-806	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations.....	2,021	2,040	2,183
Financing:			
40.00 Budget authority (appropriation).....	2,021	2,040	2,183
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	2,021	2,040	2,183
72.40 Obligated balance, start of year.....	88	437	50
74.40 Obligated balance, end of year.....	-437	-50	-50
90.00 Outlays.....	1,672	2,427	2,183

The Council will formulate plans for a permanent living memorial museum to the victims of the holocaust. It will also provide for appropriate ways for the Nation to commemorate the Days of Remembrance.

Object Classification (in thousands of dollars)

Identification code 95-3300-0-1-806	1986 actual	1987 est.	1988 est.
Personnel compensation:			
11.1 Full-time permanent.....	354	723	767
11.3 Other than full-time permanent.....	273	81	79
11.5 Other personnel compensation.....	9	6	9
11.9 Total personnel compensation.....	636	810	855
12.1 Personnel benefits: Civilian.....	65	100	162
21.0 Travel and transportation of persons.....	96	165	132
22.0 Transportation of things.....		1	
23.3 Communications, utilities, and miscellaneous charges.....	242	215	215
24.0 Printing and reproduction.....	78	165	131
25.0 Other services.....	832	538	638
26.0 Supplies and materials.....	30	34	29
31.0 Equipment.....	42	12	21
99.9 Total obligations.....	2,021	2,040	2,183

Personnel Summary

Total number of full-time permanent positions.....	29	29	29
Total compensable workyears: Full-time equivalent employment.....	29	29	29

Trust Funds

GIFTS AND DONATIONS

Program and Financing (in thousands of dollars)

Identification code 95-8279-0-7-806	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00 Total obligations (object class 25.0).....	10		
Financing:			
21.40 Unobligated balance available, start of year.....	-2	-14	-14
24.40 Unobligated balance available, end of year.....	14	14	14
60.00 Budget authority (appropriation) (permanent, indefinite).....	22		
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	10		
90.00 Outlays.....	10		

The United States Holocaust Memorial Council may solicit and accept donations to aid or facilitate the con-

GIFTS AND DONATIONS—Continued

struction, maintenance, and operation of the memorial, as per section 7 of Public Law 96-388.

UNITED STATES INFORMATION AGENCY

Federal Funds

General and special funds:

SALARIES AND EXPENSES\*

\*See Part II for additional information.

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed \$270,000, of which \$250,000 is to facilitate United States participation in international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928 and 22 U.S.C. 287e-1; and entertainment, including official receptions, within the United States, not to exceed \$20,000; **[\$570,000,000] \$641,705,000**, none of which shall be restricted from use for the purposes appropriated herein: *Provided*, That not to exceed **[\$1,000,000] \$1,070,000** may be used for representation abroad: *Provided further*, That not to exceed **[\$15,558,000] \$14,557,000** of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided further*, That receipts not to exceed **[\$1,000,000] \$1,150,000** may be credited to this appropriation from fees or other payments received from or in connection with English-teaching programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948, as amended: *Provided further*, That not to exceed **[\$2,750,000] \$3,090,000** shall be available for the Office of Inspector General. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

**For an additional amount for "Salaries and expenses", \$2,000,000, to be available only for drug education programs abroad.** (*Omnibus Drug Supplemental Appropriations Act of 1987, as included in Public Laws 99-500 and 99-591, Title II.*)

Program and Financing (in thousands of dollars)

Identification code 67-0201-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Direct program:</b>			
00.01 Overseas missions.....	201,990	229,046	250,125
00.02 Voice of America.....	174,223	173,845	188,263
00.03 Educational and cultural affairs.....	38,346	35,250	37,417
00.04 Program coordination, production, and support.....	47,271	56,964	60,129
00.05 Television and film service.....	28,695	30,471	40,380
00.06 Agency direction and management.....	59,277	60,977	65,391
00.91 Total direct program.....	549,802	586,553	641,705
01.01 Reimbursable program.....	4,384	4,900	4,993
10.00 Total obligations.....	554,186	591,453	646,698
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds.....	-4,384	-4,900	-4,993
17.00 Recovery of prior year obligations.....	-687		
21.40 Unobligated balance available, start of year.....	-6,180	-6,419	
24.40 Unobligated balance available, end of year.....	6,419		
25.00 Unobligated balance lapsing.....	993		
39.00 Budget authority.....	550,347	580,134	641,705
<b>Budget authority:</b>			
40.00 Appropriation.....	550,347	572,000	641,705
44.20 Supplemental for civilian pay raises.....		2,691	

44.40 Supplemental for retirement contributions (P.L. 99-335).....		5,443	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	549,802	586,553	641,705
72.40 Obligated balance, start of year.....	130,549	124,097	129,773
74.40 Obligated balance, end of year.....	-124,097	-129,773	-141,898
77.00 Adjustments in expired accounts.....	-5,904		
78.00 Adjustments in unexpired accounts.....	-687		
89.00 Outlays.....	549,662	580,877	629,580
<b>Outlays:</b>			
90.00 Outlays, excluding pay and retirement supplementals.....	549,662	573,069	629,254
91.20 Outlays from civilian pay raise supplemental.....		2,583	108
91.40 Outlays from retirement contribution supplemental.....		5,225	218

SUMMARY OF BUDGET AUTHORITY AND OUTLAYS

(In thousands of dollars)

Enacted/requested:	1986 actual	1987 est.	1988 est.
Budget authority.....	550,347	580,134	641,705
Outlays.....	549,662	580,877	629,580
<b>Supplemental under existing legislation:</b>			
Budget authority.....		8,098	
Outlays.....		6,709	1,389
<b>Total:</b>			
Budget authority.....	550,347	588,232	641,705
Outlays.....	549,662	587,586	630,969

Status of Direct Loans (in thousands of dollars)

Identification code 67-0201-0-1-154	1986 actual	1987 est.	1988 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	940	757	638
1251 Repayments: Repayments and prepayments.....	-183	-119	-120
1290 Outstanding, end of year.....	757	638	518

The United States Information Agency conducts the international communication, educational, cultural and exchange programs of the United States. The Agency advises the President, the National Security Council, and the Secretary of State on the above areas, and assists in the development and execution of a national policy on international communications.

Agency operations are largely financed from this appropriation and consist of the following major elements:

**Overseas missions.**—The Agency plans to operate 206 posts in 127 countries in 1988. These posts administer the exchange-of-persons program and conduct informational and other cultural programs using materials prepared locally and by the media services in Washington.

**Voice of America.**—This activity produces radio broadcasts in English and in 41 languages. Programs are broadcast from transmitters at 4 domestic and 13 overseas locations.

**Educational and cultural affairs.**—This activity covers the staff that administers educational and cultural exchanges between the United States and over 140 countries. It also provides program and support costs for the President's International Youth Exchange program, American-sponsored schools abroad, binational centers, U.S.-operated libraries and reading rooms abroad and other educational and cultural activities. Grant costs for Academic and Visitor Exchanges, and the Humphrey Fellowship, Private Sector, and Congress-Bundestag exchange programs are funded separately in the Educational and Cultural Exchanges account.

**Program coordination, production, and support.**—This activity serves primarily to support overseas missions by coordinating program planning and by producing, acquiring, and adapting various program materials for their use.

**Television and film service.**—This Service acquires and produces programs for distribution overseas and for direct telecasts via satellite. This activity also includes the Agency's new television service, **WORLDNET**, which has opened a new era in worldwide communication.

**Agency direction and management.**—This activity encompasses managerial staffs and centralized servicing functions for the Agency as a whole.

The 1988 request for this account will provide funds to cover added operating costs, principally overseas employee wage scales and inflationary increases for rents, utilities, diesel fuel, and other overseas goods and services and full-year costs of the new Federal Employee Retirement System. Additional increases will provide funds to continue the operation of recent Agency initiatives, including Agency support for the U.S.-U.S.S.R. cultural accords signed in Geneva in November, 1985, transmitter operations for the television station in Berlin (RIAS-TV), and **WORLDNET** television.

**Object Classification (in thousands of dollars)**

Identification code 67-0201-0-1-154	1986 actual	1987 est.	1988 est.
<b>UNITED STATES INFORMATION AGENCY</b>			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	231,151	240,141	256,427
11.3 Other than full-time permanent .....	7,325	7,545	7,545
11.5 Other personnel compensation .....	13,755	13,500	13,500
11.8 Special personal services payments .....	928	956	956
11.9 Total personnel compensation .....	253,159	262,142	278,428
12.1 Personnel benefits: Civilian .....	33,253	40,315	54,904
13.0 Benefits for former personnel .....	1,923	2,908	2,181
21.0 Travel and transportation of persons .....	14,954	18,600	21,044
22.0 Transportation of things .....	13,762	14,144	14,865
23.1 Rental payments to GSA .....	15,856	23,581	26,183
23.3 Communications, utilities, and miscellaneous charges .....	57,919	60,878	68,680
24.0 Printing and reproduction .....	2,437	2,574	2,689
25.0 Other services .....	77,416	79,401	85,929
26.0 Supplies and materials .....	35,447	36,248	37,722
31.0 Equipment .....	20,414	21,810	23,662
41.0 Grants, subsidies, and contributions .....	20,957	21,654	22,785
42.0 Insurance claims and indemnities .....	46	48	50
99.0 Subtotal, direct obligations, United States Information Agency .....	547,543	584,303	639,122
99.0 Reimbursable obligations, United States Information Agency .....	4,384	4,900	4,993
<b>ALLOCATION TO DEPARTMENT OF STATE</b>			
41.0 Grants, subsidies, and contributions .....	2,259	2,250	2,583
99.0 Subtotal obligations, Department of State .....	2,259	2,250	2,583
99.9 Total obligations .....	554,186	591,453	646,698
<b>Personnel Summary</b>			
Direct:			
Total number of full-time permanent positions .....	9,370	9,202	9,241
Total compensable workyears:			
Full-time equivalent employment .....	8,812	8,944	8,848
Full-time equivalent of overtime and holiday hours .....	307	283	283
Reimbursable:			
Total compensable workyears: Full-time equivalent employment .....	24	23	23

**SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)**

**Program and Financing (in thousands of dollars)**

Identification code 67-0205-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Overseas missions .....	3,031		
00.02 Voice of America .....	128		
00.03 Educational and cultural affairs .....	229		
10.00 Total obligations .....	3,388		
<b>Financing:</b>			
17.00 Recovery of prior year obligations .....	-421		
21.40 Unobligated balance available, start of year .....	-2,967		
39.00 Budget authority .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	3,388		
72.40 Obligated balance, start of year .....	3,613	1,383	
74.40 Obligated balance, end of year .....	-1,383		
78.00 Adjustments in unexpired accounts .....	-421		
90.00 Outlays .....	5,197	1,383	

This appropriation, together with the balances available from prior years, was formerly used for payment of local program expenses in U.S.-owned foreign currencies in those countries where the Department of the Treasury had determined that the supply of such currencies was in excess to the normal requirements of the U.S. Government. Beginning in 1986, new appropriations for these payments in excess of available balances were budgeted for in the Salaries and expenses account.

**Object Classification (in thousands of dollars)**

Identification code 67-0205-0-1-154	1986 actual	1987 est.	1988 est.
<b>UNITED STATES INFORMATION AGENCY</b>			
Personnel compensation:			
11.1 Full-time permanent .....	802		
11.5 Other personnel compensation .....	28		
11.9 Total personnel compensation .....	830		
12.1 Personnel benefits: Civilian .....	81		
13.0 Benefits for former personnel .....	70		
21.0 Travel and transportation of persons .....	96		
22.0 Transportation of things .....	37		
23.2 Rental payments to others .....	802		
24.0 Printing and reproduction .....	86		
25.0 Other services .....	737		
26.0 Supplies and materials .....	200		
31.0 Equipment .....	149		
41.0 Grants, subsidies, and contributions .....	101		
99.0 Subtotal obligations, United States Information Agency .....	3,189		
<b>DEPARTMENT OF STATE</b>			
26.0 Supplies and materials .....	23		
41.0 Grants, subsidies, and contributions .....	176		
99.0 Subtotal obligations, Department of State .....	199		
99.9 Total obligations .....	3,388		
<b>Personnel Summary</b>			
Total number of full-time permanent positions .....	155		
Total compensable workyears:			
Full-time equivalent employment .....	142		
Full-time equivalent of overtime and holiday hours .....	4		

General and special funds—Continued

ALLOCATIONS RECEIVED FROM OTHER ACCOUNTS

Note.—Obligations incurred under allocations from other accounts are included in the schedules of the parent appropriation as follows: Department of Education, Departmental Management, Education and research overseas.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), [**\$135,270,000**, of which **\$24,270,000**, to remain available until expended, shall be available for expenditure on October 1, 1987] **\$145,463,000**. For the Private Sector Exchange Programs, [**\$9,730,000** of which **\$730,000**, to remain available until expended, shall be available for expenditure on October 1, 1987, and] **\$7,037,000** [of which **\$1,500,000**, to remain available until expended, is for the Eisenhower Exchange Fellowship Program notwithstanding section 209 of Public Law 99-93]. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 67-0209-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Academic and visitor exchanges .....	126,784	128,372	137,876
00.02 Hubert Humphrey fellowships .....	4,682	4,470	5,071
00.03 Private sector programs .....	10,799	11,919	7,037
00.04 Congress-Bundestag Exchange Program .....	2,245	2,426	2,516
00.91 Total direct program .....	144,510	147,187	152,500
01.01 Reimbursable program .....	1,348	2,000	2,000
10.00 Total obligations .....	145,858	149,187	154,500
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-1,348	-2,000	-2,000
21.40 Unobligated balance available, start of year .....	-14,578	-2,187	.....
24.40 Unobligated balance available, end of year .....	2,187	.....	.....
25.00 Unobligated balance lapsing .....	2,339	.....	.....
40.00 Budget authority (appropriation) .....	134,458	145,000	152,500
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	144,510	147,187	152,500
72.40 Obligated balance, start of year .....	78,860	97,557	106,019
74.40 Obligated balance, end of year .....	-97,557	-106,019	-111,119
77.00 Adjustments in expired accounts .....	-567	.....	.....
90.00 Outlays .....	125,246	138,725	147,400

This appropriation provides funding for programs authorized by the Mutual Educational and Cultural Exchanges Act of 1961, as amended, including academic exchanges and grants for foreign leaders and professionals to make short-term visits to the United States. USIA operates a variety of cooperative exchange programs with the private sector. It also arranges special programs for selected foreign individuals and groups visiting the United States under other than U.S. Government sponsorship.

The Agency also manages other exchange related activities funded from the Agency's S&E appropriation, i.e.: international youth exchange, Board of Foreign Scholarships, student support, studies of the U.S. and libraries, reading rooms, cultural centers and related resources.

The staff costs to operate the exchange programs funded by this appropriation are included in the salaries and expenses account.

*Academic and visitor exchanges.*—This activity consists of academic exchange of American and foreign graduate students, teachers, scholars and specialists; and officially invited international visitors as well as important foreign visitors who are not U.S. Government-sponsored.

*Hubert H. Humphrey fellowships.*—This activity provides for one year of graduate training to promising mid-career professionals from third world countries.

*Private sector programs.*—This activity supports traditional and other exchange programs conducted by non-governmental organizations.

*Congress-Bundestag Exchange Program.*—This activity provides mutual full scholarships for year-long academic homestay programs between Germany and the United States. This project is co-funded with each country providing half of the necessary funds to support these exchanges.

The 1988 request essentially will maintain programs at existing levels.

Object Classification (in thousands of dollars)

Identification code 67-0209-0-1-154	1986 actual	1987 est.	1988 est.
Direct obligations:			
41.0 Grants, subsidies, and contributions .....	144,510	147,187	152,500
99.0 Reimbursable obligations .....	1,348	2,000	2,000
99.9 Total obligations .....	145,858	149,187	154,500

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, [**\$15,000,000**] **\$25,000,000**. (*Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.*)

Program and Financing (in thousands of dollars)

Identification code 67-0210-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....	17,226	15,000	25,000
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....	17,226	15,000	25,000
Relation of obligations to outlays:			
71.00 Obligations incurred, net .....	17,226	15,000	25,000
72.40 Obligated balance, start of year .....	.....	14,534	14,721
74.40 Obligated balance, end of year .....	-14,534	-14,721	-18,833
90.00 Outlays .....	2,692	14,813	20,888

The National Endowment for Democracy is a private, nonprofit corporation established in the District of Columbia to encourage and strengthen the development of democratic institutions and processes internationally, including activities which promote individual rights and freedom, through private sector initiatives, exchanges, training programs, and other activities.

The National Endowment for Democracy Act provides that the U.S. Information Agency will make an annual grant to the Endowment to enable the Endowment to fulfill the purposes of the Act. The Endowment does not carry out programs directly but provides funding for activities of the Free Trade Union Institute of

the AFL-CIO, the National Chamber Foundation of the U.S. Chamber of Commerce and other private organizations and groups. The 1988 estimates will enable the Endowment to expand programs begun during its initial years of operation.

**RADIO BROADCASTING TO CUBA\***

\*See Part II for additional information.

For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, **[\$11,250,000] \$12,652,000**, to remain available until expended. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 67-0208-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Program operations.....	10,545	11,908	12,652
00.02 Acquisition and construction of facilities.....	928	629	.....
10.00 Total obligations.....	11,473	12,537	12,652
<b>Financing:</b>			
17.00 Recoveries of prior-year obligations.....	-1,509	.....	.....
21.40 Unobligated balance available, start of year.....	-495	-771	.....
24.40 Unobligated balance available, end of year.....	771	.....	.....
39.00 Budget authority.....	10,240	11,766	12,652
<b>Budget authority:</b>			
40.00 Appropriation.....	10,240	11,250	12,652
44.40 Supplemental for retirement contributions (P.L. 99-355).....	.....	516	.....
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	11,473	12,537	12,652
72.40 Obligated balance, start of year.....	6,905	2,369	3,102
74.40 Obligated balance, end of year.....	-2,369	-3,102	-3,350
78.00 Adjustments in unexpired accounts.....	-1,509	.....	.....
89.00 Outlays.....	14,499	11,714	12,454
<b>Outlays:</b>			
90.00 Outlays, excluding retirement contribution supplemental ...	14,499	11,309	12,383
91.40 Outlays from retirement contribution supplemental.....	.....	495	21

**SUMMARY OF BUDGET AUTHORITY AND OUTLAYS**

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
Enacted/requested:			
Budget authority.....	10,240	11,766	12,652
Outlays.....	14,499	11,804	12,404
Supplemental under existing legislation:			
Budget authority.....	.....	993	.....
Outlays.....	.....	993	.....
Total:			
Budget authority.....	10,240	12,759	12,652
Outlays.....	14,499	12,797	12,404

The Voice of America: Radio Marti Program was created by the Radio Broadcasting to Cuba Act (Public Law 98-111). The programs are transmitted via the present Voice of America transmitter facility at Marathon, Florida.

The objectives of the Radio Marti Program are: (1) to support the right of the people of Cuba to seek, receive, and impart information and ideas through any media and regardless of frontiers; (2) to be effective in further-

ing the open communication of information and ideas through use of radio broadcasting to Cuba; (3) to serve as a consistently reliable and authoritative source of accurate, objective, and comprehensive news; and (4) to function in accordance with all Voice of America standards, and to broadcast programs which present a variety of views.

**Program operations.**—These funds provide for program operations which include personnel compensation, research, transmission costs and other programming requirements. The Radio Marti Program began broadcasting at 5:30 a.m., May 20, 1985, from studios in Washington, D.C. The program currently broadcasts 17.5 hours each day, seven days per week.

**Acquisition and construction of facilities.**—In 1987, the funds provided will complete the upgrading of the transmitter site at Marathon, Florida, and construction of permanent broadcast studios in Washington. No additional funds are requested in 1988.

**Object Classification (in thousands of dollars)**

Identification code 67-0208-0-1-154	1986 actual	1987 est.	1988 est.
11.1 Personnel compensation: Full-time permanent.....	5,109	5,369	5,523
12.1 Personnel benefits: Civilian.....	760	1,387	2,436
21.0 Travel and transportation of persons.....	116	227	250
22.0 Transportation of things.....	47	36	56
23.1 Rental payments to GSA.....	922	1,196	1,407
23.3 Communications, utilities, and miscellaneous charges.....	501	360	203
24.0 Printing and reproduction.....	2	12	11
25.0 Other services.....	2,502	2,739	1,518
26.0 Supplies and materials.....	568	1,097	930
31.0 Equipment.....	766	114	318
32.0 Land and structures.....	180	.....	.....
99.9 Total obligations.....	11,473	12,537	12,652

**Personnel Summary**

Total number of full-time permanent positions.....	187	185	181
Total compensable workyears:			
Full-time equivalent employment.....	158	176	172
Full-time equivalent of overtime and holiday hours.....	8	5	5

**EAST-WEST CENTER**

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, \$20,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)

**Program and Financing (in thousands of dollars)**

Identification code 67-0202-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0).....	19,858	20,000	20,000
<b>Financing:</b>			
40.00 Budget authority (appropriation).....	19,858	20,000	20,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	19,858	20,000	20,000
72.40 Obligated balance, start of year.....	862	189	189
74.40 Obligated balance, end of year.....	-189	-189	-189
90.00 Outlays.....	20,531	20,000	20,000

General and special funds—Continued

EAST-WEST CENTER—Continued

The Center for Cultural and Technical Interchange between East and West is a national educational institution administered on behalf of the United States Information Agency by a public, nonprofit educational corporation under a grant from the Agency. The Center promotes better relations and understanding between the United States and the nations of Asia and the Pacific through cooperative programs of research, study, and training, which bring qualified persons from the countries of the area to work jointly on problems of mutual concern.

No increase is requested for 1988. Although mandatory cost increases will occur, the Center anticipates that they will be offset by additional revenues generated from outside sources.

The funds requested in 1988 will provide for 2,190 participant awards for an average of ten weeks each.

RADIO CONSTRUCTION

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, **[\$46,000,000]** \$90,000,000, to remain available until expended: *Provided, That the amount previously appropriated and obligated for contingent termination or cancellation costs of the shortwave broadcast agreement with the Federal Republic of Germany shall remain obligated only for this agreement [That not to exceed \$12,000,000 of these funds shall be available for construction of facilities for Radio In the American Sector: *Provided further, That such amounts as may be necessary shall be available until expended for contingent termination or cancellation costs: *Provided further, That the Funds appropriated in this paragraph shall be available for expenditure on October 1, 1987]. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b); additional authorizing legislation to be proposed.)***

Program and Financing (in thousands of dollars)

Identification code 67-0204-0-1-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Direct program:			
00.01 Acquisition and construction of facilities.....	28,975	170,672	79,500
00.02 Maintenance and improvement of existing facilities.....	7,545	17,949	10,000
00.03 Advanced engineering and technical development.....	9,570	7,440	500
00.05 RIAS-TV in Berlin.....		12,000	
00.91 Total direct program.....	46,090	208,061	90,000
01.01 Reimbursable program.....	150		
10.00 Total obligations.....	46,240	208,061	90,000
Financing:			
11.00 Offsetting collections from: Federal funds.....	- 150		
17.00 Recovery of prior year obligations.....	- 2,408		
21.40 Unobligated balance available, start of year.....	- 80,545	- 142,061	
24.40 Unobligated balance available, end of year.....	142,061		
39.00 Budget authority.....	105,198	66,000	90,000
Budget authority:			
40.00 Appropriation.....	105,198	46,000	90,000
40.00 Appropriation (indefinite).....		20,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net.....	46,090	208,061	90,000
72.40 Obligated balance, start of year.....	72,176	56,784	175,437
74.40 Obligated balance, end of year.....	- 56,784	- 175,437	- 177,437
78.00 Adjustments in unexpired accounts.....	- 2,408		
90.00 Outlays.....	59,075	89,408	88,000

**Acquisition and construction of facilities.**—In 1988, the Agency will continue the multi-year effort of modernizing and expanding the technical transmission capability of the Voice of America (VOA). This effort responds to reviews of the operations of U.S. Government funded radios, which found deficiencies in the VOA's capability to meet current public diplomacy objectives. To eliminate these deficiencies and provide an operationally effective global radio network that is a critical element of the public diplomacy programs of the Agency, VOA will continue to rehabilitate and modernize existing stations, expand selected operational sites, and construct additional new facilities. The 1988 appropriation will provide \$79,500 thousand for this program.

**Maintenance and improvement of existing facilities.**—This program will provide \$10,000 thousand in 1988 for the continuing repairs and improvements required to maintain the VOA's existing global radio network.

**Advanced engineering and technical development.**—This category will provide \$500 thousand for the continuing program of engineering development, equipment design and radio propagation techniques specifically applicable to the VOA.

Object Classification (in thousands of dollars)

Identification code 67-0204-0-1-154	1986 actual	1987 est.	1988 est.
UNITED STATES INFORMATION AGENCY			
21.0 Travel and transportation of persons.....	138		
22.0 Transportation of things.....	40	30	32
23.2 Rental payments to others.....	2,234	1,500	1,500
24.0 Printing and reproduction.....	2		
25.0 Other services.....	16,764	107,104	65,068
26.0 Supplies and materials.....	241	200	200
31.0 Equipment.....	15,182	80,214	23,200
32.0 Lands and structures.....	577		
42.0 Claims and indemnities.....	10,000	10,000	
99.0 Subtotal obligations, United States Information Agency.....	45,178	199,048	90,000
ALLOCATION TO ARMY CORPS OF ENGINEERS			
11.1 Personnel compensation: Full-time permanent.....	295	494	
21.0 Travel and transportation of persons.....	87	90	
22.0 Transportation of things.....		9	
24.0 Printing and reproduction.....	23	18	
25.0 Other services.....	657	1,078	
26.0 Supplies and materials.....		269	
32.0 Land and structures.....		7,055	
99.0 Subtotal obligations, Army Corps of Engineers.....	1,062	9,013	
99.9 Total obligations.....	46,240	208,061	90,000

Personnel Summary

ALLOCATION TO CORPS OF ENGINEERS			
Total number of full-time permanent positions.....	18	21	
Total compensable workyears: Full-time equivalent employment.....	16	20	

Trust Funds

MISCELLANEOUS TRUST FUNDS

Program and Financing (in thousands of dollars)

Identification code 67-9971-0-7-154	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.91 Total direct program.....	2,961	2,700	2,100

01.01	Reimbursable program.....	113		
10.00	Total obligations.....	3,074	2,700	2,100
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....	-113		
	Unobligated balance available, start of year:			
21.40	Treasury balance.....	-3,913	-3,164	-2,012
21.40	U.S. securities (par).....	-585		
	Unobligated balance available, end of year:			
24.40	Treasury balance.....	3,164	2,012	1,262
24.40	U.S. securities (par).....			
60.00	<b>Budget authority (appropriation) (permanent, indefinite).....</b>	<b>1,627</b>	<b>1,548</b>	<b>1,350</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	2,961	2,700	2,100
72.40	Obligated balance, start of year.....	1,785	1,858	2,088
74.40	Obligated balance, end of year.....	-1,858	-2,088	-2,238
90.00	Outlays.....	2,888	2,470	1,950
<b>Distribution of budget authority by account:</b>				
	Proprietary receipts.....	190	1,063	865
	Contributions, educational and cultural exchange.....	1,347	455	455
	Interest, educational and cultural exchange.....	91	30	30
<b>Distribution of outlays by account:</b>				
	Proprietary receipts.....	398	500	650
	Contributions, educational and cultural exchange.....	2,490	1,970	1,300
	Interest, educational and cultural exchange.....			

Funds advanced by other governments, business concerns, and private organizations are used to send experts abroad to perform requested services; to give foreign nationals scientific, technical, or other training; to purchase films and other products owned or controlled by the United States Information Agency; to replace damaged or destroyed United States Information Agency property; and for international exhibitions (22 U.S.C 1431-1479; 70 Stat. 778).

Funds contributed by private individuals and concerns, foreign governments, and international organizations are used for the purposes of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455) and for carrying out other functions of the Agency (22 U.S.C. 809a and 22 U.S.C. 2697).

**Object Classification (in thousands of dollars)**

Identification code	67-9971-0-7-154	1986 actual	1987 est.	1988 est.
<b>Direct obligations:</b>				
21.0	Travel and transportation of persons.....	9	8	6
22.0	Transportation of things.....	146	128	100
23.3	Communications, utilities, and miscellaneous charges.....	111	97	76
24.0	Printing and reproduction.....	13	11	9
25.0	Other services.....	1,187	1,042	811
26.0	Supplies and materials.....	282	248	193
31.0	Equipment.....	6	5	4
41.0	Grants, subsidies, and contributions.....	1,207	1,161	901
99.0	Subtotal, direct obligations.....	2,961	2,700	2,100
99.0	Reimbursable obligations.....	113		
99.9	Total obligations.....	3,074	2,700	2,100

**ADMINISTRATIVE PROVISION—UNITED STATES INFORMATION AGENCY**

[Funds appropriated under this title to the United States Information Agency shall be available notwithstanding the provisions of sections 203, 204, 205, and 210(c) of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (Public Law 99-93).] Funds made available under this Act or any other Act for the employing agency contributions prescribed by the Civil Service Retirement System (5 U.S.C. ch. 83), the Foreign Service Retirement System (22 U.S.C. 4041 et seq.), and the Federal Employees' Retirement System Act of 1986 (Public Law 99-335), as amended, for any Executive agency, as defined

in 31 U.S.C. 102, with direct pay costs in fiscal year 1988 of over \$25,000,000 shall be available only for such purpose. If the total amount obligated for fiscal year 1988 for such employing agency contributions is less than the estimate for such contributions reflected in the President's Budget, then the difference between the estimated and actual obligations shall not be available for obligation. (Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

**UNITED STATES INSTITUTE OF PEACE**

**Federal Funds**

**General and special funds:**

**UNITED STATES INSTITUTE OF PEACE**

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, [§625,000] \$3,310,000.

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	95-1300-0-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations.....	3,799	625	3,310
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....	-4,000		
24.40	Unobligated balance available, end of year.....			
25.00	Unobligated balance lapsing.....	201		
40.00	<b>Budget authority (appropriation).....</b>		<b>625</b>	<b>3,310</b>
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	3,799	625	3,310
72.40	Obligated balance, start of year.....		3,569	
74.40	Obligated balance, end of year.....	-3,569		
90.00	Outlays.....	230	4,194	3,310

The United States Institute of Peace (USIP) was established by Congress to conduct and support research and scholarship in the fields of peace, arms control, and conflict resolution.

The USIP Board of Directors took office, selected a staff, and began operation in February 1986. In 1987 program activity includes conducting a survey of the field of peace studies, awarding its first grants and scholarships, and sponsoring a student essay contest. The funds requested in 1988 will permit USIP to continue its research and scholarship programs at levels consistent with the state of program planning and administrative experience during this early stage in its existence.

**Object Classification (in thousands of dollars)**

Identification code	95-1300-0-1-153	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....	107	419	777
11.3	Other than full-time permanent.....	31	5	158
11.9	Total personnel compensation.....	138	424	935
12.1	Personnel benefits: Civilian.....	18	59	105
21.0	Travel and transportation of persons.....	12	23	165
22.0	Transportation of things.....	1	1	10
23.1	Rental payments to GSA.....	25	56	120
23.2	Rental payments to others.....	1	1	10
23.3	Communications, utilities, and miscellaneous charges.....	6	8	60
24.0	Printing and reproduction.....	3	9	160
25.0	Other services.....	55	39	188
26.0	Supplies and materials.....	2	5	19
31.0	Equipment.....	38		70

General and special funds—Continued

UNITED STATES INSTITUTE OF PEACE—Continued

Object Classification (in thousands of dollars)—Continued

Identification code	1986 actual	1987 est.	1988 est.
95-1300-0-1-153			
41.0 Grants, subsidies and contributions.....	3,500		1,468
99.9 Total obligations.....	3,799	625	3,310

Personnel Summary

Total number of full-time permanent positions.....	6	10	11
Total compensable workyears: Full-time equivalent employment.....	2	7	11

**[UNITED STATES RAILWAY ASSOCIATION]**

Federal Funds

General and special funds:

**[ADMINISTRATIVE EXPENSES]**

For necessary administrative expenses to enable the United States Railway Association to carry out its functions under the Regional Rail Reorganization Act of 1973, as amended, to remain available until expended, \$2,200,000, of which not to exceed \$500 may be available for official reception and representation expenses.]

Note.—Public Laws 99-500 and 99-591, section 101(i), provide funds to the extent and in the manner provided for in the conference version of H.R. 5205, Department of Transportation and Related Agencies Appropriations Act, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
98-0100-0-1-401			
<b>Program by activities:</b>			
10.00 Total obligations.....	2,272	1,100	
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-30	-55	
24.40 Unobligated balance available, end of year.....	55		
39.00 Budget authority.....	2,297	1,045	
<b>Budget authority:</b>			
40.00 Appropriation.....	2,297	2,200	
45.00 Transfer out for pay raise.....		-1,155	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,272	1,100	
72.40 Obligated balance, start of year.....	570	545	
74.40 Obligated balance, end of year.....	-545		
90.00 Outlays.....	2,297	1,645	

USRA was created as a temporary agency in 1973 to oversee the formation of Conrail, monitor its performance, and act as a conduit for Federal assistance. These activities have been completed and, pursuant to the Conrail Privatization Act, USRA will be abolished on April 1, 1987. Conrail is currently a profitable corporation operating without government subsidy that is being returned to the private sector.

Two other USRA accounts, Payments for Purchase of Conrail Securities and Regional Rail Reorganization Program, have been transferred to the Department of Transportation and are shown under the Federal Railroad Administration.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
98-0100-0-1-401			
11.8 Personnel compensation: Special personal services payments.....	1,819	866	
21.0 Travel and transportation of persons.....	26	5	
23.2 Rental payments to others.....	345	195	
23.3 Communications, utilities, and miscellaneous charges.....	16	8	
25.0 Other services.....	29	20	
26.0 Supplies and materials.....	24	6	
31.0 Equipment.....	13		
99.9 Total obligations.....	2,272	1,100	

UNITED STATES SENTENCING COMMISSION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, **[\$5,800,000]** \$5,600,000. (The Judiciary Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, section 101(b).)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
10-0938-0-1-752			
<b>Program by activities:</b>			
10.00 Total obligations.....	2,203	6,200	6,400
<b>Financing:</b>			
21.40 Unobligated balance available, start of year.....	-2,350	-1,200	-800
24.40 Unobligated balance available, end of year.....	1,200	800	
40.00 Budget authority (appropriation).....	1,053	5,800	5,600
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	2,203	6,200	6,400
72.40 Obligated balance, start of year.....		91	248
74.40 Obligated balance, end of year.....	-91	-248	-256
90.00 Outlays.....	2,112	6,043	6,392

The United States Sentencing Commission was established pursuant to provisions of the Comprehensive Crime Control Act of 1984 (Public Law 98-473, Title II). The purposes of the Commission are to establish sentencing guidelines for the United States district courts and other sentencing policies and practices for the Federal criminal justice system. The Commission is also charged with developing means of measuring the degree to which the sentencing, penal, and correctional practices are effective in meeting the purposes of sentencing as set forth in new section 3553(a)(2) of Title 18, United States Code, by section 212(a) of the Act.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
10-0938-0-1-752			
11.1 Personnel compensation: Full-time permanent.....	1,150	2,350	2,405
12.1 Personnel benefits: Civilian.....	148	360	375
21.0 Travel and transportation of persons.....	98	430	446
22.0 Transportation of things.....	24		
23.2 Rental payments to others.....	199	380	396
23.3 Communications, utilities, and miscellaneous charges.....	50	30	44
24.0 Printing and reproduction.....	26	190	201
25.0 Other services.....	48	2,370	2,425
26.0 Supplies and materials.....	64	30	38
31.0 Equipment.....	396	60	70
99.9 Total obligations.....	2,203	6,200	6,400

**Personnel Summary**

Total number of full-time permanent positions.....	50	54	54
Total compensable workyears: Full-time equivalent employment .....	37	54	54

**UNITED STATES SYNTHETIC FUELS CORPORATION**

*Federal Funds*

**Public enterprise funds:**

**UNITED STATES SYNTHETIC FUELS CORPORATION**

**Program and Financing (in thousands of dollars)**

Identification code 32-4017-0-3-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations .....	17,324		
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds .....	-22,241		
32.49 Balance of contract authority withdrawn .....	4,917		
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	-4,917		
72.49 Obligated balance, start of year: Contract authority .....	4,917		
90.00 <b>Outlays</b> .....			

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	3,564		
2264 Other adjustments, net .....	-3,564		
2290 Outstanding, end of year .....			

Public Law 99-190, making continuing appropriations for 1986, rescinded the balance of funds available to the Synthetic Fuels Corporation. The act transferred ongoing projects to the Secretary of the Treasury (Union-Parachute Creek, Cool Water, Dow Syngas, and Forest Hill) and allowed \$10 million to liquidate the Corporation.

**Object Classification (in thousands of dollars)**

Identification code 32-4017-0-3-271	1986 actual	1987 est.	1988 est.
11.8 Personnel compensation: Special personal services payments .....	8,468		
21.0 Travel and transportation of persons .....	58		
22.0 Transportation of things .....	67		
23.2 Rental payments to others .....	4,991		
24.0 Printing and reproduction .....	101		
25.0 Other services .....	3,619		
26.0 Supplies and materials .....	20		
99.9 Total obligations .....	17,324		

**WATER RESOURCES COUNCIL**

*Federal Funds*

**General and special funds:**

**WATER RESOURCES PLANNING**

**Program and Financing (in thousands of dollars)**

Identification code 85-0100-0-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....	7		
<b>Financing:</b>			
21.40 Unobligated balance available, start of year .....	-2,009	-2,001	
24.40 Unobligated balance available, end of year .....	2,001		
25.00 Unobligated balance lapsing .....		2,001	
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	7		
72.10 Receivables in excess of obligations, start of year .....	-930		
72.40 Obligated balance, start of year .....		59	
74.40 Obligated balance, end of year .....	-59		
90.00 <b>Outlays</b> .....	-982	59	

All Water Resources Council activities were terminated March 1981. Minor expenditures occurred due to prior year obligations.



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**PART II**

**SUPPLEMENTALS AND RESCISSIONS**

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II-1

## EXPLANATION OF REQUESTS

This part contains supplemental appropriations requests for 1987 being proposed for congressional consideration in this budget. Requests for supplemental appropriations are usually made after enactment of regular appropriations. In cases where programs are funded under a continuing resolution, some requests are included to supplement the funding available under the resolution. Information is also included on proposals to rescind budget authority and to rescind or otherwise reduce the availability of other budgetary resources.

### PROPOSED SUPPLEMENTAL REQUESTS

Supplemental requests are shown as separate sections.

*Section I.*—Supplementals proposed in this budget for various purposes are presented in this section and usually include: suggested appropriation language, the related budget schedules, and the reasons for the requests. In some cases, language is proposed to reduce mandatory program levels (entitlements, for example) included in authorizing legislation. In such cases, separate budget schedules are not shown, but the reduced funding levels that would result are reflected in the regular budget schedules for the account in Part I. Language is also included to propose reductions in enacted direct loan and guaranteed loan limitations. A status of direct loans or status of guaranteed loans schedule will

show the changes in credit activity resulting from the lower limitation.

*Section II.*—Requests for pay supplementals in this section are in the form of suggested appropriations language. The amounts contained in the appropriations language also appear as separate line entries in the regular program and financing schedules in Part I.

*Section III.*—Requests for supplementals for increased retirement contributions due to enactment of the Federal Employees' Retirement System (FERS) Act of 1986, Public Law 99-335, are shown in the same manner as pay supplementals. Proposed appropriations language for the FERS requests is presented in this section and the amounts requested are identified on separate line entries in the Part I program and financing schedules.

### RESCISSION PROPOSALS

*Section IV.*—Under the provisions of the Impoundment Control Act of 1974 (Public Law 93-344), whenever the President proposes rescission of enacted appropriations, a special message must be sent to the Congress giving details of the proposal. Included in this part—for rescission proposals being made in conjunction with this budget—are related budget schedules, references to the special message being sent to the Congress, and explanations of the proposals.

## PROPOSED SUPPLEMENTALS AND RESCISSION PROPOSALS

### SUMMARY OF PROPOSED SUPPLEMENTALS AND RESCISSION PROPOSALS

	1987 requests			1987 requests	
	1987 budget authority	Associated requests not affecting budget authority		1987 budget authority	Associated requests not affecting budget authority
<b>PROPOSED SUPPLEMENTAL ACTIONS</b>					
<b>SECTION I—PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR VARIOUS PROGRAMS [EXCLUDING REQUESTS FOR INCREASED PAY AND RETIREMENT CONTRIBUTION COSTS]</b>					
Legislative branch.....	16,363,000				
The Judiciary.....	62,000,000				
Funds Appropriated to the President.....	1,150,847,000				
Department of Agriculture.....	-1,769,084,000				
Department of Commerce.....	38,520,000				
Department of Defense—Military.....	2,792,600,000				
Department of Defense—Civil.....		transfer language			
Department of Education.....		-6,000,000			
Department of Health and Human Services.....	382,404,000	-33,583,000			
Department of Housing and Urban Development.....	-5,393,000				
Department of the Interior.....	22,431,000				
Department of Justice.....	205,530,000				
Department of Labor.....	-79,177,000	-90,000,000			
Department of State.....	95,950,000				
Department of Transportation.....	86,717,000	86,000,000			
Department of the Treasury.....	93,800,000				
General Services Administration.....		language			
Small Business Administration.....	4,116,000				
Veterans Administration.....	80,200,000				
Other independent agencies.....	122,639,000				
<b>Total, Section I.....</b>	<b>3,300,463,000</b>	<b>-43,583,000</b>			
<b>SECTION II—INCREASED PAY COSTS FOR THE FISCAL YEAR 1987</b>					
Legislative branch.....	33,928,000				
The Judiciary.....	16,960,000				
Executive Office of the President.....	743,000				
Funds Appropriated to the President.....	2,617,000				
Department of Agriculture.....		30,177,000			
Department of Commerce.....		transfer language			
Department of Defense—Military.....	12,703,000				
Department of Defense—Civil.....		2,354,000			
Department of Energy.....		transfer language			
Department of Health and Human Services.....	2,200,000	18,306,000			
Department of the Interior.....		642,000			
Department of Justice.....	29,476,000				
Department of Labor.....	708,000				
Department of State.....	6,900,000				
Department of Transportation.....		24,293,000			
Department of the Treasury.....	2,789,000				
Environmental Protection Agency.....		12,400,000			
National Aeronautics and Space Administration.....		24,877,000			
Small Business Administration.....		2,000,000			
Veterans Administration.....	77,290,000				
<b>SECTION III—INCREASED COSTS FOR RETIREMENT CONTRIBUTIONS (P.L. 99-335)</b>					
Legislative branch.....	54,494,000				
The Judiciary.....	11,277,000				
Executive Office of the President.....	1,635,000				
Funds Appropriated to the President.....	6,241,000				
Department of Agriculture.....			31,079,000		
Department of Commerce.....	15,130,000				
Department of Defense—Military.....	564,585,000				
Department of Defense—Civil.....	74,000		1,978,000		
Department of Energy.....			transfer language		
Department of Health and Human Services.....			9,083,000		
Department of the Interior.....			701,000		
Department of Justice.....	68,651,000				
Department of Labor.....	494,000		1,659,000		
Department of State.....	16,734,000				
Department of Transportation.....			12,139,000		
Department of the Treasury.....	122,027,000				
Environmental Protection Agency.....			10,000,000		
National Aeronautics and Space Administration.....			16,557,000		
Small Business Administration.....			2,400,000		
Veterans Administration.....	142,211,000				
Other independent agencies.....	15,210,000				
<b>Total, Section III.....</b>	<b>1,018,763,000</b>		<b>85,596,000</b>		
<b>SECTION IV—RESCISSION PROPOSALS</b>					
Department of Agriculture.....	-475,207,000		-20,845,000		
Department of Commerce.....	-215,066,000		-44,157,000		
Department of Defense—Military.....	-133,750,000				
Department of Defense—Civil.....			-7,715,000		
Department of Education.....	-2,476,422,000		-4,427,000		
Department of Energy.....	-210,197,000				
Department of Health and Human Services.....	-199,671,000		-31,744,000		
Department of Housing and Urban Development.....	-1,066,455,000		-42,100,000		
Department of the Interior.....	-302,737,000				
Department of Justice.....	-24,598,000				
Department of Labor.....	-332,000,000				
Department of the Treasury.....	-62,395,000				
Environmental Protection Agency.....	-50,000,000				
National Aeronautics and Space Administration.....	-25,796,000				
Veterans Administration.....	-75,000,000				
Other independent agencies.....	-35,468,000				
<b>Total, Section IV.....</b>	<b>-5,684,762,000</b>		<b>-150,989,000</b>		
<b>Grand total.....</b>	<b>-1,169,386,000</b>		<b>141,541,000</b>		

**DETAILS OF PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1987**

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated out of any money in the Treasury not otherwise appropriated to supply supplemental appropriations for the fiscal year ending September 30, 1987 and for other purposes; namely:*

**SECTION I—PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR VARIOUS PROGRAMS (EXCLUDING REQUESTS FOR INCREASED PAY AND RETIREMENT CONTRIBUTION COSTS)**

**Legislative Branch**

**SENATE**

**SALARIES, OFFICERS AND EMPLOYEES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries, officers and employees", \$120,000.

**MISCELLANEOUS ITEMS**

(Supplemental now requested, existing legislation)

For an additional amount for "Miscellaneous items", \$400,000.

**HOUSE OF REPRESENTATIVES**

**SALARIES, OFFICERS AND EMPLOYEES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries, officers and employees", \$493,000, including "Office of the Clerk", \$402,000; "Office of the Sergeant at Arms", \$72,000 and "Office of the Law Revision Counsel", \$19,000.

**CONTINGENT EXPENSES OF THE HOUSE**

**ALLOWANCES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Allowances and expenses", \$11,061,000, including "Supplies, materials, administrative costs and Federal tort claims", \$10,693,000; and "Reemployed annuitants reimbursements", \$368,000.

**JOINT ITEMS**

**GENERAL EXPENSES, CAPITOL POLICE**

(Supplemental now requested, existing legislation)

For an additional amount for "General expenses, Capitol Police", \$432,000.

**OFFICIAL MAIL COSTS**

(Supplemental now requested, existing legislation)

For an additional amount for "Official mail costs", \$3,395,000.

**CAPITOL GUIDE SERVICE**

(Supplemental now requested, existing legislation)

For an additional amount to "Capitol Guide Service", \$109,000.

**OTHER LEGISLATIVE BRANCH AGENCIES**

**COPYRIGHT ROYALTY TRIBUNAL**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$17,000, of which \$14,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0310-1-1-376			
<b>Program by activities:</b>			
10.00 Total obligations (object class 23.1)		17	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds		-14	
40.00 Budget authority (appropriation)		3	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		3	
90.00 Outlays		3	

This proposal would provide for an increase in rent.

**PHYSICIAN PAYMENT REVIEW COMMISSION**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$535,000, to remain available until September 30, 1988, to be transferred to this appropriation from the Federal Supplementary Medical Insurance Trust Fund.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1000-1-1-801			
<b>Program by activities:</b>			
10.00 Total obligations		535	
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds		-535	
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
72.40 Obligated balance, start of year			60
74.40 Obligated balance, end of year		-60	
90.00 Outlays		-60	60

The Physician Payment Review Commission was activated in November, 1986. This supplemental would allow the Commission to accomplish its Congressional mandate.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1000-1-1-801			
<b>Personnel compensation:</b>			
11.1 Full-time permanent		56	
11.3 Other than full-time permanent		42	
11.9 Total personnel compensation		98	
12.1 Personnel benefits: Civilian		58	
21.0 Travel and transportation of persons		25	
23.3 Communications, utilities, and miscellaneous charges		59	
24.0 Printing and reproduction		37	
25.0 Other services		185	

31.0	Equipment	73
99.9	Total obligations	535

**Personnel Summary**

Total number of full-time permanent positions	6
Total compensable workyears: Full-time equivalent employment	2

**OFFICE OF TECHNOLOGY ASSESSMENT**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$350,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
09-0700-1-1-801			
<b>Program by activities:</b>			
10.00	Total obligations (object class 31.0)	350	
<b>Financing:</b>			
40.00	Budget authority (appropriation)	350	
<b>Relation of obligation to outlays:</b>			
71.00	Obligations incurred, net	350	
90.00	Outlays	350	

This supplemental appropriation would provide funding for the capital expenditures associated with the installation of telephone services compatible with the Congressional system.

**The Judiciary**

**COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses," \$40,200,000, of which \$4,000,000 shall remain available until expended.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0920-1-1-752			
<b>Program by activities:</b>			
00.01	Salaries of judges	1,200	
00.02	Salaries of supporting personnel	7,275	
00.03	Expenses of operation and maintenance of the courts	16,725	
00.04	Space and facilities	15,000	
10.00	Total obligations	40,200	
<b>Financing:</b>			
40.00	Budget authority (appropriation)	40,200	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	40,200	
72.40	Obligated balance, start of year		4,424
74.40	Obligated balance, end of year	-4,424	
90.00	Outlays	35,776	4,424

This supplemental request would provide for: (1) establishment of 52 new bankruptcy judgeships, pursuant to Public Law 99-554; (2) a pilot bankruptcy administrator program in two judicial districts; (3) 400 additional deputy clerks for bankruptcy courts required as a result of a projected increase in bankruptcy filings; (4) 326 additional positions for probation/pretrial services and

60 additional deputy clerks for district courts required as a result of increased drug enforcement activities pursuant to Public Law 99-500; (5) increased travel costs resulting from the new higher subsistence allowances; (6) increased Federal Telecommunications System charges assessed by the General Services Administration (GSA); (7) procurement of telephone systems; and (8) higher office space rental charges assessed by GSA.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0920-1-1-752			
11.1	Personnel compensation: Full-time permanent	6,598	
12.1	Personnel benefits: Civilian	1,877	
21.0	Travel and transportation of persons	3,225	
23.1	Rental payments to GSA	14,900	
23.3	Communications, utilities, and miscellaneous charges	1,921	
24.0	Printing and reproduction	8	
25.0	Other services	1,606	
26.0	Supplies and materials	122	
31.0	Equipment	9,943	
99.9	Total obligations	40,200	

**Personnel Summary**

Total number of full-time permanent positions	1,017
Total compensable workyears: Full-time equivalent employment	254

**DEFENDER SERVICES**

(Supplemental now requested, existing legislation)

For an additional amount for "Defender services", \$2,500,000, to remain available until expended.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0923-1-1-752			
<b>Program by activities:</b>			
10.00	Panel attorneys (total obligations) (object class 25.0)	2,500	
<b>Financing:</b>			
40.00	Budget authority (appropriation)	2,500	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	2,500	
72.40	Obligated balance, start of year		1,500
74.40	Obligated balance, end of year	-1,500	
90.00	Outlays	1,000	1,500

This supplemental request would provide for additional requirements for panel attorney compensation as authorized by Public Law 99-651.

**ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses," \$192,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0927-1-1-752			
<b>Program by activities:</b>			
00.01	Executive direction	66	
00.02	Program management	30	
00.03	Management services	20	
00.04	Information systems	76	
10.00	Total obligations	192	

**SALARIES AND EXPENSES—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	1986 actual	1987 est.	1988 est.
10-0927-1-1-752			
<b>Financing:</b>			
40.00 Budget authority (appropriation)		192	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		192	
72.40 Obligated balance, start of year			50
74.40 Obligated balance, end of year		-50	
90.00 Outlays		142	50

This supplemental request would provide funding for 17 new positions required due to: (1) new program initiatives designed to provide more efficient and effective service to the federal court system; and (2) the transfer of the responsibility for operation of automated court management information systems from the Federal Judicial Center.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0927-1-1-752			
11.1 Personnel compensation: Full-time permanent		116	
12.1 Personnel benefits: Civilian		16	
21.0 Travel and transportation of persons		5	
23.1 Rental payments to GSA		16	
23.3 Communications, utilities, and miscellaneous charges		1	
25.0 Other services		1	
26.0 Supplies and materials		2	
31.0 Equipment		35	
99.9 Total obligations		192	

**Personnel Summary**

Total number of full-time permanent positions	17
Total compensable workyears: Full-time equivalent employment	4

**CONSTRUCTION OF COURT FACILITIES**

(Supplemental now requested, existing legislation)

*For necessary expenses, not otherwise provided for, incident to the planning, design, and construction of facilities for the United States Courts, to be expended directly or transferred to the General Services Administration; \$18,000,000 to remain available until expended. (28 U.S.C. 152(c), 604(a)(12), 462.)*

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0939-1-1-752			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		18,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		18,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		18,000	
72.40 Obligated balance, start of year			13,500
74.00 Obligated balance, end of year		-13,500	-4,500
90.00 Outlays		4,500	9,000

This supplemental request would provide funds for plans, design, and actual construction of courtrooms, chambers, offices and judicial facilities required due to certain of 52 new bankruptcy judgeships pursuant to Public Law 99-554.

**FEDERAL JUDICIAL CENTER**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses," \$1,108,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0928-1-1-752			
<b>Program by activities:</b>			
10.00 Education and training (total obligations)		1,108	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		1,108	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		1,108	
72.40 Obligated balance, start of year			172
74.40 Obligated balance, end of year		-172	
90.00 Outlays		936	172

This supplemental request would provide for additional training and support demands resulting from the addition of 52 new bankruptcy judges, 60 additional deputy clerks, and 326 new probation and pretrial services officers in fiscal year 1987. The request also provides for higher travel and subsistence costs due to recently increased per diem rates.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
10-0928-1-1-752			
11.1 Personnel compensation: Full-time permanent		30	
12.1 Personnel benefits: Civilian		5	
21.0 Travel and transportation of persons		1,040	
23.3 Communications, utilities, and miscellaneous charges		12	
25.0 Other services		21	
99.9 Total obligations		1,108	

**Personnel Summary**

Total number of full-time permanent positions	2
Total compensable workyears: Full-time equivalent employment	1

**Funds Appropriated to the President  
INTERNATIONAL SECURITY ASSISTANCE**

**FOREIGN MILITARY SALES CREDIT**

(Supplemental now requested, existing legislation)

For an additional amount for "Foreign military sales credit," \$200,000,000, to remain available until September 30, 1987.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
11-1082-1-1-152			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		200,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		200,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		200,000	
72.40 Obligated balance, start of year			170,000
74.40 Obligated balance, end of year		-170,000	-110,000
90.00 Outlays		30,000	60,000

Status of Direct Loans (in thousands of dollars)

Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans to the public.....	200,000	
1150	Total direct loan obligations.....	200,000	
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year.....	30,000	
1231	Disbursements: Direct loan disbursements.....	30,000	60,000
1290	Outstanding, end of year.....	30,000	90,000

This proposal would provide additional funds to enable the United States to fulfill important base rights and base access agreements and meet security assistance objectives in Europe and the Middle East.

ECONOMIC SUPPORT FUND

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Economic Support Fund," \$297,000,000, to remain available until September 30, 1988.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-1037-4-1-152			
Program by activities:			
10.00	Total obligations (object class 41.0).....	297,000	
Financing:			
40.00	Budget authority (appropriation).....	297,000	
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	297,000	
72.40	Obligated balance, start of year.....		114,167
74.40	Obligated balance, end of year.....	-114,167	-70,567
90.00	Outlays.....	182,833	43,600

This proposal would provide additional funds to enable the United States to fulfill important base rights and base access agreements and implement economic assistance programs in Central America and in other developing countries.

MILITARY ASSISTANCE

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Military assistance", \$261,000,000, to remain available until September 30, 1987.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-1080-4-1-152			
Program by activities:			
10.00	Total obligations (object class 25.0).....	261,000	
Financing:			
40.00	Budget authority (appropriation).....	261,000	
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	261,000	
72.40	Obligated balance, start of year.....		221,842
74.40	Obligated balance, end of year.....	-221,842	-143,542
90.00	Outlays.....	39,158	78,300

This proposal would provide additional funds to enable the United States to fulfill important base rights and base access agreements and meet security assist-

ance objectives in Middle Eastern and other developing countries.

MULTILATERAL ASSISTANCE

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

(Supplemental now requested, existing legislation)

For payment to the International Development Association by the Secretary of the Treasury, \$207,476,749, for the United States contribution to the seventh replenishment, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-0073-1-1-151			
Program by activities:			
10.00	Total obligations (object class 33.0).....	207,477	
Financing:			
40.00	Budget authority (appropriation).....	207,477	
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	207,477	
72.40	Obligated balance, start of year.....		207,477
74.40	Obligated balance, end of year.....	-207,477	-207,477
90.00	Outlays.....		

This supplemental appropriation would provide funds to complete the United States contribution to the seventh replenishment of the resources of the International Development Association.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

(Supplemental now requested, existing legislation)

For payment to the International Finance Corporation by the Secretary of the Treasury, \$42,238,610, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
11-0078-1-1-151			
Program by activities:			
10.00	Total obligations (object class 33.0).....	42,239	
Financing:			
40.00	Budget authority (appropriation).....	42,239	
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	42,239	
90.00	Outlays.....	42,239	

This supplemental appropriation would provide funds to complete the first and second installments on the U.S. share of \$175 million for the increase in corporation resources.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

(Supplemental now requested, existing legislation)

For payment to the African Development Fund by the Secretary of the Treasury, \$36,639,000, for the United States contribution to the fourth replenishment, to remain available until expended.

**CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND—Continued**

**Program and Financing (in thousands of dollars)**

Identification code	11-0079-1-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)		36,639	
<b>Financing:</b>				
40.00	Budget authority (appropriation)		36,639	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		36,639	
72.40	Obligated balance, start of year			36,639
74.40	Obligated balance, end of year		-36,639	-36,639
90.00	Outlays			

This supplemental appropriation would provide funds to complete the second installment on the United States contribution to the fourth replenishment of the African Development Fund.

**CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK**  
(Supplemental now requested, existing legislation)

For payment to the African Development Bank by the Secretary of the Treasury, \$6,492,127, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

**LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS**

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed \$17,375,058.

**Program and Financing (in thousands of dollars)**

Identification code	11-0082-1-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 33.0)		6,492	
<b>Financing:</b>				
40.00	Budget authority (appropriation)		6,492	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		6,492	
90.00	Outlays		6,492	

This supplemental appropriation would provide funds to complete the \$360 million United States share of the increase in African Development Bank resources.

**AGENCY FOR INTERNATIONAL DEVELOPMENT**

**INTERNATIONAL DISASTER ASSISTANCE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "International disaster assistance", \$100,000,000, to remain available until expended.

**Program and Financing (in thousands of dollars)**

Identification code	11-1035-4-1-151	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		100,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation)		100,000	

Relation of obligations to outlays:

71.00	Obligations incurred, net	100,000	
72.40	Obligated balance, start of year		75,200
74.40	Obligated balance, end of year	-75,200	-25,200
90.00	Outlays	24,800	50,000

This supplemental appropriation would provide additional funds for rehabilitation and reconstruction assistance for El Salvador, which was hit by a major earthquake in September 1986. This assistance would be in addition to the \$50 million of disaster assistance for El Salvador provided by the Congress in the 1987 foreign assistance appropriations act.

**Department of Agriculture**  
**FOREIGN AGRICULTURAL SERVICE**

**FOREIGN AGRICULTURAL SERVICE**

(Supplemental language now requested, existing legislation)

*Funds appropriated to the Foreign Agricultural Service shall be used to offset increases in overseas support costs.*

**Program and Financing (in thousands of dollars)**

Identification code	12-2900-1-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Program formulation and execution (total obligations)		705	
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds: Commodity Credit Corporation		-705	
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			
90.00	Outlays			

This proposal would allow the Foreign Agricultural Service (FAS) to apply currently available funds to compensate for the reduced purchasing power of the dollar overseas. During the past year, the dollar has declined sharply against most European currencies and the Japanese yen. The result has been a drop in the purchasing power of the dollar, that has increased operating costs in Europe by approximately 25 percent, and in Japan by almost 50 percent. In addition, this proposal would allow FAS to use funds to fully reimburse the State Department for the cost of providing administrative support for FAS attache and counselor offices (the reimbursement to the State Department has also increased due to the reduction in the value of the dollar overseas), as well as to comply with the Congressional directive to replace foreign nationals in the U.S. Embassy in Moscow with American nationals.

**Object Classification (in thousands of dollars)**

Identification code	12-2900-1-1-352	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent		382	
12.1	Personnel benefits: Civilian		44	
21.0	Travel and transportation of persons		25	
23.2	Communications, utilities, and miscellaneous charges		63	
25.0	Other services		176	
31.0	Equipment		15	
99.9	Total obligations		705	

**Personnel Summary**

Total number of full-time permanent positions.....	10
Total compensable workyears: Full-time equivalent employment.....	10

**OFFICE OF THE GENERAL SALES MANAGER**

(Supplemental language now requested, existing legislation)

*Not to exceed an additional \$705,000 may be transferred from the Commodity Credit Corporation to the General Sales Manager.*

This supplemental request would provide the funding necessary to support the additional workload resulting from the enactment of the Food Security Act of 1985.

**AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE**

**SALARIES AND EXPENSES**

(Supplemental language now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$24,000,000: *Provided*, That not to exceed \$24,000,000 of the above amount may be transferred to this account from the Commodity Credit Corporation Fund.

**Program and Financing (in thousands of dollars)**

Identification code 12-3300-1-1-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Operation of supply adjustment, conservation, and price support programs (total obligations) (object class 41.0).....		24,000	
<b>Financing:</b>			
11.00 Offsetting collections from: Federal funds: Commodity Credit Corporation.....		-24,000	
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....			
90.00 <b>Outlays</b> .....			

This supplemental request would provide additional Commodity Credit Corporation transfer authority to cover increased Agricultural Stabilization and Conservation Service (ASCS) administrative costs in fiscal year 1987 related to major workload increases in ASCS county offices to carry out record commodity loan making and forfeiture activity, commodity certificate issuance and redemption activity, newly authorized disaster payments, and 1987 crop advance payments.

**COMMODITY CREDIT CORPORATION**

**COMMODITY CREDIT CORPORATION FUND**

(Supplemental now requested, existing legislation)

*For reimbursement to the Commodity Credit Corporation for net realized losses sustained or anticipated, but not previously reimbursed, such sums as may be necessary are available in this and subsequent years, as authorized by the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12).*

**Program and Financing (in thousands of dollars)**

Identification code 12-4336-1-3-351	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Operating expenses (total obligations) (object class 25.0).....		24,705	
<b>Financing:</b>			
39.00 <b>Budget authority</b> .....		24,705	
<b>Budget authority:</b>			
40.00 Appropriation: Reimbursement for net realized losses (indefinite).....		6,653,189	
40.47 Portion applied to debt reduction.....		-6,653,189	
43.00 <b>Budget authority (adjusted)</b> .....			
47.10 <b>Authority to borrow</b> .....		24,705	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		24,705	
90.00 <b>Outlays</b> .....		24,705	

This proposal would provide funds to reimburse the Commodity Credit Corporation (CCC) for net realized losses. This request is needed to finance near record 1987 CCC outlays that, without the requested supplemental, would exhaust CCC borrowing authority by the middle of 1987. This request would also finance increased Agricultural Stabilization and Conservation Service administrative costs of \$24 million related to major workload increases in ASCS county offices to carry out record commodity loanmaking and forfeiture activity, commodity certificate issuance and redemption activity, newly authorized disaster payments, and 1987 crop advance payments. This request would also finance increased Office of the General Sales Manager administrative costs of \$705 thousand related to the implementation of the Food Security Act of 1985.

**RURAL ELECTRIFICATION ADMINISTRATION**

**RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND**

(Supplemental language now requested, existing legislation)

*In appropriation language under this head in the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, delete the language preceding the second proviso and substitute: During fiscal year 1987, and within the resources and authority available, gross obligations for the principal amount of direct loans made pursuant to section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall not exceed \$541,574,000; during fiscal year 1987, commitments to guarantee loans pursuant to section 306 of that Act may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$402,018,000.*

**Program and Financing (in thousands of dollars)**

Identification code 12-4230-1-3-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Capital investment:</b>			
01.01 Rural electrification.....		-185,288	
01.02 Rural telephone.....		-134,438	
01.03 Direct loans, FFB.....		-531,057	
10.00 <b>Total obligations (object class 33.0)</b> .....		-850,783	
<b>Financing:</b>			
14.00 Offsetting collections from: Non-Federal sources.....			17,606
21.98 Unobligated balance available, start of year: Fund balance.....			198,326

**RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND—  
Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	12-4230-1-3-271	1986 actual	1987 est.	1988 est.
24.98	Unobligated balance available, end of year: Fund balance.....		-198,326	-447,257
31.00	Redemption of debt.....		198,326	231,325
47.10	<b>Authority to borrow (7 U.S.C. 934) (indefinite) .....</b>		<b>-850,783</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		-850,783	17,606
72.47	Obligated balance, start of year: Authority to borrow.....			-652,457
74.47	Obligated balance, end of year: Authority to borrow.....		652,457	403,526
90.00	Outlays.....		-198,326	-231,325

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitations on obligations:</b>				
1111	Limitation on direct loans to the public.....		-850,783	
1150	Total direct loan obligations.....		-850,783	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			-198,326
1231	Disbursements: Direct loan disbursements.....		-198,326	-248,931
1251	Repayments: Repayments and prepayments.....			17,606
1290	Outstanding, end of year.....		-198,326	-429,651

The Administration is proposing this supplemental as part of its effort to reduce the cost of REA direct loan assistance programs. Most borrowers, starting in fiscal year 1988, will be eligible for a proposed program of 70 percent REA guarantees of privately originated loans. Since most current REA direct loan borrowers also borrow privately, this will ensure they have access to private credit to meet their needs while reducing unnecessary Federal outlays to lower the deficit.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**RURAL TELEPHONE BANK**

(Supplemental language now requested, existing legislation)

*In appropriation language under this head in the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, delete the phrase "be not less than \$177,045,000 nor more than \$210,540,000." and substitute: not exceed \$148,511,000.*

**Program and Financing (in thousands of dollars)**

Identification code	12-4231-1-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Capital investment loans (total obligations) (object class 33.0).....		-28,534	
<b>Financing:</b>				
47.10	<b>Authority to borrow (7 U.S.C. 901-950(b)) (indefinite).....</b>		<b>-28,534</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		-28,534	
72.47	Obligated balance, start of year: Authority to borrow.....			-26,822
74.47	Obligated balance, end of year: Authority to borrow.....		26,822	20,420
90.00	Outlays.....		-1,712	-6,402

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....		-28,534	
1150	Total direct loan obligations.....		-28,534	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			-1,712
1231	Disbursements: Direct loan disbursements.....		-1,712	-6,560
1251	Repayments: Repayments and prepayments.....			158
1290	Outstanding, end of year.....		-1,712	-8,114

The Administration is proposing this supplemental as part of its effort to reduce the cost of REA direct loan assistance programs. Most borrowers, starting in fiscal year 1988, will be eligible for a proposed program of 70 percent REA guarantees of privately originated loans. Since most current REA direct loan borrowers also borrow privately, this will ensure they have access to private credit to meet their needs while reducing unnecessary Federal outlays to lower the deficit.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**FARMERS HOME ADMINISTRATION**

**RURAL HOUSING INSURANCE FUND**

(Supplemental language now requested, existing legislation)

*During fiscal year 1987, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$507,978,000.*

**Program and Financing (in thousands of dollars)**

Identification code	12-4141-1-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Loans obligated (total obligations) (object class 33.0).....		-1,525,115	
<b>Financing:</b>				
31.00	Redemption of debt.....		540,000	
32.47	Balance of authority to borrow withdrawn.....		375,217	
47.10	<b>Budget authority (authority to borrow) (42 U.S.C. 1487(h)) (indefinite) .....</b>		<b>-609,898</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		-1,525,115	
<b>Obligated balance, start of year:</b>				
72.47	Authority to borrow.....			-730,915
72.98	Fund balance.....			-8,200
<b>Obligated balance, end of year:</b>				
74.47	Authority to borrow.....		730,915	580,308
74.98	Fund balance.....		8,200	-411,193
90.00	Outlays.....		-786,000	-570,000

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....		-1,525,115	
1150	Total direct loan obligations.....		-1,525,115	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			-786,000

1231	Disbursements: Direct loan disbursements.....	-786,000	-570,000
1290	Outstanding, end of year.....	-786,000	-1,356,000

The proposed language is part of the efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not Federal loans and grants. Housing vouchers are available to assist low-income rural families in need of improved housing.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**RURAL DEVELOPMENT INSURANCE FUND**

(Supplemental language now requested, existing legislation)

*During fiscal year 1987, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$107,080,000.*

**Program and Financing (in thousands of dollars)**

Identification code	12-4155-1-3-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Loans (total obligations) (object class 33.0) .....		-319,000	
<b>Financing:</b>				
31.00	Redemption of debt.....		11,000	51,200
47.10	Budget authority (authority to borrow) (7 U.S.C. 1929(a)) (indefinite).....		-308,000	51,200
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		-319,000	
72.47	Obligated balance, start of year: Authority to borrow .....			-308,000
74.47	Obligated balance, end of year: Authority to borrow .....		308,000	256,800
90.00	Outlays.....		-11,000	-51,200

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public.....		-319,000	
1150	Total direct loan obligations.....		-319,000	
<b>Cumulative balance of direct loans outstanding:</b>				
1210	Outstanding, start of year.....			-11,000
1231	Disbursements: Direct loan disbursements.....		-11,000	-52,200
1290	Outstanding, end of year.....		-11,000	-62,200

The proposed supplemental is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not Federal loans and grants.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**FOOD AND NUTRITION SERVICE**

**SPECIAL MILK PROGRAM**

(Supplemental now requested, existing legislation)

For an additional amount for "Special Milk Program," \$3,426,000.

**Program and Financing (in thousands of dollars)**

Identification code	12-3502-1-1-605	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		3,426	
<b>Financing:</b>				
40.00	Budget authority (appropriation).....		3,426	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		3,426	
72.40	Obligated balance, start of year.....			3,031
74.40	Obligated balance, end of year.....		-3,031	
90.00	Outlays.....		395	3,031

These funds are needed to pay for additional half-pints of milk to be served in fiscal year 1987 as a result of amendments made to section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), by Public Law 99-661 which expanded eligibility for the program.

**FOREST SERVICE**

**HIGHWAY CONSTRUCTION: MOUNT ST. HELENS NATIONAL MONUMENT**

(LIQUIDATION OF CONTRACT AUTHORITY)

(Supplemental now requested, existing legislation)

*For payment of obligations incurred for the Mount St. Helens National Volcanic Monument road, \$9,915,000, to be derived from the Highway Trust Fund.*

This supplemental provides funds to liquidate obligations incurred by the Forest Service for a road being constructed in the Mount St. Helens Volcanic National Monument.

**GENERAL PROVISIONS—DEPARTMENT OF AGRICULTURE**

(Supplemental language now requested, existing legislation)

*Section 622 of the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, is amended by adding the following at the end thereof: All costs of such projects attributable to flood control shall be subject, in fiscal year 1987 and thereafter, to the flood control cost-sharing provisions of the Water Resources Development Act of 1986 (Public Law 99-662), and at least twenty percent of the total benefits of each such project must be for agricultural flood control.*

This language would make the flood control cost-sharing provisions of the recently enacted Water Resources Development Act of 1986 applicable to similar projects initiated in 1987 by the Department of Agriculture, Soil Conservation Service (SCS). It would also require that 1987 new starts undertaken by the SCS have at least 20 percent of their total benefits be for agricultural flood control.

**Department of Commerce  
GENERAL ADMINISTRATION**

**GRANTS AND LOANS ADMINISTRATION**

(Supplemental now requested, existing legislation)

For an additional amount for "Grants and loans administration", for the necessary expenses of administering outstanding grants, loans, and loan guarantees for discontinued programs assigned to the Secretary of Commerce, *\$38,520,000, to be derived by transfer from "Economic development assistance programs", to remain available until expended.*

**Program and Financing (in thousands of dollars)**

Identification code	13-0125-1-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations			21,346
<b>Financing:</b>				
21.98	Unobligated balance available, start of year: Fund balance			-38,520
24.98	Unobligated balance available, end of year: Fund balance	38,520	17,174	
25.00	Unobligated balancing lapsing	38,520		
39.00	<b>Budget authority</b>		<b>77,040</b>	
<b>Budget authority:</b>				
42.00	Transferred from other accounts	38,520		
43.00	<b>Appropriation (adjusted)</b>		<b>38,520</b>	
50.00	Reappropriation		38,520	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			21,346
74.00	Obligated balance, end of year			-2,562
90.00	Outlays			18,784

**Object Classification (in thousands of dollars)**

<b>Personnel compensation:</b>				
11.1	Full-time permanent			11,020
11.5	Other personnel compensation			108
11.9	Total personnel compensation			11,128
12.1	Personnel benefits: Civilian			1,775
13.0	Benefits for former personnel			4,797
21.0	Travel and transportation of persons			422
22.0	Transportation of things			20
23.1	Rental payments to GSA			1,790
23.2	Rental payments to others			2
23.3	Communications, utilities, and miscellaneous charges			430
24.0	Printing and reproduction			41
25.0	Other services			854
26.0	Supplies and materials			73
31.0	Equipment			14
99.9	Total obligations			21,346

**Personnel Summary**

Total number of full-time permanent positions	197
Total compensable workyears:	
Full-time equivalent employment	261
Full-time equivalent of overtime and holiday hours	1

This proposed language would terminate the guaranteed loan program. The schedule also reflects the transfer of funds for the close-out of discontinued loan programs.

**ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS**

(Supplemental language now requested, existing legislation)

*During fiscal year 1987, commitments to guarantee loans may be made only to the extent that the total loan*

*principal, any part of which is to be guaranteed, shall not exceed \$21,875,000.*

**Program and Financing (in thousands of dollars)**

Identification code	13-2050-1-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Planning grants		-4,070	
00.02	Technical assistance grants		-1,200	
00.03	Development grants		-28,700	
00.04	Economic adjustment grants		-4,380	
00.05	Research and evaluation		-170	
10.00	Total obligations		-38,520	
<b>Financing:</b>				
39.00	<b>Budget authority</b>		<b>-38,520</b>	
<b>Budget authority:</b>				
42.00	Transferred to other accounts		-38,520	
43.00	<b>Appropriation (adjusted)</b>		<b>-38,520</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-38,520	
72.40	Obligated balance, start of year			-34,668
74.00	Obligated balance, end of year		34,668	26,964
90.00	Outlays		-3,852	-7,704

**Status of Guaranteed Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders		-165,625	
2112	Unused expiring balance of limitation		165,625	
2150	Total guaranteed loan commitments			

This proposal would provide funds to close out discontinued grants and loans programs that are assigned to the Secretary of Commerce.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION**

**FEDERAL SHIP FINANCING FUND, FISHING VESSELS**

(Supplemental language now requested, existing legislation)

*During fiscal year 1987, commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed \$50,000,000.*

**Status of Guaranteed Loans (in thousands of dollars)**

Identification code	13-4417-1-3-376	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on commitments:</b>				
2111	Limitation on guaranteed loans made by private lenders		50,000	
2131	Guaranteed loan commitments exempt from limitation		-50,000	
2150	Total guaranteed loan commitments			

This proposal would establish a guaranteed loan limitation and reduce the 1987 program. This is part of an overall proposal to terminate the program.

**Department of Defense—Military  
MILITARY PERSONNEL**

**MILITARY PERSONNEL, ARMY**

(Supplemental now requested, existing legislation)  
For an additional amount for "Military personnel,  
Army", \$187,089,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
21-2010-1-1-051				
<b>Program by activities:</b>				
00.01 Pay and allowances of officers.....		38,700		
00.02 Pay and allowances of enlisted.....		148,389		
10.00 Total obligations.....		187,089		
<b>Financing:</b>				
40.00 Budget authority (appropriation).....		187,089		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....		187,089		
90.00 Outlays.....		187,089		

**Object Classification (in thousands of dollars)**

11.7 Personnel compensation: Military personnel.....	20,053			
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits.....	10,161			
12.2 Other personnel benefits.....	156,875			
99.9 Total obligations.....	187,089			

**MILITARY PERSONNEL, NAVY**

(Supplemental now requested, existing legislation)  
For an additional amount for "Military personnel,  
Navy", \$62,953,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
17-1453-1-1-051				
<b>Program by activities:</b>				
10.00 Pay and allowances of enlisted personnel (total obligations).....		62,953		
<b>Financing:</b>				
40.00 Budget authority (appropriation).....		62,953		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....		62,953		
90.00 Outlays.....		62,953		

**Object Classification (in thousands of dollars)**

11.7 Personnel compensation: Military personnel.....	54,404			
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits.....	7,519			
12.2 Other personnel benefits.....	1,030			
99.9 Total obligations.....	62,953			

**MILITARY PERSONNEL, MARINE CORPS**

(Supplemental now requested, existing legislation)  
For an additional amount for "Military personnel,  
Marine Corps", \$39,820,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
17-1105-1-1-051				
<b>Program by activities:</b>				
00.01 Pay and allowances of officers.....		6,535		

00.02 Pay and allowances of enlisted.....	33,285			
10.00 Total obligations.....	39,820			
<b>Financing:</b>				
40.00 Budget authority (appropriation).....	39,820			
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	39,820			
90.00 Outlays.....	39,820			

**Object Classification (in thousands of dollars)**

11.7 Personnel compensation: Military personnel.....	7,300			
12.2 Personnel benefits: Military personnel:				
Other personnel benefits.....	32,520			
99.9 Total obligations.....	39,820			

**MILITARY PERSONNEL, AIR FORCE**

(Supplemental now requested, existing legislation)  
For an additional amount for "Military personnel,  
Air Force", \$140,273,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
57-3500-1-1-051				
<b>Program by activities:</b>				
00.01 Pay and allowances of officers.....		28,235		
00.02 Pay and allowances of enlisted.....		112,035		
10.00 Total obligations.....		140,273		
<b>Financing:</b>				
40.00 Budget authority (appropriation).....		140,273		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....		140,273		
90.00 Outlays.....		140,273		

**Object Classification (in thousands of dollars)**

11.7 Personnel compensation: Military personnel.....	15,423			
Personnel benefits: Military personnel:				
12.2 Accrued retirement benefits.....	11,950			
12.2 Other personnel benefits.....	112,900			
99.9 Total obligations.....	140,273			

**RESERVE PERSONNEL, ARMY**

(Supplemental now requested, existing legislation)  
For an additional amount for "Reserve personnel,  
Army", \$2,915,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
21-2070-1-1-051				
<b>Program by activities:</b>				
10.00 Other training and support (total obliga- tions) (object class 11.7).....		2,915		
<b>Financing:</b>				
40.00 Budget authority (appropriation).....		2,915		
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....		2,915		
90.00 Outlays.....		2,915		

**RESERVE PERSONNEL, NAVY**

(Supplemental now requested, existing legislation)  
For an additional amount for "Reserve personnel,  
Navy", \$2,128,000.

**RESERVE PERSONNEL, NAVY—Continued**

**Program and Financing (in thousands of dollars)**

Identification code	17-1405-1-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Unit and individual training .....		917		
00.02	Other training and support .....		1,211		
10.00	Total obligations .....		2,128		
<b>Financing:</b>					
40.00	Budget authority (appropriations) .....		2,128		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....		2,128		
90.00	Outlays .....		2,128		

**Object Classification (in thousands of dollars)**

11.7	Personnel compensation: Military personnel .....	2,003		
12.2	Personnel benefits: Military personnel: Other personnel benefits .....	125		
99.9	Total obligations .....	2,128		

**RESERVE PERSONNEL, MARINE CORPS**

(Supplemental now requested, existing legislation)

For an additional amount for "Reserve personnel, Marine Corps", \$360,000.

**Program and Financing (in thousands of dollars)**

Identification code	17-1108-1-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Unit and individual training (total obligations) (object class 11.7) .....		360		
<b>Financing:</b>					
40.00	Budget authority (appropriation) .....		360		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....		360		
90.00	Outlays .....		360		

**RESERVE PERSONNEL, AIR FORCE**

(Supplemental now requested, existing legislation)

For an additional amount for "Reserve personnel, Air Force", \$701,000.

**Program and Financing (in thousands of dollars)**

Identification code	57-3700-1-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Unit and individual training .....		471		
00.02	Other training and support .....		230		
10.00	Total obligations (object class 11.7) .....		701		
<b>Financing:</b>					
40.00	Budget authority (appropriation) .....		701		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....		701		
90.00	Outlays .....		701		

**NATIONAL GUARD PERSONNEL, ARMY**

(Supplemental now requested, existing legislation)

For an additional amount for "National Guard personnel, Army", \$4,326,000.

**Program and Financing (in thousands of dollars)**

Identification code	21-2060-1-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Other training and support (total obligations) (object class 11.7) .....		4,326		
<b>Financing:</b>					
40.00	Budget authority (appropriation) .....		4,326		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....		4,326		
90.00	Outlays .....		4,326		

**NATIONAL GUARD PERSONNEL, AIR FORCE**

(Supplemental now requested, existing legislation)

For an additional amount for "National Guard personnel, Air Force", \$1,335,000.

**Program and Financing (in thousands of dollars)**

Identification code	57-3850-1-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Unit and individual training .....		737		
00.02	Other training and support .....		598		
10.00	Total obligations .....		1,335		
<b>Financing:</b>					
40.00	Budget authority (appropriation) .....		1,335		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....		1,335		
90.00	Outlays .....		1,335		

**Object Classification (in thousands of dollars)**

11.7	Personnel compensation: Military personnel .....	1,012		
12.2	Personnel benefits: Military personnel: Accrued retirement benefits .....	288		
12.2	Other personnel benefits .....	35		
99.9	Total obligations .....	1,335		

**OPERATION AND MAINTENANCE**

**OPERATION AND MAINTENANCE, ARMY**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Army", \$75,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	21-2020-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	General purpose forces (total obligations) (object class 25.0) .....		75,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation) .....		75,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net .....		75,000		
90.00	Outlays .....		75,000		

**OPERATION AND MAINTENANCE, NAVY**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Navy", \$120,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	17-1804-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Strategic forces		12,500		
00.02	General purpose forces		107,500		
10.00	Total obligations (object class 25.0)		120,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		120,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		120,000		
90.00	Outlays		120,000		

**OPERATION AND MAINTENANCE, AIR FORCE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Air Force", \$21,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	57-3400-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.01	Strategic forces		13,000		
00.02	General purpose forces		7,000		
00.04	Airlift and sealift		1,000		
10.00	Total obligations (object class 25.0)		21,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		21,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		21,000		
90.00	Outlays		21,000		

**OPERATION AND MAINTENANCE, DEFENSE AGENCIES**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Defense Agencies", \$357,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	97-0100-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
00.02	General purpose forces: Joint Chiefs of Staff		17,000		
00.08	Training, medical, and other general personnel activities: Civilian health and medical program of the uniformed services		340,000		
10.00	Total obligations (object class 25.0)		357,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		357,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		357,000		
90.00	Outlays		357,000		

**OPERATION AND MAINTENANCE, ARMY RESERVE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Army Reserve", \$15,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	21-2080-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Mission forces (total obligations)		15,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		15,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		15,000		
90.00	Outlays		15,000		
<b>Object Classification (in thousands of dollars)</b>					
26.0	Supplies and materials		8,700		
31.0	Equipment		6,300		
99.9	Total obligations		15,000		

**OPERATION AND MAINTENANCE, NAVY RESERVE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Navy Reserve", \$5,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	17-1806-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Mission forces (total obligations) (object class 26.0)		5,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		5,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		5,000		
90.00	Outlays		5,000		

**OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operation and maintenance, Army National Guard", \$10,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	21-2065-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>					
10.00	Total obligations (object class 11.1)		10,000		
<b>Financing:</b>					
40.00	Budget authority (appropriation)		10,000		
<b>Relation of obligations to outlays:</b>					
71.00	Obligations incurred, net		10,000		
90.00	Outlays		10,000		

**PROCUREMENT**

**PROCUREMENT OF AMMUNITION, ARMY**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Procurement of ammunition, Army", \$40,000,000.

**Program and Financing (in thousands of dollars)**

Identification code 21-2034-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Ammunition (total obligations) (object class 26.0)		17,600	12,800	9,600
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-22,400	-9,600
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		22,400	9,600	
40.00 <b>Budget authority (appropriation)</b>		<b>40,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		17,600	12,800	9,600
72.40 Obligated balance, start of year			14,420	16,172
74.40 Obligated balance, end of year		-14,420	-16,172	-18,496
90.00 Outlays		3,180	11,048	7,276

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.01 Ammunition—Total budget plan		40,000		
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**OTHER PROCUREMENT, NAVY**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Other procurement, Navy", \$40,000,000.

**Program and Financing (in thousands of dollars)**

Identification code 17-1810-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.03 Aviation support equipment		12,000	10,300	7,700
00.04 Ordnance support equipment		3,000	3,500	3,500
10.00 Total obligations (object class 31.0)		15,000	13,800	11,200
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-25,000	-11,200
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		25,000	11,200	
40.00 <b>Budget authority (appropriation)</b>		<b>40,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		15,000	13,800	11,200
72.40 Obligated balance, start of year			13,950	21,602
74.40 Obligated balance, end of year		-13,950	-21,602	-20,726
90.00 Outlays		1,050	6,148	12,076

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.03 Aviation support equipment		30,000		
07.04 Ordnance support equipment		10,000		
08.93 Total budget plan		40,000		

**AIRCRAFT PROCUREMENT, AIR FORCE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Aircraft procurement, Air Force", \$313,700,000.

**Program and Financing (in thousands of dollars)**

Identification code 57-3010-4-1-51	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.01 Combat aircraft		29,069	24,247	24,984
00.05 Modification of in-service aircraft		64,000	53,000	55,600
00.06 Aircraft spares and repair parts		23,000	20,000	19,800
10.00 Total obligations (object class 31.0)		116,069	97,247	100,384
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-197,631	-100,384
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		197,631	100,384	
40.00 <b>Budget authority (appropriation)</b>		<b>313,700</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		116,069	97,247	100,384
72.40 Obligated balance, start of year			110,769	163,188
74.40 Obligated balance, end of year		-110,769	-163,188	-153,369
90.00 Outlays		5,300	44,828	110,203

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.01 Combat aircraft		78,300		
07.05 Modification of in-service aircraft		172,600		
07.06 Aircraft spares and repair parts		62,800		
08.93 Total budget plan		313,700		

**OTHER PROCUREMENT, AIR FORCE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Other procurement, Air Force", \$160,000,000.

**Program and Financing (in thousands of dollars)**

Identification code 57-3080-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Munitions and associated equipment (total obligations) (object class 31.0)		49,600	63,040	47,360
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-110,400	-47,360
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		110,400	47,360	
40.00 <b>Budget authority (appropriation)</b>		<b>160,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		49,600	63,040	47,360
72.40 Obligated balance, start of year			42,800	74,032
74.40 Obligated balance, end of year		-42,800	-74,032	-75,792
90.00 Outlays		6,800	31,808	45,600

**Budget Plan (in thousands of dollars)**

(amount for procurement actions programmed)

07.01 Munitions and associated equipment (total budget plan)		160,000		
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**CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE**  
(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Chemical agents and munitions destruction", \$250,000,000.

**Program and Financing** (in thousands of dollars)

Identification code 97-0390-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Total obligations (object class 25.0)		103,250	88,550	58,200
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-146,750	-58,200
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		146,750	58,200	
40.00 <b>Budget authority (appropriation)</b>		<b>250,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		103,250	88,550	58,200
72.40 Obligated balance, start of year			87,000	103,050
74.40 Obligated balance, end of year		-87,000	-103,050	-77,500
90.00 Outlays		16,250	72,500	83,750

**Budget Plan** (in thousands of dollars)  
(amount for procurement actions programmed)

07.02 Procurement—Total budget plan		250,000		
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**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY**  
(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Research, development, test, and evaluation, Army", \$43,000,000.

**Program and Financing** (in thousands of dollars)

Identification code 21-2040-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Defensewide mission support (total obligations) (object class 25.0)		29,993	13,007	
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-13,007	
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		13,007		
40.00 <b>Budget authority (appropriation)</b>		<b>43,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		29,993	13,007	
72.40 Obligated balance, start of year			24,723	17,903
74.40 Obligated balance, end of year		-24,723	-17,903	-4,809
90.00 Outlays		5,270	19,827	13,094

**Budget Plan** (in thousands of dollars)  
(amount for research, development, test, and evaluation actions programmed)

07.06 Defensewide mission support (total budget plan)		43,000		
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**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY**  
(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Research, development, test, and evaluation, Navy", \$29,000,000.

**Program and Financing** (in thousands of dollars)

Identification code 17-1319-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.04 Tactical programs		7,125	2,875	
00.06 Defensewide mission support		13,538	5,462	
10.00 Total obligations (object class 25.0)		20,663	8,337	
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-8,337	
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		8,337		
40.00 <b>Budget authority (appropriation)</b>		<b>29,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		20,663	8,337	
72.40 Obligated balance, start of year			16,673	10,437
74.40 Obligated balance, end of year		-16,673	-10,437	-2,172
90.00 Outlays		3,990	14,573	8,265

**Budget Plan** (in thousands of dollars)

(amount for research, development, test, and evaluation actions programmed)

07.04 Tactical programs		10,000		
07.06 Defensewide mission support		19,000		
08.93 Total budget plan		29,000		

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE**  
(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Research, development, test, and evaluation, Air Force", \$28,000,000.

**Program and Financing** (in thousands of dollars)

Identification code 57-3600-4-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.04 Tactical programs		9,450	4,550	
00.06 Defensewide mission support		9,450	4,550	
10.00 Total obligations (object class 25.0)		18,900	9,100	
<b>Financing:</b>				
21.40 Unobligated balance available, start of year: For completion of prior year budget plans			-9,100	
24.40 Unobligated balance available, end of year: For completion of prior year budget plans		9,100		
40.00 <b>Budget authority (appropriation)</b>		<b>28,000</b>		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		18,900	9,100	
72.40 Obligated balance, start of year			15,190	10,604
74.40 Obligated balance, end of year		-15,190	-10,604	-2,414
90.00 Outlays		3,710	13,686	8,190

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE—  
Continued**

**Budget Plan (in thousands of dollars)**

(amount for research, development, test, and evaluation actions programmed)

07.04	Tactical programs.....	14,000		
07.06	Defensewide mission support.....	14,000		
08.93	Total budget plan.....	28,000		

**RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE  
AGENCIES**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Research, development, test, and evaluation, Defense Agencies", \$518,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
00.02	Advanced technology development.....	346,900	153,100	
00.06	Defensewide mission support.....	12,488	5,512	
10.00	Total obligations (object class 25.0).....	359,388	158,612	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....		-158,612	
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	158,612		
40.00	Budget authority (appropriation).....	518,000		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	359,388	158,612	
72.40	Obligated balance, start of year.....		295,258	208,183
74.40	Obligated balance, end of year.....	-295,258	-208,183	-41,128
90.00	Outlays.....	64,130	245,687	167,055

**Budget Plan (in thousands of dollars)**

(amount for research, development, test, and evaluation actions programmed)

07.02	Advanced technology development.....	500,000		
07.06	Defensewide mission support.....	18,000		
08.93	Total budget plan.....	518,000		

**DEVELOPMENTAL TEST AND EVALUATION, DEFENSE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Developmental test and evaluation, Defense", \$30,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Defensewide mission support (total obligations) (object class 25.0).....	16,875	13,125	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....		-13,125	
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	13,125		
40.00	Budget authority (appropriation).....	30,000		

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	16,875	13,125	
72.40	Obligated balance, start of year.....		14,736	17,661
74.40	Obligated balance, end of year.....	-14,736	-17,661	-5,100
90.00	Outlays.....	2,139	10,200	12,561

**Budget Plan (in thousands of dollars)**

(amount for research, development, test, and evaluation actions programmed)

07.06	Defensewide mission support—Total budget plan.....	30,000		
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**OPERATIONAL TEST AND EVALUATION, DEFENSE**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Operational test and evaluation, Defense", \$46,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Defensewide mission support (total obligations) (object class 25.0).....	31,050	14,950	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....		-14,950	
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	14,950		
40.00	Budget authority (appropriation).....	46,000		
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....	31,050	14,950	
72.40	Obligated balance, start of year.....		27,770	27,080
74.40	Obligated balance, end of year.....	-27,770	-27,080	-7,820
90.00	Outlays.....	3,280	15,640	19,260

**Budget Plan (in thousands of dollars)**

(amount for research, development, test, and evaluation actions programmed)

07.06	Defensewide mission support—Total budget plan.....	46,000		
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**MILITARY CONSTRUCTION**

**MILITARY CONSTRUCTION, ARMY**

(Supplemental now requested, additional authorizing legislation required)

For an additional amount for "Military construction, Army", \$250,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00	Major construction (total obligations) (object class 32.0).....	100,000	98,500	40,250
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: For completion of prior year budget plans.....		-150,000	-51,500
24.40	Unobligated balance available, end of year: For completion of prior year budget plans.....	150,000	51,500	11,250
40.00	Budget authority (appropriation).....	250,000		

Relation of obligations to outlays:				
71.00	Obligations incurred, net.....	100,000	98,500	40,250
72.40	Obligated balance, start of year.....		87,500	121,450
74.40	Obligated balance, end of year.....	-87,500	-121,450	-68,125
90.00	Outlays.....	12,500	64,550	93,575

**Budget Plan** (in thousands of dollars)

(amount for construction actions programmed)

07.01	Major construction—Total budget plan.....	250,000		
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These proposals would provide for military compensation, for readiness and other critical needs of the Department of Defense.

**Department of Defense—Civil  
CORPS OF ENGINEERS—CIVIL**

**OPERATION AND MAINTENANCE, GENERAL**

(Supplemental now requested, existing legislation)

*Of amounts appropriated for this account in Public Laws 99-500 and 99-591, such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund.*

**Program and Financing** (in thousands of dollars)

Identification code 96-3123-1-1-300				
		1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
13.00	Offsetting collections from: Trust funds.....		-66,750	
40.00	<b>Budget authority (appropriation).....</b>		<b>-66,750</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligation incurred, net.....		-66,750	
90.00	Outlays.....		-66,750	

This supplemental would provide funds from the Harbor Maintenance Trust Fund, derived from user fees, to finance up to 40 percent of the costs of operating and maintaining commercial navigation facilities at U.S. harbors.

**HARBOR MAINTENANCE TRUST FUND**

(Supplemental now requested, existing legislation)

**Program and Financing** (in thousands of dollars)

Identification code 96-8863-1-7-301				
		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Operation and maintenance of commercial navigation harbors (total obligations) (object class 25.0).....		66,750	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation).....</b>		<b>66,750</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		66,750	
90.00	Outlays.....		66,750	

This schedule reflects the transfer of funds to Operation and Maintenance, General.

**Department of Education  
OFFICE OF ELEMENTARY AND SECONDARY  
EDUCATION**

**IMPACT AID**

(Supplemental language now requested, existing legislation)

*Funds appropriated under the heading "School Assistance in Federally Affected Areas" in Public Law 98-8 that are available for obligation shall be available until expended for the purposes of sections 14(a) and 14(b) of Public Law 81-815.*

This language would allow funds appropriated by the "Jobs Bill" of 1983 that are now available for obligation or that become available for obligation in the future to be used for urgently needed school construction projects to serve students residing on Indian lands. Most of these funds were originally obligated for construction projects eligible under the terms of the Jobs Bill. In some cases, more funds were obligated than were needed to complete the construction projects. By the time the excess funds were recovered, it was not possible to use them to meet the purposes of the Jobs Bill.

**OFFICE OF POSTSECONDARY EDUCATION**

**STUDENT FINANCIAL ASSISTANCE**

(Supplemental now requested, existing legislation)

For an additional amount for "Student financial assistance," \$287,000,000, to be derived by transfer from "Guaranteed student loans."

**Program and Financing** (in thousands of dollars)

Identification code 91-0200-1-1-502				
		1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Pell grants:				
01.01	Academic year program.....		37,200	
01.02	Prior academic year program.....			249,800
01.03	Unfunded shortfall.....			-287,000
10.00	Total obligations (object class 41.0).....		37,200	-37,200
<b>Financing:</b>				
21.40	Unobligated balance available, start of year.....			-249,800
24.40	Unobligated balance available, end of year.....		249,800	287,000
39.00	<b>Budget authority.....</b>		<b>287,000</b>	
<b>Budget authority:</b>				
42.00	Transferred from other accounts.....		287,000	
43.00	<b>Appropriation (adjusted).....</b>		<b>287,000</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		37,200	-37,200
72.40	Obligated balance, start of year.....			24,800
74.40	Obligated balance, end of year.....		-24,800	-1,240
90.00	Outlays.....		12,400	-13,640

This supplemental funding, when added to the 1987 appropriation, would finance all anticipated costs of the 1987 Pell grant program plus all unfunded Pell costs from prior years. Specifically, \$62 million is required for unfunded 1987 costs and \$225 million is required—in addition to the \$100 million already provided in 1987 for shortfall retirement—for unfunded costs from 1986 and prior years. The Guaranteed student loans account funds proposed for transfer are in excess of the needs of

STUDENT FINANCIAL ASSISTANCE—Continued

that account because of unanticipated declines in interest rates and related loan interest subsidy costs.

Although the Higher Education Act requires issuance of a final Pell grant payment schedule by February 1, the Secretary will delay issuance until April 1 to allow consideration of this supplemental request by the Congress. If supplemental funds are not assured by that date, a final payment schedule will be issued that is based on reduced awards (i.e, reflects a linear reduction) in amounts estimated to save \$287 million and thus operate within the level of funds appropriated.

GUARANTEED STUDENT LOANS

(Supplemental language now requested, existing legislation)

*Notwithstanding sections 428A(b) and 428B(b) of the Higher Education Act, loans made under section 428A or 428B for periods of enrollment beginning on or after July 1, 1987 shall be limited to the student's cost of attendance minus estimated financial assistance, without annual or cumulative limits, provided that a borrower may also borrow additional amounts necessary to pay interest costs accruing during periods of authorized deferments. Notwithstanding section 428A(a) of the Higher Education Act, eligibility for loans made under section 428A for periods of enrollment beginning on or after July 1, 1987 shall include all students and their spouses, provided that a spouse is not eligible for deferments under section 427(a)(2)(C) or 428(b)(1)(M) or for loans which, when combined with the estimated financial assistance of the student, including loans made to a parent under section 428B, exceed the student's cost of attendance.*

*Notwithstanding section 428(a) of the Higher Education Act, no Federal payments shall be made to reduce student interest costs associated with loans made for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428. Notwithstanding section 427A of the Higher Education Act, the applicable interest rate to be charged on loans made for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428 shall be, through the second year of the repayment period, the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the twelve months ending on November 30 preceding the award year for which the loan is made, rounded to the nearest whole percent, and thereafter the rate shall be agreed to by the borrower and the lender and shall further be either fixed, in which case it shall be subject to a maximum rate of the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the twelve months ending on November 30 preceding the calendar year in which the third year of repayment begins, rounded to the nearest whole percent, plus 2.75 per centum, or variable, in which case it shall be subject to a maximum rate of the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during the twelve months ending on November 30 preceding the year for which the rate is being determined, rounded to the nearest whole percent, plus 2.75 per centum. Notwithstanding section 438 of the Higher Education Act, the rate of special allowance paid on loans made for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428 shall, when added to the applicable interest rate on such loans, assure lenders a total annual yield equal to the average of the bond equivalent rates of 91-day United States Treasury bills auctioned during each quarter plus 2.75 per centum, provided that no special allowance shall be paid on such loans after the second year of repayment. Notwithstanding sections 425(a) and 428(b) of the Higher Education Act, the sum of loans made to a student under sections 427 and 428 for periods of*

*enrollment beginning on or after July 1, 1987 shall not exceed \$2,500 annually, or result in a cumulative total of more than \$12,500, for an undergraduate student, or \$5,000 annually, or result in a cumulative total of more than \$25,000, for a graduate student, provided that a student shall be permitted to borrow in excess of such limits as necessary to pay interest costs accruing during periods of in-school, grace, or authorized deferments.*

*Notwithstanding section 438(c) of the Higher Education Act, no origination fee shall be charged to borrowers for periods of enrollment beginning on or after July 1, 1987 under section 427 or 428. A borrower for award year 1987-88 under section 427 or 428 shall pay to the Federal Government a guarantee fee, equal to nine per centum of the amount of such loan, to cover Federal default and other program administrative costs, and a borrower for award year 1987-88 under section 428A or 428B shall pay to the Federal Government a guarantee fee, equal to two per centum of the amount of such loan, to cover such Federal costs.*

Program and Financing (in thousands of dollars)

Identification code 91-0230-1-1-502	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40 Unobligated balance, start of year .....			287,000
24.40 Unobligated balance, end of year .....		- 287,000	
39.00 Budget authority .....		- 287,000	287,000
<b>Budget authority:</b>			
40.00 Appropriation .....			287,000
41.00 Transferred to other accounts .....		- 287,000	
43.00 Appropriation (adjusted) .....		- 287,000	287,000
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....			
90.00 Outlays .....			

**Appropriation language.**—This language would modify certain Guaranteed Student Loan (GSL) program requirements beginning on July 1, 1987, resulting in reduced 1987 program costs. Specifically, this language would: eliminate specific loan limits in the PLUS and Supplemental Loans for Students (SLS) programs and extend SLS eligibility to dependent undergraduates and to spouses of all students; eliminate the Federal payment of interest on behalf of the student during in-school, grace, and deferment periods; modify the borrower's interest rate for regular GSL's to tie it more closely to changing credit market conditions; reduce the special allowance paid to lenders for regular GSL's; restore regular GSL loan limits to levels in effect in prior years; and eliminate the requirement for students to pay an origination fee but charge regular GSL borrowers a nine-percent guarantee fee and PLUS and SLS borrowers a two-percent guarantee fee to cover Federal default and other administrative costs. The resulting savings are reflected in the budget schedules in Part I, not in the schedule shown above.

**Program and financing schedule.**—This schedule reflects the effects of a supplemental proposed under the head "Student financial assistance", not of the supplemental language proposed above. Funds proposed for transfer are in excess of the needs of this account because 1987 costs are substantially lower than previously anticipated, primarily because of declining Treasury bill rates and related loan interest subsidy costs. The proposed transfer, therefore, would have no impact on program operations.

COLLEGE HOUSING LOANS

(Supplemental language now requested, existing legislation)

*Under the heading, "College Housing Loans" in the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987, as enacted by Public Laws 99-500 and 99-591, delete the phrase that reads, "During the fiscal year 1987 and within the resources and authority available, gross commitments for the principal amount of direct loans shall be \$60,000,000." and substitute the following: During fiscal year 1987, no new direct loan commitments may be made.*

Program and Financing (in thousands of dollars)

Identification code 91-4250-1-3-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Capital investment: College housing loans (total obligations) (object class 33.0)		-60,000	
<b>Financing:</b>			
31.00 Redemption of debt		60,000	
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-60,000	
72.98 Obligated balance, start of year: Fund balance			-60,000
74.10 Receivables in excess of obligations, end of year			28,423
74.98 Obligated balance, end of year: Fund balance		60,000	25,577
90.00 Outlays			-6,000

Status of Direct Loans (in thousands of dollars)

<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public		-60,000	
1150 Total direct loan obligations		-60,000	
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			-6,000
1290 Outstanding, end of year			-6,000

This language would prohibit any new loan commitments from being made in 1987. There is no demonstrated need for Federal subsidies for general-purpose construction of college and university facilities. Available cash resources of the fund, in excess of program operating costs, would be used to amortize outstanding debt to the Treasury.

Department of Energy

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

(General Provision language now requested, existing legislation)

*SEC. 509. Notwithstanding section 208 of the Urgent Supplemental Appropriations Act, 1986 (Public Law 99-349), the executive branch may expend funds in fiscal years 1987 and 1988 to prepare or review studies regarding the possible transfer out of Federal ownership, management, or control, in whole or in part, the facilities and functions of the Southeastern Power Administration. The results of these studies, together with any recommendations for further action, shall be reported to the Congress. No other actions to implement such a transfer may be taken without the authorization of the Congress.*

This proposal would allow the Department of Energy to study the possible divestiture of the Southeastern

Power Administration (SEPA) and would also allow other executive branch agencies to review the results of the study. The objective of the proposed study would be to assess the feasibility of divestiture of SEPA including the identification and analysis of divestiture alternatives that are responsive to regional and customer needs, without causing significant increases in power rates. In undertaking the proposed study, the Department of Energy will consult with Southeastern's existing power customers, and with the Tennessee Valley Authority (TVA) concerning the Cumberland Basin projects in Tennessee and Kentucky. The Department will identify customer and regional impacts, as well as possible impacts on TVA, as part of the study. The results of the study will be reported to the Congress, and no implementation of divestiture would begin until after subsequent Congressional authorization. The proposed study would be funded from appropriations and would not be charged to Southeastern's customers.

Department of Health and Human Services  
NATIONAL INSTITUTES OF HEALTH

(Supplemental language now requested, existing legislation)

*Of the amounts appropriated to the various National Institutes of Health for fiscal year 1987, not to exceed 5.5 percent shall be available for obligation until September 30, 1988.*

NATIONAL CANCER INSTITUTE

Program and Financing (in thousands of dollars)

Identification code 75-0849-1-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-64,112	64,112
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			-64,112
24.40 Unobligated balance available, end of year		64,112	
25.00 Unobligated balance lapsing		64,112	
50.00 Budget authority (reappropriation)		64,112	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-64,112	64,112
72.40 Obligated balance, start of year			-32,112
74.40 Obligated balance, end of year		32,112	-28,000
90.00 Outlays		-32,000	4,000

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

Program and Financing (in thousands of dollars)

Identification code 75-0872-1-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-56,603	56,603
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			-56,603
24.40 Unobligated balance available, end of year		56,603	
25.00 Unobligated balance lapsing		56,603	
50.00 Budget authority (reappropriation)		56,603	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-56,603	56,603
72.40 Obligated balance, start of year			-28,603
74.40 Obligated balance, end of year		28,603	-24,000
90.00 Outlays		-28,000	4,000

**NATIONAL INSTITUTE OF DENTAL RESEARCH**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0873-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-5,554	5,554
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			-5,554
24.40 Unobligated balance available, end of year		5,554	
25.00 Unobligated balance lapsing		5,554	
50.00 Budget authority (reappropriation)		5,554	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-5,554	5,554
72.40 Obligated balance, start of year			-2,559
74.40 Obligated balance, end of year		2,559	-2,059
90.00 Outlays		-2,995	936

**NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0884-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-35,387	35,387
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			-35,387
24.40 Unobligated balance available, end of year		35,387	
25.00 Unobligated balance lapsing		35,387	
50.00 Budget authority (reappropriation)		35,387	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-35,387	35,387
72.40 Obligated balance, start of year			-18,047
74.40 Obligated balance, end of year		18,047	-15,570
90.00 Outlays		-17,340	1,770

**NATIONAL INSTITUTE OF NEUROLOGICAL AND COMMUNICATIVE DISORDERS AND STROKE**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0886-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-35,011	35,011
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			-35,011
24.40 Unobligated balance available, end of year		35,011	
25.00 Unobligated balance lapsing		35,011	
50.00 Budget authority (reappropriation)		35,011	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-35,011	35,011
72.40 Obligated balance, start of year			-21,707
74.40 Obligated balance, end of year		21,707	-21,707
90.00 Outlays		-13,304	-8,403

**NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0885-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-26,492	26,492

<b>Financing:</b>			
21.40	Unobligated balance available, start of year		-26,492
24.40	Unobligated balance available, end of year	26,492	
25.00	Unobligated balance lapsing	26,492	
50.00	Budget authority (reappropriation)	26,492	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	-26,492	26,492
72.40	Obligated balance, start of year		-16,081
74.40	Obligated balance, end of year	16,081	-11,257
90.00	Outlays	-10,411	-846

**NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0851-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-44,856	44,856
<b>Financing:</b>			
21.40	Unobligated balance available, start of year		-44,856
24.40	Unobligated balance available, end of year	44,856	
25.00	Unobligated balance lapsing	44,856	
50.00	Budget authority (reappropriation)	44,856	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	-44,856	44,856
72.40	Obligated balance, start of year		-22,856
74.40	Obligated balance, end of year	22,856	-19,000
90.00	Outlays	-22,000	3,000

**NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0844-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-23,404	23,404
<b>Financing:</b>			
21.40	Unobligated balance available, start of year		-23,404
24.40	Unobligated balance available, end of year	23,404	
25.00	Unobligated balance lapsing	23,404	
50.00	Budget authority (reappropriation)	23,404	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	-23,404	23,404
72.40	Obligated balance, start of year		-12,404
74.40	Obligated balance, end of year	12,404	-9,000
90.00	Outlays	-11,000	2,000

**NATIONAL EYE INSTITUTE**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0887-1-1-550			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-15,191	15,191
<b>Financing:</b>			
21.40	Unobligated balance available, start of year		-15,191
24.40	Unobligated balance available, end of year	15,191	
25.00	Unobligated balance lapsing	15,191	
50.00	Budget authority (reappropriation)	15,191	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net	-15,191	15,191
72.40	Obligated balance, start of year		-9,854

74.40	Obligated balance, end of year.....	9,854	-9,250
90.00	Outlays.....	-5,337	-3,913

**NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0862-1-1-550			
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	-6,259	6,259
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....		-6,259
24.40	Unobligated balance available, end of year.....	6,259	
25.00	Unobligated balance lapsing.....	6,259	
50.00	<b>Budget authority (reappropriation).....</b>	<b>6,259</b>	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-6,259	6,259
72.40	Obligated balance, start of year.....		-2,691
74.40	Obligated balance, end of year.....	2,691	-1,938
90.00	Outlays.....	-3,568	1,630

**NATIONAL INSTITUTE ON AGING**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0843-1-1-550			
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	-10,990	10,990
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....		-10,990
24.40	Unobligated balance available, end of year.....	10,990	
25.00	Unobligated balance lapsing.....	10,990	
50.00	<b>Budget authority (reappropriation).....</b>	<b>10,990</b>	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-10,990	10,990
72.40	Obligated balance, start of year.....		-6,374
74.40	Obligated balance, end of year.....	6,374	-2,677
90.00	Outlays.....	-4,616	1,939

**NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0888-1-1-550			
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	-9,080	9,080
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....		-9,080
24.40	Unobligated balance available, end of year.....	9,080	
25.00	Unobligated balance lapsing.....	9,080	
50.00	<b>Budget authority (reappropriation).....</b>	<b>9,080</b>	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-9,080	9,080
72.40	Obligated balance, start of year.....		-4,630
74.40	Obligated balance, end of year.....	4,630	-3,995
90.00	Outlays.....	-4,450	455

**NATIONAL CENTER FOR NURSING RESEARCH**

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-0889-1-1-550			
<b>Program by activities:</b>			
10.00	Total obligations (object class 41.0).....	-1,465	1,465
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....		-1,465
24.40	Unobligated balance available, end of year.....	1,465	
25.00	Unobligated balance lapsing.....	1,465	
50.00	<b>Budget authority (reappropriation).....</b>	<b>1,465</b>	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-1,465	1,465
72.40	Obligated balance, start of year.....		-765
74.40	Obligated balance, end of year.....	765	-600
90.00	Outlays.....	-700	100

These reappropriation proposals represent an integral component of the Administration's policy to fund the National Institutes of Health (NIH) at a strong, stable, and sustainable level. The reappropriation proposals would result in NIH funding about 19,100 grants in each of the years 1987 and 1988, at an average cost level in excess of the 1986 average.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION**

**ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH**

(Supplemental language now requested, existing legislation)

*Of the funds appropriated under this heading for fiscal year 1987, \$5,000,000 shall remain available until September 30, 1988.*

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
75-1361-1-1-550			
<b>Program by activities:</b>			
10.00	Total obligations.....	-5,000	5,000
<b>Financing:</b>			
21.40	Unobligated balance available, start of year.....		-5,000
24.40	Unobligated balance available, end of year.....	5,000	
25.00	Unobligated balance lapsing.....	5,000	
50.00	<b>Budget authority (reappropriation).....</b>	<b>5,000</b>	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-5,000	5,000
74.40	Obligated balance, end of year.....		-1,250
90.00	Outlays.....	-5,000	3,750

This language is proposed to provide a more stable level of support for other research mechanisms over 1987-88, including the number of new and competing awards funded.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH—Continued

Object Classification (in thousands of dollars)			
Identification code	75-1361-1-1-550	1986 actual	1987 est. 1988 est.
25.0	Other services .....		-1,773 1,773
41.0	Grants, subsidies, and contributions .....		-3,227 3,227
99.9	Total obligations .....		-5,000 5,000

OFFICE OF HUMAN DEVELOPMENT SERVICES

FAMILY SOCIAL SERVICES

(Supplemental now requested, existing legislation)

For an additional amount for "Family Social Services", \$97,727,000, for part E of the Social Security Act, of which \$11,144,000 shall be derived from "Human Development Services" and \$43,583,000 shall be derived from unobligated balances for Grants to States for Social and Child Welfare Services in "Social Services Block Grant": Provided, That of this total, \$59,684,000 shall be available for foster care and \$38,043,000 shall be available for adoption assistance: Provided further, That of the amount, \$75,879,000 shall be available for prior year claims, and \$21,848,000 shall be available for fiscal year 1987 program costs.

Program and Financing (in thousands of dollars)

Identification code	75-1645-1-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Foster care prior year claims .....		127,184	
00.02	Adoption assistance .....		21,848	
00.03	Adoption assistance prior year claims .....		16,195	
00.04	Child Welfare Services .....		-22,500	
00.05	Independent living .....		-45,000	
10.00	Total obligations (object class 41.0) .....		97,727	
<b>Financing:</b>				
22.40	Unobligated balance transferred, net .....		-43,583	
39.00	Budget authority .....		54,144	
<b>Budget authority:</b>				
40.00	Appropriation .....		43,000	
42.00	Transferred from other accounts .....		11,144	
43.00	Appropriation (adjusted) .....		54,144	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		97,727	
72.40	Obligated balance, start of year .....			29,056
74.40	Obligated balance, end of year .....		-29,056	
90.00	Outlays .....		68,671	29,056

This supplemental appropriation would provide funds for the adoption assistance program costs and for payment of foster care and adoption assistance prior year claims found allowable by the Department of Health and Human Services. In addition to the \$97.7 million described above, \$67.5 million will be reprogrammed from child welfare services and independent living within the Family Social Services account for foster care and adoption assistance.

SOCIAL SERVICES BLOCK GRANT

Program and Financing (in thousands of dollars)

Identification code	75-1634-1-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Social Services Block Grant (total obligations) (object class 41.0) .....		-43,583	
<b>Financing:</b>				
22.40	Unobligated balance transferred, net .....		43,583	
39.00	Budget authority .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-43,583	
72.40	Obligated balance, start of year .....			-18,227
74.40	Obligated balance, end of year .....		18,227	
90.00	Outlays .....		-25,356	-18,227

This schedule reflects the transfer of unobligated balances to Family Social Services.

HUMAN DEVELOPMENT SERVICES

Program and Financing (in thousands of dollars)

Identification code	75-1636-1-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Aging: Research training and discretionary program (total obligations) (object class 41.0) .....		-11,144	
<b>Financing:</b>				
39.00	Budget authority .....		-11,144	
<b>Budget authority:</b>				
41.00	Transferred to other accounts .....		-11,144	
43.00	Appropriation (adjusted) .....		-11,144	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-11,144	
72.40	Obligated balance, start of year .....			-8,840
74.40	Obligated balance, end of year .....		8,840	
90.00	Outlays .....		-2,340	-8,840

This schedule reflects the transfer of funds to Family Social Services.

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

(Supplemental now requested, existing legislation)

For an additional amount for "Program management", \$10,000,000, to be derived by transfer from the "Federal Supplementary Medical Insurance Trust Fund".

Program and Financing (in thousands of dollars)

Identification code	75-0511-1-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Physician reform initiatives .....		5,000	
00.02	Negotiated provider agreements .....		5,000	
10.00	Total obligations .....		10,000	
<b>Financing:</b>				
13.00	Offsetting collections from: Trust funds .....		10,000	
39.00	Budget authority .....			

Relation of obligations to outlays:

71.00	Obligations incurred, net			
90.00	Outlays			

These funds would be used to develop programs to control the cost of reimbursing physicians.

**Object Classification** (in thousands of dollars)

Identification code	75-0511-1-1-550	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent		952	
12.1	Personnel benefits: Civilian		126	
25.0	Other services		8,921	
99.9	<b>Total obligations</b>		10,000	

**FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND**  
(Supplemental now requested, existing legislation)

**Program and Financing** (in thousands of dollars)

Identification code	20-8004-1-7-571	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Physician reform initiatives		5,000	
00.02	Negotiated provider agreements		5,000	
10.00	<b>Total obligations (object class 25.0)</b>		10,000	
<b>Financing:</b>				
21.40	Unobligated balance available, start of year: U.S. securities (par)			10,000
24.40	Unobligated balance available, end of year: U.S. securities (par)		-10,000	-10,000
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net		10,000	
90.00	Outlays		10,000	

This schedule reflects the payment of funds to "Program management".

**GENERAL PROVISIONS—DEPARTMENT OF HEALTH AND HUMAN SERVICES**

(Appropriation language now requested, existing legislation)

*In Sec. 202 of the conference version of H.R. 5233, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987, as enacted by Sec. 101(i), delete "6,200 new and competing" and insert in lieu thereof "19,000".*

This language is proposed to enhance flexibility and maintain stability for the total number of research program grants awarded by the National Institutes of Health.

(General provision language now requested, existing legislation)

*SEC. 212. For the purpose of increasing the Department of Health and Human Services Acquired Immune Deficiency Syndrome activities, the Secretary may transfer up to \$100,000,000 from discretionary funds otherwise available in fiscal year 1987: Provided, That the amount transferred from any single appropriation shall not exceed 1 percent of the total funds available for obligation in fiscal year 1987 under that heading: Provided further, That written notice of any such transfers shall be given at least thirty days in advance to the Committees on Appropriations of the House and Senate.*

This language is proposed to expedite mid-year allocations for research and education opportunities concerning Acquired Immune Deficiency Syndrome that may emerge in 1987.

**Department of Housing and Urban Development**

**HOUSING PROGRAMS**

**SUBSIDIZED HOUSING PROGRAMS (HOUSING ASSISTANCE)**

(Supplemental now requested, existing legislation)

*Of the budget authority made available under this head in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as enacted by section 101(g) of Public Laws 99-500 and 99-591, for section 8 authority provided for assistance for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701g), the unreserved balances remaining as of the date of the enactment into law of this Act, but not to exceed \$267,186,540, shall be available for obligation only after October 1, 1987.*

*Of the appropriations made available under this head in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as enacted by section 101(g) of Public Laws 99-500 and 99-591, for modernization of existing public housing projects pursuant to section 14 of the United States Housing Act of 1937, as amended (42 U.S.C. 14371), the unreserved balances remaining as of the date of the enactment into law of this Act, but not to exceed \$436,940,000, shall be available for obligation only after October 1, 1987.*

*The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1), is further reduced in fiscal year 1987 by not more than \$2,699,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts.*

*The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 170s), is further reduced in fiscal year 1987 by not more than \$14,420,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts.*

**Program and Financing** (in thousands of dollars)

Identification code	86-0164-1-1-999	1986 actual	1987 est.	1988 est.
<b>Programs by activities:</b>				
Assistance contracts:				
00.01	Lower income housing (section 8)		-267,187	267,187
00.02	Public and Indian housing		-436,940	436,940
10.00	<b>Total obligations (object class 41.0)</b>		-704,127	704,127
<b>Financing:</b>				
Recovery of prior year obligations:				
17.00	Rental housing assistance		-72,872	
17.00	Rent supplement		-389,340	
Unobligated balance available, start of year:				
21.40	Grants (available)			-436,940
21.49	Administrative commitments (reserved)			-267,187
Unobligated balances rescinded:				
23.40	Rental housing assistance		72,872	
23.40	Rent supplement		389,340	
Unobligated balance, end of year:				
24.40	Grants (available)		436,940	
24.49	Administrative commitments		267,187	
39.00	<b>Budget authority</b>			

**SUBSIDIZED HOUSING PROGRAMS (HOUSING ASSISTANCE)—Continued**

**Program and Financing (in thousands of dollars)—Continued**

Identification code	86-0164-1-1-999	1986 actual	1987 est.	1988 est.
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-704,127	704,127
<b>Obligated balance available start of year:</b>				
72.40	Appropriation			-899,153
72.49	Contract authority			-267,187
<b>Obligated balance, end of year:</b>				
74.40	Appropriation		899,153	389,390
74.49	Contract authority		267,187	
78.00	Adjustments in unexpired accounts		-389,340	
90.00	Outlays			-72,823

The Section 8 Contracts Authority proposed for carry-over supports 2,000 section 202 units. Since 10,000 section 202 units will be sufficient to meet program needs in 1987, the remaining 2,000 are proposed for availability in 1988. In conjunction with this proposal, the budget proposes a reduction in the section 202 loan limitation for 1987 and a corresponding increase in 1988 to cover loans needed for 2,000 section 202 units. The proposed carryover of \$436,940,000 in Public and Indian Housing Modernization funds is requested to provide for program levels at \$1 billion for 1987 and 1988. These amounts represent sufficient funding levels that can be productively utilized over the two years.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

The program for conversions of Rent Supplement and Rental Housing Assistance (Section 236) units to section 8 was completed in 1986. However, recaptures will continue for projects for which section 8 units have been converted, but the Rent Supplement and RAP contracts have not yet been canceled. The supplemental language for Rent Supplement and Rental Housing Assistance is proposed to recover any recaptured authority as a result of the canceled contracts.

**HOUSING FOR THE ELDERLY OR HANDICAPPED FUND**

(Appropriation language now requested, existing legislation)

*Of the amount provided under this heading in the conference version of the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987 enacted by (Public Laws 99-500 and 99-591), the limitation of direct loan obligations which may be made under section 202 of the Housing Act of 1959, as amended (12) U.S.C. 1701(q), is reduced to \$501,930,000.*

**Program and Financing (in thousands of dollars)**

Identification code	86-4115-1-3-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Housing for the elderly or handicapped fund (total obligations) (object class 33.0)			-37,200
<b>Financing:</b>				
21.98	Unobligated balance available, start of year: Fund balance			90,731
24.98	Unobligated balance available, end of year: Fund balance		-90,731	-51,565

32.47	Balance of authority to borrow withdrawn			-1,966
47.00	Authority to borrow (appropriation acts) (current, indefinite)			-90,731

<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			-37,200
74.47	Authority to borrow			37,200
90.00	Outlays			

**Status of Direct Loans (in thousands of dollars)**

<b>Position with respect to appropriations act limitation on obligations:</b>				
1111	Limitation on direct loans to the public			-90,731
1150	Total direct loan obligations			-90,731

This proposal would fund availability into 1988. The proposed loan limitation for section 202 elderly and handicapped housing for 1987 is sufficient for a program level of 10,000 units, and to address the expected capital amendment requirements for units reserved in prior years.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts these proposals, appropriate actions will be taken to implement the law.

**PUBLIC AND INDIAN HOUSING PROGRAMS**

**PAYMENTS FOR THE OPERATION OF LOW-INCOME HOUSING PROJECTS**

(Supplemental now requested, existing legislation)

*Notwithstanding the provisions of section 9(d) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), unobligated balances remaining as of the date of enactment into law of this Act, but not to exceed \$85,338,000, made available under this head in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as enacted by section 101(g) of Public Laws 99-500 and 99-591, shall remain available for obligation until September 30, 1988, and shall not be available for obligation until October 1, 1987, and shall be used by the Secretary in accordance with section 9(a) of the United States Housing Act of 1937, as amended.*

**Program and Financing (in thousands of dollars)**

Identification code	86-0163-1-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		-85,338	85,338
<b>Financing:</b>				
21.40	Unobligated balance available, start of year			-85,338
24.40	Unobligated balance available, end of year		85,338	
25.00	Unobligated balance lapsing		85,338	
50.00	Budget authority (reappropriation)		85,338	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-85,338	85,338
72.40	Obligated balance, start of year			-47,791
74.40	Obligated balance, end of year		47,791	-47,791
90.00	Outlays		-37,547	-10,244

These funds will not be needed to carry out the 1987 program because of lower utility and other costs. Therefore, it is proposed that these unobligated funds be made available in 1988.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until

after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**Department of the Interior  
BUREAU OF RECLAMATION**

**CONSTRUCTION PROGRAM**

(Supplemental now requested, existing legislation)

For an additional amount for "Construction program", for the clean-up of Kesterson Reservoir of the San Luis Unit, Central Valley Project, \$5,600,000, to remain available until expended to be derived by transfer of unobligated balances in "Loan program", Bureau of Reclamation.

**Program and Financing (in thousands of dollars)**

Identification code	14-0684-1-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Construction (total obligations) (object class 25.0)		5,600	
<b>Financing:</b>				
24.40	Unobligated balance available, end of year		-5,600	
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		5,600	
90.00	Outlays		5,600	

This supplemental request would provide funds to initiate the clean-up of Kesterson Reservoir and the San Luis Drain in the Central Valley Project in California. The funds would be derived from the transfer of unobligated fund balances in the Bureau of Reclamation's Loan program.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**LOAN PROGRAM**

(Supplemental now requested, existing legislation)

**Program and Financing (in thousands of dollars)**

Identification code	14-0667-1-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 25.0)		-5,600	
<b>Financing:</b>				
22.40	Unobligated balance transferred, net		5,600	
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-5,600	
90.00	Outlays		-5,600	

This schedule reflects the transfer of unobligated balances to the construction program.

**GEOLOGICAL SURVEY**

**SURVEYS, INVESTIGATIONS, AND RESEARCH**

(Supplemental now requested, existing legislation)

For an additional amount for "Surveys, investigations, and research", \$2,597,000, of which \$597,000 shall

remain available until expended and shall be transferred to the National Park Service, "Land acquisition and State assistance" to replenish funds which were transferred under the authority of section 102 of the General Provisions of Public Law 99-190.

**Program and Financing (in thousands of dollars)**

Identification code	14-0804-1-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	General administration (total obligations)		2,000	
<b>Financing:</b>				
39.00	Budget authority		2,000	
<b>Budget authority:</b>				
40.00	Appropriation		2,597	
41.00	Transferred to other accounts		-597	
43.00	Appropriation (adjusted)		2,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		2,000	
72.40	Obligated balance, start of year			280
74.40	Obligated balance, end of year		-280	
90.00	Outlays		1,720	280

This supplemental request would provide funds for the implementation of a pilot administrative accounting and payment system for the Department of the Interior and to replenish funds which were transferred under the authority of section 102 of the General Provisions of Public Law 99-190.

**Object Classification (in thousands of dollars)**

Identification code	14-0804-1-1-306	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		418	
11.5	Other personnel compensation		40	
11.9	Total personnel compensation		458	
12.1	Personnel benefits: Civilian		47	
21.0	Travel and transportation of persons		30	
24.0	Printing and reproduction		25	
25.0	Other services		900	
26.0	Supplies and materials		460	
31.0	Equipment		80	
99.9	Total obligations		2,000	

**FISH AND WILDLIFE SERVICE**

**RESOURCE MANAGEMENT**

(Supplemental now requested, existing legislation)

For an additional amount for "Resource management", \$2,800,000.

**Program and Financing (in thousands of dollars)**

Identification code	14-1611-1-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Wildlife resources (total obligations)		2,800	
<b>Financing:</b>				
40.00	Budget authority (appropriation)		2,800	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		2,800	
72.40	Obligated balance, start of year			84
74.40	Obligated balance, end of year		-84	
90.00	Outlays		2,716	84

RESOURCE MANAGEMENT—Continued

This supplemental appropriation would provide funds to reimburse the Fish and Wildlife Service for firefighting and rehabilitation on public lands.

Object Classification (in thousands of dollars)

Identification code 14-1611-1-1-303	1986 actual	1987 est.	1988 est.
21.0 Travel and transportation of persons.....		71	
22.0 Transportation of things.....		10	
23.3 Communication, utilities, and other rent.....		42	
25.0 Other services.....		2,168	
26.0 Supplies and materials.....		412	
31.0 Equipment.....		97	
99.9 Total obligations.....		2,800	

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

(Supplemental now requested, existing legislation)

For an additional amount for "Operation of the National Park System," \$17,631,000.

Program and Financing (in thousands of dollars)

Identification code 14-1036-1-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Park management.....		4,631	
00.02 Forest fire suppression and rehabilitation of burned areas.....		13,000	
10.00 Total obligations.....		17,631	
<b>Financing:</b>			
40.00 Budget authority (appropriation).....		17,631	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		17,631	
90.00 Outlays.....		17,631	

This proposal would provide for the costs of fighting forest fires in 1986 (\$13.0 million) and for expanded operations of the U.S. Park Police (\$4.6 million).

Object Classification (in thousands of dollars)

Identification code 14-1036-1-1-303	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		835	
11.3 Other than full-time permanent.....		2,278	
11.5 Other personnel compensation.....		5,438	
11.9 Total personnel compensation.....		8,551	
12.1 Personnel benefits: Civilian.....		279	
21.1 Travel and transportation of persons.....		1,042	
25.1 Other services.....		4,326	
26.0 Supplies and materials.....		1,531	
31.0 Equipment.....		1,902	
99.9 Total obligations.....		17,631	

Department of Justice

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", general administration, \$11,212,000.

Program and Financing (in thousands of dollars)

Identification code 15-0129-1-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Program direction and policy coordination.....		4,927	
00.02 Administrative review and appeals.....		6,285	
10.00 Total obligations.....		11,212	
<b>Financing:</b>			
40.00 Budget authority (appropriation).....		11,212	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		11,212	
72.40 Obligated balance, start of year.....			594
74.40 Obligated balance, end of year.....			-594
90.00 Outlays.....		10,618	594

This proposal would provide funds to support the implementation of immigration reform, U.S. Trustees nationwide expansion, private counsel for debt collection, national security emergency preparedness program, command center, and visitors center for the main Justice building, Bond Building relocation costs, as well as funding for increased costs associated with Standard Level User Charges, and higher than anticipated telecommunications tariff rates.

Object Classification (in thousands of dollars)

Identification code 15-0129-1-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		3,292	
11.3 Other than full-time permanent.....		49	
11.9 Total personnel compensation.....		3,341	
12.1 Personnel benefits: Civilian.....		414	
21.0 Travel and transportation of persons.....		620	
23.0 Rent, communications and utilities.....		2,271	
23.1 Rental payments to GSA.....		2,124	
23.3 Communication, utilities, and miscellaneous charges.....		147	
24.0 Printing and reproduction.....		15	
25.0 Other services.....		4,439	
26.0 Supplies and materials.....		39	
31.0 Equipment.....		73	
99.9 Total obligations.....		11,212	

Personnel Summary

Total number of full-time permanent positions.....	250
Total compensable workyears: Full-time equivalent employment.....	80

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses, general legal activities", \$8,085,000 of which \$299,000 is for the Antitrust Division and of which \$2,000,000 is to pay expenses related to the activities of any independent counsel appointed pursuant to 28 U.S.C. 591, et seq. shall remain available until expended: Provided further, That \$299,000 is for the Antitrust Division.

Program and Financing (in thousands of dollars)

Identification code 15-0128-1-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Conduct of Supreme Court proceedings and review of appellate matters.....		32	
00.02 General tax matters.....		295	
00.03 Criminal matters.....		1,479	
00.04 Claims, customs, and general civil matters.....		1,997	

00.05	Land, natural resources, and Indian matters.....	217	.....
00.06	Legal opinions.....	147	.....
00.07	Civil rights matters.....	237	.....
00.08	Interpol-USNCB.....	23	.....
00.09	Independent counsel.....	2,000	.....
00.11	Antitrust.....	299	.....
00.13	Special counsel for discrimination.....	1,359	.....
10.00	Total obligations.....	8,085	.....
<b>Financing:</b>			
40.00	Budget authority (appropriation).....	8,085	.....
Relation of obligations to outlays:			
71.00	Obligations incurred, net.....	8,085	.....
72.40	Obligated balance, start of year.....		311
74.40	Obligated balance, end of year.....	-311	.....
90.00	Outlays.....	7,774	311

This proposal includes \$2.5 million for the relocation of Criminal Division personnel from the Federal Triangle Building to the Bond Building. Also included is a request for \$528 thousand for higher than anticipated telecommunications tariff rates, and \$5.1 million for various programmatic needs. Of this amount \$2.0 million is for expenses related to the activities of any independent counsel appointed pursuant to 28 U.S.C. 591, et seq. and \$3 million is requested for increased immigration litigation related work, including the establishment of a special counsel for discrimination, and other legal activities.

**Object Classification** (in thousands of dollars)

Identification code	15-0128-1-1-752	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent.....		784	.....
12.1	Personnel benefits: Civilian.....		93	.....
21.0	Travel and transportation of persons.....		308	.....
22.0	Transportation of things.....		10	.....
23.1	Rental payments to GSA.....		1,850	.....
23.3	Communications, utilities, and miscellaneous charges.....		1,736	.....
24.0	Printing and reproduction.....		22	.....
25.0	Other services.....		2,995	.....
26.0	Supplies and materials.....		51	.....
31.0	Equipment.....		236	.....
99.9	Total obligations.....		8,085	.....

**Personnel Summary**

Total number of full-time permanent positions.....	68
Total compensable workyears: Full-time equivalent employment.....	22

**SALARIES AND EXPENSES, UNITED STATES ATTORNEYS**  
(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses, United States Attorneys", \$887,000.

**Program and Financing** (in thousands of dollars)

Identification code	15-0322-1-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	U.S. Attorneys (total obligations) (object class 23.3).....		887	.....
<b>Financing:</b>				
40.00	Budget authority (appropriation).....		887	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		887	.....
90.00	Outlays.....		887	.....

The proposed supplemental would cover the costs of higher than anticipated telecommunications tariff rates.

**SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses, United States Marshals Service", \$405,000: *Provided, That in the appropriation language under this head in Public Laws 99-500 and 99-591, add at the end thereof "Notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the United States Marshals Service may collect fees, commissions, and expenses for the service of civil process, including: complaints, summonses, subpoenas and similar process; and seizures, levies, and sales associated with judicial orders of execution; and credit not to exceed \$1,000,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services."*

**Program and Financing** (in thousands of dollars)

Identification code	15-0324-1-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	U.S. Marshals Service (total obligations) (object class 23.3).....		405	.....
<b>Financing:</b>				
40.00	Budget authority (appropriation).....		405	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		405	.....
72.40	Obligated balance, start of year.....			20
74.40	Obligated balance, end of year.....		-20	.....
90.00	Outlays.....		385	20

This supplemental would cover the cost of higher than anticipated telecommunication tariff rates.

The proposed language change would clarify the U.S. Marshals Service's authority to collect fees related to its service of civil process function as provided for in section 39 of Public Law 99-646. The change also would permit such fees to be credited to this appropriation to be used for salaries and other expenses incurred in providing these services.

**SUPPORT OF UNITED STATES PRISONERS**

(Supplemental now requested, existing legislation)

For an additional amount for "Support of United States prisoners", \$9,630,000.

**Program and Financing** (in thousands of dollars)

Identification code	15-1020-1-1-752	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Care of U.S. prisoners in non-Federal institutions (total obligations) (object class 25.0).....		9,630	.....
<b>Financing:</b>				
40.00	Budget authority (appropriation).....		9,630	.....
Relation of obligations to outlays:				
71.00	Obligations incurred, net.....		9,630	.....
72.40	Obligated balance, start of year.....			674
74.40	Obligated balance, end of year.....		-674	.....
90.00	Outlays.....		8,956	674

This proposed supplemental request would fund additional unsentenced prisoner inmate days in contract facilities. The U.S. Marshals Service is experiencing an increase in the number of prisoners held in contract facilities and in the length of time they are in the Service's custody. This is a result of the Comprehensive Crime Control Act of 1985, especially the implementation of the bail reform provision. Additionally, a

SUPPORT OF UNITED STATES PRISONERS—Continued

number of unsentenced prisoners will be relocated from a Federal facility to two new Cooperative Agreement program facilities.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

(Supplemental language now requested, existing legislation)

For an additional amount for "Salaries and expenses, community relations service", \$41,000: *Provided, That in the appropriation language under this heading in Public Law 99-500, delete \$29,637,000 of which \$23,266,000 shall remain available until expended and substitute the following: \$29,637,000 of which \$22,791,000 shall remain available until expended.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01		508	
00.02		-467	
10.00		41	
<b>Financing:</b>			
40.00		41	
<b>Relation of obligations to outlays:</b>			
71.00		41	
72.40			10
74.40		-10	
90.00		31	10

This proposed supplemental would cover the higher than anticipated telecommunications tariffs.

The change in appropriation language reallocates the uncontrollable increases of \$541 thousand allowed to the Community Relations Service (CRS) in the 1987 Appropriation Act. The funding levels by budget activity do not accurately reflect the intent of providing funds for uncontrollable increases. Of the \$541 thousand, the budget activity consisting of the prevention and conciliation of community disputes was allocated \$36 thousand, and the reception, processing, and care of Cuban-Haitian entrants budget activity was allocated \$505 thousand. It appears that an error was made in the distribution of this increase between these two budget activities as the prevention and conciliation activity had requested \$560 thousand, and the reception, processing, and care activity had requested \$30 thousand. This redistribution would correct this error and provide the prevention and conciliation activity with an additional \$475 thousand in uncontrollable increases and the reception, processing and care activity its full uncontrollable request of \$30 thousand.

UNITED STATES TRUSTEE SYSTEM FUND

(Supplemental now requested, existing legislation)

For the payment of initial operating expenses of United States Trustees, incurred by the United States Trustee System Fund as authorized by the Bankruptcy Judges, United States Trustees and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554), \$16,436,000: *Provided, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00		16,436	
<b>Financing:</b>			
40.00		16,436	
<b>Relation of obligations to outlays:</b>			
71.00		16,436	
72.40			822
74.40		-822	
90.00		15,614	822

These funds are needed to establish and operate a nationwide bankruptcy trustee system. U.S. Trustees provide administrative support to the Bankruptcy Court System. By 1989, this program will be self-sustaining through the collection of filing and maintenance fees of bankruptcy cases.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1		3,879	
11.5		496	
11.9		4,375	
12.1		612	
13.0		24	
21.0		227	
22.0		149	
23.1		1,632	
23.2		225	
23.3		1,441	
24.0		110	
25.0		3,779	
26.0		823	
31.0		3,039	
99.9		16,436	

Personnel Summary

Total number of full-time permanent positions.....	361
Total compensable workyears:	
Full-time equivalent employment .....	102
Full-time equivalent of overtime and holiday hours .....	3

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses" \$3,989,000: *Provided, That of the funds made available under this head in the Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, \$5,686,000 for a classified project shall remain available until expended.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01		2,000	5,686
00.02		1,989	
10.00		3,989	5,686
<b>Financing:</b>			
21.40			-5,686

24.40	Unobligated balance available, end of year.....	5,686	
39.00	<b>Budget authority</b> .....	<b>9,675</b>	

Budget authority:			
40.00	<b>Appropriation</b> .....	<b>3,989</b>	
50.00	<b>Reappropriation</b> .....	<b>5,686</b>	

Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	3,989	5,686
90.00	Outlays.....	3,989	5,686

This proposed supplemental would provide the Federal Bureau of Investigation with an additional \$1,989,000 for higher than anticipated telecommunications tariff rates and an additional \$2,000,000 for General Services Administration Rental Charges.

This proposed supplemental would also reappropriate unobligated balances that would lapse September 30, 1987. This is required to support a special classified project.

**Object Classification (in thousands of dollars)**

Identification code 15-0200-1-1-751			
		1986 actual	1987 est. 1988 est.
23.1	Rental payments to GSA .....		2,000
23.3	Communications, utilities, and miscellaneous charges .....		1,989
25.0	Other services .....		5,686
99.9	Total obligations .....	3,989	5,686

**DRUG ENFORCEMENT ADMINISTRATION**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$776,000: *Provided, That in appropriation language under this head in the Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, delete "five hundred seventy-five" and substitute 1,030.*

**Program and Financing (in thousands of dollars)**

Identification code 15-1100-1-1-751			
		1986 actual	1987 est. 1988 est.
<b>Program by activities:</b>			
10.00	Investigative support (total obligations) (object class 23.3) .....		776
<b>Financing:</b>			
40.00	<b>Budget authority (appropriation)</b> .....		<b>776</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....		776
90.00	Outlays.....		776

This proposed supplemental would provide the additional funding for higher than anticipated telecommunications tariff rates. This request would also provide the Drug Enforcement Administration authority to purchase 455 additional passenger motor vehicles.

**IMMIGRATION AND NATURALIZATION SERVICE**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$147,793,000: *Provided, That, in appropriation language under this head in the Department of Justice Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, delete the phrase "(not to exceed four hundred ninety, all of which shall be for replace-*

*ment only)" and substitute (not to exceed 2,413, of which 490 shall be for replacement only).*

**Program and Financing (in thousands of dollars)**

Identification code 15-1217-1-1-751			
		1986 actual	1987 est. 1989 est.
<b>Program by activities:</b>			
Operating expenses:			
00.01	Enforcement.....		47,436
00.02	Citizenship and benefits .....		5,842
00.03	Immigration support.....		17,666
00.04	Program direction .....		3,620
00.91	Total operating expenses .....		74,564
Capital investment:			
01.01	Enforcement.....		30,799
01.02	Citizenship and benefits .....		276
01.03	Immigration support.....		41,549
01.04	Program direction .....		605
01.91	Total capital investment.....		73,229
10.00	Total obligations.....		147,793
<b>Financing:</b>			
40.00	<b>Budget authority (appropriation)</b> .....		<b>147,793</b>
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....		147,793
72.40	Obligated balance, start of year .....		39,949
74.40	Obligated balance, end of year .....		-39,949
90.00	Outlays.....	107,844	39,949

This proposed supplemental would provide for the increased expenses for implementing titles, I, III, and VII of the Immigration Reform and Control Act of 1986. This proposal would also provide resources to fund contract detention of certain Mariel Cuban criminals and higher than anticipated telecommunications tariff rates.

**Object Classification (in thousands of dollars)**

Identification code 11-15-1217-1-1-751			
		1986 actual	1987 est. 1988 est.
Personnel compensation:			
11.1	Full-time permanent.....		10,140
11.3	Other than full-time permanent .....		2,935
11.5	Other personnel compensation .....		1,394
11.9	Total personnel compensation.....		14,469
12.1	Personnel benefits: Civilian.....		6,085
21.0	Travel and transportation of persons .....		12,427
22.0	Transportation of things .....		1,162
23.1	Rental payments to GSA .....		1,932
23.3	Communications, utilities, and miscellaneous charges .....		2,059
24.0	Printing and reproduction .....		7,104
25.0	Other services .....		23,782
26.0	Supplies and materials .....		5,544
31.0	Equipment .....		38,229
32.0	Lands and structures.....		35,000
99.9	Total obligations.....		147,793

**Personnel Summary**

Total number of full-time permanent positions.....	4,316
Total compensable workyears:	
Full-time equivalent employment .....	626
Full-time equivalent of overtime and holiday hours .....	164

**FEDERAL PRISON SYSTEM**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$548,000.

**SALARIES AND EXPENSES—Continued**  
**Program and Financing (in thousands of dollars)**

Identification code 15-1060-1-1-753	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Program direction (total obligations) (object class 23.3)		548	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		548	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		548	
90.00 Outlays		548	

This proposal would provide for higher than anticipated telecommunications tariff rates.

**NATIONAL INSTITUTE OF CORRECTIONS**  
 (Supplemental now requested, existing legislation)

For an additional amount for "National Institute of Corrections", \$15,000.

**Program and Financing (in thousands of dollars)**

Identification code 15-1004-1-1-754	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 23.3)		15	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		15	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		15	
90.00 Outlays		15	

This proposed supplemental would provide for higher than anticipated telecommunications tariff rates.

**OFFICE OF JUSTICE PROGRAMS**

**JUSTICE ASSISTANCE**

(Supplemental now requested, existing legislation)  
 For an additional amount for Justice assistance \$27,000.

**Program and Financing (in thousands of dollars)**

Identification code 15-0401-1-1-754	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Management and administration (total obligations) (object class 23.3)		27	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		27	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		27	
90.00 Outlays		27	

This proposed supplemental would provide for higher than anticipated telecommunications tariff rates.

**Department of Labor**  
**EMPLOYMENT AND TRAINING**  
**ADMINISTRATION**

**STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS**

(Supplemental language now requested, existing legislation)

*In the appropriation language under this head in the conference version of H.R. 5233, and made available by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1987, Public Laws 99-500 and 99-591, delete "\$2,341,901,000" and substitute \$2,251,901,000; delete "\$732,500,000" and substitute \$642,500,000; and delete "in lieu of allotments for such purpose, and of which" and substitute: Provided, That the amount made available for activities under such section 6 shall be combined with the total of all balances unexpended in each State as of June 30, 1987, in excess of 10 percent of the State's prior year section 6 allotment and the combined amounts shall be allotted as provided in such section 6: Provided further, That the allotment of the unexpended balances shall be accomplished by reducing the total allotment made to a State by the amount of that State's unexpended balance which has been combined into the total available for allotment: Provided further, That of the amount which may be expended from such Trust Fund.*

**Program and Financing (in thousands of dollars)**

Identification code 16-0179-1-1-504	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-18,000	-72,000
<b>Financing:</b>			
13.00 Offsetting collections from: Trust funds		-18,000	-72,000
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
90.00 Outlays			

This proposal would reduce new resources for Wagner-Peyser Act grants to States beginning July 1, 1987 and provide authority to redistribute prior year excess unexpended balances. When combined with savings resulting from State initiatives and resources to be provided by the new worker adjustment program, the proposal should permit almost all States to continue to support at least the same levels of activity as in prior years.

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts this proposal, appropriate actions will be taken to implement the law.

**UNEMPLOYMENT TRUST FUND**

(Supplemental now requested, existing legislation)

**Program and Financing (in thousands of dollars)**

Identification code 20-8042-1-7-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		-18,000	-72,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: U.S. securities (par)			-18,000

24.40	Unobligated balance available, end of year: U.S. securities (par) .....	18,000	90,000
39.00	<b>Budget authority</b> .....		
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	-18,000	-72,000
90.00	Outlays .....	-18,000	-72,000

This schedule reflects the proposed reduction in the amount of trust funds to be spent for State Unemployment Insurance and Employment Service Operations that is shown above.

**SPECIAL BENEFITS**

(Supplemental now requested, existing legislation)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
Identification code 16-1521-1-1-601			
<b>Program by activities:</b>			
10.00	Total obligations .....		
<b>Financing:</b>			
11.00	Offsetting collections from: Federal funds .....	-79,177	
39.00	<b>Budget authority</b> .....	-79,177	
<b>Budget authority:</b>			
40.00	Appropriation .....		-79,177
40.20	Appropriation available from subsequent year .....	-79,177	
40.30	Appropriation available in prior year .....		79,177
43.00	<b>Appropriation (adjusted)</b> .....	-79,177	
Relation of obligations to outlays:			
71.00	Obligation incurred, net .....	-79,177	
90.00	Outlays .....	-79,177	

This schedule reflects a supplemental appropriation to the Postal Service Fund for reimbursement to the Department of Labor for workers' compensation payments made to postal employees injured prior to July 1, 1971. If the Department of Labor did not receive this reimbursement from the Postal Service it would be unable to make the necessary benefit payments during 1987 without drawing down funds from the subsequent year's appropriations.

**Department of State  
ADMINISTRATION OF FOREIGN AFFAIRS**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$59,750,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
Identification code 19-0113-1-1-153			
<b>Program by activities:</b>			
00.01	Executive direction and policy formulation .....	3,709	
00.02	Inspections and audits .....	3,500	
00.03	Conduct of diplomatic relations .....	13,819	
00.04	Conduct of consular relations .....	12,850	
00.05	Professional training and development .....	265	
00.06	Communications systems .....	4,553	
00.07	Security .....	1,991	
00.08	Information systems .....	2,706	
00.09	Medical .....	382	
00.10	Administration and staff activities .....	15,975	
10.00	<b>Total obligations</b> .....	59,750	

<b>Financing:</b>			
40.00	Budget authority (appropriation) .....	59,750	
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	59,750	
72.40	Obligated balance, start of year .....		49,692
74.40	Obligated balance, end of year .....	-49,692	
90.00	Outlays .....	10,058	49,692

This request would provide funds to offset the impact of large exchange losses, increase the staff of the Office of the Inspector General, provide a U.S. national gift to the Australian bicentennial, support participation at the Conference on Security and Cooperation in Europe, and carry out the requirements resulting from the Immigration Reform Act.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
Identification code 19-0113-1-1-153			
11.1	Personnel compensations: Full-time permanent .....	13,513	
12.1	Personnel benefits: Civilian .....	2,057	
21.0	Travel and transportation of persons .....	1,624	
22.0	Transportation of things .....	336	
23.2	Rental payments to others .....	17,356	
24.0	Printing and reproduction .....	34	
25.0	Other services .....	13,633	
26.0	Supplies and materials .....	4,765	
31.0	Equipment .....	1,432	
41.0	Grants, subsidies, and contributions .....	5,000	
99.9	<b>Total obligations</b> .....	59,750	

**Personnel Summary**

Total number of full-time permanent positions .....	97
Total compensable workyears: Full-time equivalent employment .....	58

**ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD**

(Supplemental now requested, existing legislation)

For an additional amount for "Acquisition and maintenance of buildings abroad", \$12,000,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
Identification code 19-0535-1-1-153			
<b>Program by activities:</b>			
10.00	Total obligations .....	12,000	
<b>Financing:</b>			
40.00	Budget authority (appropriation) .....	12,000	
Relation of obligations to outlays:			
71.00	Obligations incurred, net .....	12,000	
72.40	Obligated balance, start of year .....		10,800
74.40	Obligated balance, end of year .....	-10,800	
90.00	Outlays .....	1,200	10,800

This supplemental would provide funds for site and development cost for the replacement of the embassy in El Salvador that was destroyed during the recent earthquake.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
Identification code 19-0535-1-1-153			
25.0	Other services .....	3,340	
32.0	Lands and structures .....	8,660	
99.9	<b>Total obligation</b> .....	12,000	

**INTERNATIONAL ORGANIZATION AND CONFERENCES**

**CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS**

(Supplemental language now requested, existing legislation)

*In the appropriation language under this heading in the Department of State Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, delete the phrase that reads "of which \$130,000,000, to remain available until expended, shall become available for expenditure on October 1, 1987:".*

**Program and Financing (in thousands of dollars)**

Identification code 19-1126-1-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		130,000	-130,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			130,000
24.40 Unobligated balance available, end of year		-130,000	
39.00 <b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		130,000	-130,000
90.00 Outlays		130,000	-130,000

This proposed language would remove a provision of law that delays \$130 million in outlays from 1987 to 1988.

**CONTRIBUTIONS TO INTERNATIONAL PEACEKEEPING ACTIVITIES**

(Supplemental now requested, existing legislation)

For an additional amount for "Contributions to international peacekeeping activities", \$21,600,000.

**Program and Financing (in thousands of dollars)**

Identification code 19-1124-1-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		21,600	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b>		21,600	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		21,600	
72.40 Obligated balance, start of year			2,160
74.40 Obligated balance, end of year		-2,160	
90.00 Outlays		19,440	2,160

This supplemental would provide partial restoration of arrearages in the United States contribution to cover the expenses of the United Nations Interim Force in Lebanon.

**INTERNATIONAL COMMISSIONS**

**AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS**

(Supplemental now requested, existing legislation)

For an additional amount for "American sections, international commissions", \$600,000.

**Program and Financing (in thousands of dollars)**

Identification code 19-1082-1-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		600	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b>		600	

**Relation of obligations to outlays:**

71.00 Obligations incurred, net		600	
90.00 Outlays		600	

These funds would enable the International Joint Commission to examine and report on fluctuating water levels in the Great Lakes St. Lawrence River Basin.

**OTHER**

**U.S. BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS**

(Supplemental now requested, existing legislation)

For an additional amount for "U.S. bilateral science and technology agreements", \$2,000,000.

**Program and Financing (in thousands of dollars)**

Identification code 19-1151-1-1-153	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		2,000	
<b>Financing:</b>			
40.00 <b>Budget authority (appropriation)</b>		2,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		2,000	
90.00 Outlays		2,000	

This request would provide funds for a special science and technology initiative with Brazil.

**Department of Transportation**

**FEDERAL HIGHWAY ADMINISTRATION**

**MOTOR CARRIER SAFETY GRANTS (HIGHWAY TRUST FUND)**

(LIQUIDATION OF CONTRACT AUTHORITY)

(Supplemental now requested, existing legislation)

*For payment of obligations incurred in carrying out the provisions of section 402 of Public Law 97-424, \$35,000,000, to be derived from the Highway Trust Fund, including \$16,269,000 previously provided under the head "Motor carrier safety" in the conference version of H.R. 5205, the Department of Transportation and Related Agencies Appropriations Act, 1987, and made available in Public Laws 99-500 and 99-591; to remain available until expended.*

**Program and Financing (in thousands of dollars)**

Identification code 69-8027-1-7-401	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
21.40 Unobligated balance available, start of year: Appropriation			16,269
24.40 Unobligated balance available, end of year		-16,269	-16,269
25.00 Unobligated balance lapsing		16,269	
39.00 <b>Budget authority</b>			
<b>Budget authority:</b>			
40.00 Appropriation		35,000	
40.49 Portion applied to liquidate contract authority		-35,000	
43.00 <b>Appropriation (adjusted)</b>			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net			
<b>Obligated balance, start of year:</b>			
72.40 Appropriation			20,000
72.49 Contract authority			-35,000
<b>Obligated balance, end of year:</b>			
74.40 Appropriation		-20,000	-20,000

74.49	Contract authority.....	35,000	35,000
90.00	Outlays.....	15,000	

**Status of Unfunded Contract Authority (in thousands of dollars)**

Unfunded balance, start of year.....	- 35,000
Contract authority.....	
Appropriation to liquidate contract authority.....	- 35,000
Unfunded balance, end of year.....	- 35,000

This proposal would provide sufficient cash for the liquidation of contract authority provided in Public Law 99-570, the Anti-Drug Abuse Act. Budget authority of \$16.2 million provided in Public Laws 99-500 and 99-591 would be converted to liquidating cash. With this change the program would operate at a level of \$50 million as provided in Public Law 99-570. There would be no Executive Branch action to defer or otherwise restrict the funds currently available until after legislation is enacted. When legislation is enacted, appropriate actions would be taken to reduce the program in accordance with the law.

**FEDERAL RAILROAD ADMINISTRATION**

**SETTLEMENTS OF RAILROAD LITIGATION**

(Supplemental now requested, existing legislation)

*For the settlement of promissory notes pursuant to section 210(f) of the Regional Rail Reorganization Act of 1973 (Public Law 93-236), as amended, \$95,879,000, to remain available until expended, together with such sums as may be necessary for the payment of interest due to the Secretary of the Treasury under the terms and conditions of such notes.*

**Program and Financing (in thousands of dollars)**

Identification code 69-0708-1-1-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Payments to Treasury (total obligations) (object class 43.0).....		6,500	
<b>Financing:</b>			
39.00 <b>Budget authority</b> .....		<b>6,500</b>	
<b>Budget authority:</b>			
40.00 Appropriation.....	102,379		
40.47 Portion applied to debt reduction (-).....	- 95,879		
43.00 <b>Appropriation (adjusted)</b> .....		<b>6,500</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....	6,500		
90.00 Outlays.....	6,500		

This supplemental appropriation would repay borrowings from the Department of the Treasury. The borrowings paid for the properties of the Penn Central Transportation Company and their subsidiaries and affiliates transferred to Conrail in 1976. Because Treasury lends these funds at the current interest rate, the request also includes an appropriation to cover interest that is accruing each day until the notes are repaid.

**RAILROAD REHABILITATION AND IMPROVEMENTS FINANCING FUNDS**

(Supplemental now requested, existing legislation)

*For payment to the Secretary of the Treasury for debt reduction, \$12,500,000, to remain available until expended, together with such sums as may be necessary for*

*the payment of interest due to the Secretary of the Treasury under the terms and conditions of such debt.*

**Program and Financing (in thousands of dollars)**

Identification code 69-4411-1-3-401	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Payments to Treasury: Interest (total obligations) (object class 43.0).....		790	
<b>Financing:</b>			
39.00 <b>Budget authority</b> .....		<b>790</b>	
<b>Budget authority:</b>			
40.00 Appropriation.....		13,290	
40.47 Portion applied to debt reduction (-).....		- 12,500	
43.00 <b>Appropriation (adjusted)</b> .....		<b>790</b>	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		790	
90.00 Outlays.....		790	

This supplemental appropriation is requested to repay promissory notes on borrowings that financed interest owed on notes issued in 1986 for a loan to the Milwaukee Road, Inc. Because Treasury lends these funds at the current interest rate, an appropriation to cover interest that is accruing each day until the notes are repaid is also requested.

**FEDERAL AVIATION ADMINISTRATION**

**OPERATIONS**

(Including transfers of funds)

*For an additional amount for "Operations", \$50,000,000, to be derived by transfer from the unobligated balances of "Interstate Transfer Grants—Highways".*

**Program and Financing (in thousands of dollars)**

Identification code 69-1301-1-1-402	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Operation of air traffic control system.....		25,700	
00.02 Installation and materiel services.....		1,390	
00.03 Maintenance of traffic control system.....		1,000	
00.04 Leased telecommunications services.....		20,535	
00.09 Direction, staff and supporting services.....		1,375	
10.00 <b>Total obligations</b> .....		<b>50,000</b>	
<b>Financing:</b>			
22.40 Unobligated balance transferred, net.....		- 50,000	
39.00 <b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		50,000	
72.40 Obligated balance, start of year.....			7,500
74.40 Obligated balance, end of year.....		- 7,500	
90.00 Outlays.....		42,500	7,500

This proposal would provide funds for several operational requirements, including leased telecommunication services, training for air traffic controllers, permanent change of station moves for flight service station specialists, and software maintenance services at the Federal Aviation Administration (FAA) technical center. These requirements were not anticipated when the FAA submitted its regular 1987 budget request last year.

OPERATIONS—Continued

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-1301-1-1-402			
11.1 Personnel compensation: Full-time permanent .....		1,802	
12.1 Personnel benefits: Civilian .....		8,221	
21.0 Travel and transportation of persons .....		1,830	
22.0 Transportation of things .....		1,680	
23.3 Communications, utilities, and miscellaneous charges .....		21,925	
25.0 Other services .....		14,542	
99.9 Total obligations .....		50,000	

Personnel Summary

Total compensable workyears: Full-time equivalent employment .....	211
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AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

(Supplemental now requested, existing legislation)

*For the settlement of promissory notes issued to the Secretary of the Treasury, \$2,602,000 to remain available until expended together with such sums as may be necessary for the payment of interest due under the terms and conditions of such notes.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-1399-1-1-402			
<b>Program by activities:</b>			
10.00 Interest (total obligations) (object class 43.0) .....		427	
<b>Financing:</b>			
39.00 Budget authority .....		427	
<b>Budget authority:</b>			
40.00 Appropriation .....		2,602	
40.47 Portion applied to debt reduction .....		-2,175	
43.00 Appropriation (adjusted) .....		427	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		427	
90.00 Outlays .....		427	

This proposal would provide funds to repay borrowings and accrued interest to the Treasury.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

(Supplemental now requested, existing legislation)

*For an additional amount for liquidation of obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended; and under other laws authorizing such obligations, and obligations for noise compatibility planning and programs, \$42,000,000, to remain available until expended.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8106-1-7-402			
<b>Financing:</b>			
39.00 Budget authority .....			
<b>Budget authority:</b>			
40.00 Appropriation .....		42,000	
40.49 Portion applied to liquidate contract authority .....		-42,000	
43.00 Appropriation (adjusted) .....			

Relation of obligation to outlays:			
72.49	Obligated balance, start of year .....		-42,000
74.49	Obligated balance, end of year .....	42,000	42,000
90.00	Outlays .....	42,000	

This proposed supplemental would liquidate obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended and other law authorizing such obligations, and obligations for noise compatibility planning and programs.

MARITIME ADMINISTRATION

FEDERAL SHIP FINANCING FUND

(Supplemental now requested, existing legislation)

*For payment to the Secretary of Treasury for debt reduction, \$1,375,000,000, to remain available until expended, together with such sums as may be necessary for the payment of interest on said amount to the Secretary of Treasury. During fiscal year 1987, no new commitments for guaranteed loans will be made.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-4301-1-3-403			
<b>Program by activities:</b>			
10.00 Payments to Treasury: Interest (total obligations) (object class 33.0) .....		73,000	
<b>Financing:</b>			
39.00 Budget authority .....		73,000	
<b>Budget authority:</b>			
40.00 Appropriation .....		1,448,000	
40.47 Portion applied to debt reduction (-) .....		-1,375,000	
43.00 Appropriation (adjusted) .....		73,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		73,000	
90.00 Outlays .....		73,000	

This proposed supplemental would repay the Treasury debt incurred through 1986 by the Federal Ship Financing Fund and related interest. The debt is the result of Treasury borrowings that were necessary to meet U.S. Government loan guarantee commitments. The proposed supplemental would also terminate new loan guarantee commitments.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

OPERATIONS AND MAINTENANCE (TRUST FUND)

(Supplemental now requested, existing legislation)

*For necessary expenses for operation and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, \$6,000,000 to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662.*

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
69-8003-1-7-403			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0) .....		6,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation) .....		6,000	

Relation of obligations to outlays:			
71.00	Obligations incurred, net	6,000	
90.00	Outlays	6,000	

This proposal would restore funding of Corporation activities. Prior to April 1, 1987, these activities were funded from toll revenues. As a result of the passage of Public Law 99-662, the Corporation's toll revenues must be deposited in a newly created Harbor Maintenance Trust Fund, effective April 1, 1987. That law also provides for financing operations and maintenance expenses with appropriations from the Trust Fund.

**SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**  
(Supplemental now requested, existing legislation)

**Program and Financing (in thousands of dollars)**

Identification code	69-4089-1-3-403	1986 actual	1987 est.	1988 est.
<b>Financing:</b>				
13.00	Offsetting collections from trust funds		-6,000	
21.98	Unobligated balance available, start of year: Fund balance			-6,000
24.98	Unobligated balance available, end of year: Fund balance	6,000	6,000	6,000
39.00	<b>Budget authority</b>			
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-6,000	
90.00	Outlays		-6,000	

This schedule reflects the transfer of funds to operations and maintenance.

**Department of the Treasury**  
**DEPARTMENTAL OFFICES**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for Salaries and expenses, \$5,650,000, of which \$5,000,000 is to remain available until expended for repairs and improvements to the Treasury Annex.

**Program and Financing (in thousands of dollars)**

Identification code	20-0101-1-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Secretarial policy and program development		650	
00.06	Repairs and improvements		5,000	
10.00	<b>Total obligations</b>		5,650	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>		5,650	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		5,650	
72.40	Obligated balance, start of year			250
74.40	Obligated balance, end of year		-250	
90.00	Outlays		5,400	250

This supplemental would provide for the renovation of the Treasury Annex and the establishment of the Office of Depreciation Analysis in the Office of the Assistant Secretary for Tax Policy. The renovation of the Treasury Annex will restore the historic exterior facade and renovate the interior office area to today's standards, and allow all the Departmental Offices' per-

sonnel currently housed in leased space to be accommodated in either the Main Treasury Building or in the restored Treasury Annex. Establishment of an Office of Depreciation Analysis, as mandated by the Tax Reform Act of 1986, would allow the Department to undertake studies of depreciation that would be used to change an asset's class life.

**Object Classification (in thousands of dollars)**

Identification code	20-0101-1-1-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		426	
11.3	Other than full-time permanent		10	
11.5	Other personnel compensation		8	
11.9	<b>Total personnel compensation</b>		444	
12.1	Personnel Benefits: Civilian		33	
21.0	Travel and transportation of persons		10	
23.3	Communications, utilities and miscellaneous charges		8	
24.0	Printing and reproduction		10	
25.0	Other services		55	
26.0	Supplies and materials		21	
31.0	Equipment		69	
31.0	Lands and structures		5,000	
99.9	<b>Total obligations</b>		5,650	

**Personnel Summary**

Total number of full-time permanent positions	10
Total compensable workyears: Full-time equivalent employment	10

**FINANCIAL MANAGEMENT SERVICE**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$1,900,000, which shall remain available through September 30, 1988 for headquarters relocation.

**Program and Financing (in thousands of dollars)**

Identification code	20-1801-1-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Financial operations		1,193	
00.02	Federal finance		298	
00.03	FTD fee payments		10	
00.04	Information systems		399	
10.00	<b>Total obligations</b>		1,900	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation)</b>		1,900	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		1,900	
72.40	Obligated balance, start of year			200
74.40	Obligated balance, end of year		-200	
90.00	Outlays		1,700	200

This supplemental would provide for the final phase of headquarters relocation to the Liberty Loan Building, and will pay for necessary technical upgrades not normally covered by the General Services Administration.

**Object Classification (in thousands of dollars)**

Identification code	20-1801-1-1-803	1986 actual	1987 est.	1988 est.
23.2	Rental payments to others		350	
25.0	Other services		1,240	

**SALARIES AND EXPENSES—Continued**

**Object Classification (in thousands of dollars)—Continued**

Identification code	20-1801-1-1-803	1986 actual	1987 est.	1988 est.
31.0	Equipment .....		310	
99.0	Total obligations .....		1,900	

**REBATE OF ST. LAWRENCE SEAWAY TOLLS**

(Supplemental now requested, existing legislation)

*For rebate of the United States' portion of tolls paid for use of the St. Lawrence Seaway, pursuant to Public Law 99-662, \$6,250,000, to remain available until expended and to be derived from the Harbor Maintenance Trust Fund, of which not to exceed \$250,000 shall be available for expenses of administering the rebates.*

**Program and Financing (in thousands of dollars)**

Identification code	20-8865-1-7-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	St. Lawrence Seaway toll rebates .....		6,000	
00.02	Administrative expenses .....		250	
10.00	Total obligations .....		6,250	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....		6,250	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		6,250	
72.40	Obligated balance, start of year .....			5
74.40	Obligated balance, end of year .....		-5	
90.00	Outlays .....		6,245	5

The Harbor Maintenance Revenue Act of 1986 (Public Law 99-662) requires the rebate of the U.S. portion of tolls paid by commercial vessels for use of the St. Lawrence Seaway. This appropriation would fund the rebates and the expenses necessary to administer them.

**Object Classification (in thousands of dollars)**

Identification code	20-8865-1-7-806	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....		119	
11.5	Other personnel compensation .....		6	
11.9	Total personnel compensation .....		125	
12.1	Personnel benefits: Civilian .....		18	
21.0	Travel and transportation of persons .....		4	
23.1	Rental payments to GSA .....		11	
23.2	Rental payments to others .....		5	
23.3	Communications, utilities and miscellaneous charges .....		3	
24.0	Printing and reproduction .....		1	
25.0	Other services .....		6,033	
26.0	Supplies and materials .....		6	
31.0	Equipment .....		44	
99.9	Total obligations .....		6,250	

**Personnel Summary**

Total number of full-time permanent positions .....	5
Total compensable workyears: Full-time equivalent employment .....	5

**INTERNAL REVENUE SERVICE**

**PROCESSING TAX RETURNS**

(Supplemental now requested, existing legislation)

For an additional amount for "Processing tax returns", \$55,200,000.

**Program and Financing (in thousands of dollars)**

Identification code	20-0912-1-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Returns process and revenue accounting .....		49,766	
00.02	Computer services .....		5,434	
10.00	Total obligations .....		55,200	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....		55,200	
<b>Relation of obligation to outlays:</b>				
71.00	Obligations incurred, net .....		55,200	
72.40	Obligated balance, start of year .....			1,104
74.40	Obligated balance, end of year .....		-1,104	
90.00	Outlays .....		54,096	1,104

This supplemental would provide funds to revise existing tax forms, print new publications, reprogram Internal Revenue Service computer systems, and transcribe additional taxpayer information in connection with the implementation of the Tax Reform Act of 1986.

**Object Classification (in thousands of dollars)**

Identification code	20-0912-1-1-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....		6,976	
11.3	Other than full-time permanent .....		1,212	
11.5	Other personnel compensation .....		511	
11.9	Total personnel compensation .....		8,699	
12.1	Personnel benefits: Civilian .....		1,902	
21.0	Travel and transportation of persons .....		1,603	
22.0	Travel and transportation of things .....		3,119	
23.1	Rental payments to GSA .....		790	
23.3	Communications, utilities, and miscellaneous charges .....		13,989	
24.0	Printing and reproduction .....		23,081	
25.0	Other services .....		860	
26.0	Supplies and materials .....		162	
31.0	Equipment .....		995	
32.0	Lands and structures .....			
99.9	Total obligations .....		55,200	

**Personnel Summary**

Total number of full-time permanent positions .....	409
Total compensable workyears: Full-time equivalent employment .....	463

**EXAMINATION AND APPEALS**

(Supplemental now requested, existing legislation)

For an additional amount for "Examination and appeals", \$8,110,000.

**Program and Financing (in thousands of dollars)**

Identification code	20-0913-1-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Examination .....		1,895	
00.02	Appeals and tax litigations .....		779	
00.03	Employee plans and exempt organizations .....		3,908	
00.04	International .....		1,528	
10.00	Total obligations .....		8,110	
<b>Financing:</b>				
40.00	Budget authority (appropriation) .....		8,110	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		8,110	
72.40	Obligated balance, start of year .....			162

74.40	Obligated balance, end of year.....	-162	
90.00	Outlays.....	7,948	162

This supplemental would provide funds to review employee benefit plans, issue determination letters on those plans, and implement new foreign tax provisions in connection with the Tax Reform Act of 1986.

**Object Classification** (in thousands of dollars)

Identification code	20-0913-1-1-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....		3,183	
11.5	Other personnel compensation.....		4	
11.9	Total personnel compensation.....		3,187	
12.1	Personnel benefits: Civilian.....		580	
21.0	Travel and transportation of persons.....		2,929	
23.1	Rental payments to GSA.....		382	
23.3	Communications, utilities, and miscellaneous charges.....		143	
24.0	Printing and reproduction.....		30	
25.0	Other services.....		342	
26.0	Supplies and materials.....		48	
31.0	Equipment.....		469	
32.0	Lands and structures.....			
99.9	Total obligations.....		8,110	

**Personnel Summary**

Total number of full-time permanent positions.....	155
Total compensable workyears: Full-time equivalent employment.....	145

**INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE**  
(Supplemental new requested, existing legislation)

For an additional amount for "Examination and appeals", \$16,690,000.

**Program and Financing** (in thousands of dollars)

Identification code	20-0914-1-1-803	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.02	Collection.....		1,862	
00.03	Taxpayer service.....		13,442	
00.04	Enforcement, litigation and ruling.....		1,386	
10.00	Total obligations.....		16,690	
<b>Financing:</b>				
40.00	Budget authority (appropriation).....		16,690	
<b>Relation of obligation to outlays:</b>				
71.00	Obligations incurred, net.....		16,690	
72.40	Obligated balance, start of year.....			334
74.40	Obligated balance, end of year.....		-334	
90.00	Outlays.....		16,356	334

This supplemental would provide funds to assist taxpayers in understanding the changes to the tax laws brought about by the Tax Reform Act of 1986.

**Object Classification** (in thousands of dollars)

Identification code	20-0914-1-1-803	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent.....		4,082	
11.3	Other than full-time permanent.....		3,250	
11.5	Other personnel compensation.....			
11.9	Total personnel compensation.....		7,332	
12.1	Personnel benefits: Civilian.....		1,192	
21.0	Travel and transportation of persons.....		971	
22.0	Travel and transportation of things.....		10	
23.1	Rental payments to GSA.....		784	
23.3	Communications, utilities, and miscellaneous charges.....		2,597	

24.0	Printing and reproduction.....	110	
25.0	Other services.....	2,082	
26.0	Supplies and materials.....	132	
31.0	Equipment.....	1,480	
32.0	Lands and structures.....		
99.9	Total obligations.....	16,690	

**Personnel Summary**

Total number of full-time permanent positions.....	80
Total compensable workyears: Full-time equivalent employment.....	324

**General Services Administration**  
**REAL PROPERTY MANAGEMENT**

**FEDERAL BUILDINGS FUND**

**LIMITATIONS ON AVAILABILITY OF REVENUE**

(Limitation increase now requested, existing legislation)

*In addition to the aggregate amount heretofore made available for real property management and related activities in fiscal year 1987, \$61,900,000 shall be made available for rental of space: Provided further, That any revenues, collections, and any other sums accruing to this fund during fiscal year 1987 in excess of \$2,447,756,000, excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)), shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.*

**Program and Financing** (in thousands of dollars)

Identification code	47-4542-1-4-804	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Basic program: Rental of space (total obligations) (object class 23.2).....		61,900	
<b>Financing:</b>				
11.00	Offsetting collections from: Federal funds.....		-62,041	
21.98	Unobligated balance, start of year (unavailable): Fund balance.....			-141
24.98	Unobligated balance, end of year (unavailable): Fund balance.....		141	141
39.00	<b>Budget authority</b> .....			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net.....		-141	
90.00	Outlays.....		-141	

This proposed supplemental provides for an increase in Rental of Space activity within the Fund.

**National Aeronautics and Space Administration**

**SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS**

(Supplemental language now requested, existing legislation)

For an additional amount for "Space flight, control and data communications", such sums as may be necessary to complete the Space Shuttle recovery, to be derived by transfer from "Research and development".

There will be no Executive Branch action to defer or otherwise restrict the funds currently available until after Congressional enactment of this proposal. If and when Congress enacts these proposals, appropriate actions will be taken to implement the law.

CONSTRUCTION OF FACILITIES

(Supplemental language now requested, existing legislation)

For an additional amount for fiscal year 1987 for "Construction of facilities", to be derived by transfer of not to exceed one-half of one per centum of the funds appropriated to "Research and development" or "Space flight, control and data communications": Provided, That these funds, together with \$10,000,000 previously appropriated for a construction project, shall be available to construct, expand, and modify laboratories and other installations at any location: Provided further, That all such funds may be expended to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment.

This proposal would provide the Administrator with necessary flexibility to reallocate appropriated amounts in 1987 to meet critical milestones and correct technical problems required to reestablish the Space Shuttle operational fleet. The proposal would also give the Administrator discretionary authority to effectively perform the agency's laboratory and test facility construction program by permitting a limited reallocation from other accounts.

Small Business Administration

SALARIES AND EXPENSES

(Supplemental now requested, existing legislation)

Of the funds made available under this head in the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1987, as included in Public Laws 99-500 and 99-591, for Small Business Development Centers, not to exceed \$4,116,000 shall remain available for this activity until September 30, 1988.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
Program by activities:			
10.00			
Business development (total obligations) (object class 25.0)		-4,116	4,116
Financing:			
21.40			-4,116
Unobligated balance, start of year			-4,116
24.40		4,116	
Unobligated balance, end of year		4,116	
25.00		4,116	
Unobligated balance lapsing		4,116	
50.00		4,116	
Budget authority (reappropriation)		4,116	
Relation of obligations to outlays:			
71.00		-4,116	4,116
Obligations incurred, net		-4,116	4,116
90.00		-4,116	4,116
Outlays		-4,116	4,116

This supplemental request would extend the availability of funds appropriated in 1987 for Small Business Development Centers to the end of 1988.

Veterans Administration

COMPENSATION

(Supplemental now requested, existing legislation)

For an additional amount for "Compensation", \$80,200,000, to remain available until expended.

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1986 est.
Program by activities:			
Compensation:			
Veterans:			
00.03		287	
World War I		287	
00.04		27,524	
World War II		27,524	
00.05		7,134	
Korean conflict		7,134	
00.06		18,696	
Vietnam era		18,696	
00.07		10,529	
Peacetime service		10,529	
00.91		64,170	
Total veterans		64,170	
Survivors:			
01.02		3	
Spanish-American War		3	
01.04		939	
World War I		939	
01.05		6,550	
World War II		6,550	
01.06		1,793	
Korean conflict		1,793	
01.07		3,686	
Vietnam era		3,686	
01.08		2,771	
Peacetime service		2,771	
01.91		15,742	
Total survivors		15,742	
01.92		79,912	
Total compensation		79,912	
02.01		288	
Clothing allowance		288	
10.00		80,200	
Total obligations (object class 42.0)		80,200	
Financing:			
40.00		80,200	
Budget authority (appropriation)		80,200	
Relation of obligations to outlays:			
71.00		80,200	
Obligations incurred, net		80,200	
72.40			5,000
Obligated balance, start year			5,000
74.40			-5,000
Obligated balance, end of year			-5,000
90.00		75,200	5,000
Outlays		75,200	5,000

This request would provide the additional funds required to implement "The Veterans' Benefits Improvement and Health-Care Authorization Act of 1986" that increased compensation benefits to veterans, Death and Indemnity Compensation for spouses and children, and the veterans' clothing allowance by 1.5 percent effective December 1, 1986.

MEDICAL CARE

(Supplemental language now requested, existing legislation)

Of the funds provided under this heading in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as enacted by Public Laws 99-500 and 99-591, \$44,178,000 shall remain available until September 30, 1988, to fund central procurement contracts for the acquisition of automated data processing equipment and contracts for major systems support in amounts not less than \$1,000,000 for the Decentralized Hospital Computer Program and the Integrated Hospital System.

This appropriation language would extend the availability of funding for automated data processing equipment and support contracts from one year to two years. The extension would enable the Veterans Administration to make more efficient use of these funds by providing needed flexibility in the procurement of large, complex systems.

MEDICAL AND PROSTHETIC RESEARCH

(Supplemental language now requested, existing legislation)

Of the funds provided under Research, development, test, and evaluation, Defense agencies in the Department of Defense Appropriations Act, 1987, as included

*in Public Laws 99-500 and 99-591, the \$20,000,000 that was transferred to this account as authorized by section 235 of Public Law 99-661, the National Defense Authorization Act for fiscal year 1987, shall remain available until September 30, 1990.*

This language would extend the availability of funding for research projects to be conducted by the Veterans Administration.

**GENERAL OPERATING EXPENSES**

(Supplemental language now requested, existing legislation)

*Of the funds provided under this head in the conference version of H.R. 5313, Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1987, as enacted by Public Laws 99-500 and 99-591, \$17,925,000 shall remain available until September 30, 1988, to fund contracts in amounts not less than \$1,000,000 for the acquisition of automated data processing equipment and services to support the modernization program of the Department of Veterans Benefits.*

This supplemental request would extend the availability of funding for automated data processing equipment and support contracts from one year to two years. The extension would enable the Veterans Administration to make more efficient use of these funds by providing needed flexibility in the procurement of large, complex systems.

**Other Independent Agencies  
ACTION**

(Supplemental language now requested, existing legislation)

*The amount included under this head in the Omnibus Drug Supplemental Appropriations Act of 1987 as included in Public Laws 99-500 and 99-591 shall remain available until September 30, 1988.*

This language would make the 1987 appropriation for strengthening and expanding the efforts of community-based volunteer groups working to prevent drug abuse available through 1988. This extended availability has previously been provided for numerous other drug abuse prevention programs.

**AMERICAN BATTLE MONUMENTS COMMISSION**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$1,424,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
74-0100-1-1-705			
<b>Program by activities:</b>			
10.00 Total obligations		1,424	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		1,424	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		1,424	
90.00 Outlays		1,424	

This proposal would provide funds to cover foreign national employee pay raises.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
74-0100-1-1-051			
11.1 Personnel compensation: Full-time permanent		1,039	
12.1 Personnel benefits: Civilian		385	
99.9 Total obligations		1,424	

**BOARD FOR INTERNATIONAL BROADCASTING**

**GRANTS AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Grants and expenses", \$24,559,000, to remain available until expended.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1145-1-1-154			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		24,559	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		24,559	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		24,559	
90.00 Outlays		24,559	

This supplemental proposal would provide funds to offset the depreciation of the dollar and enable Radio Free Europe/Radio Liberty to continue operations at the current level throughout 1987.

**COMMISSION ON CIVIL RIGHTS**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$375,000: *Provided, That in the appropriation language under this head in the Departments of Commerce, Justice and State, the Judiciary and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, insert a period after "\$7,500,000" and delete the language that follows.*

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1900-1-1-751			
<b>Program by activities:</b>			
10.00 Total obligations		375	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		375	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		375	
72.40 Obligated balance, start of year			56
74.40 Obligated balance, end of year		-56	
90.00 Outlays		319	56

This supplemental appropriation would provide for an additional 40 positions needed to resume Commission work discontinued in 1987 due to funding constraints. The requested deletion in the appropriations language would remove restrictions on the availability of Commission funding, thereby enabling essential Commission work to continue while maintaining 1987 staff levels significantly below 1986 levels.

**SALARIES AND EXPENSES—Continued**

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-1900-1-1-751			
11.1 Personnel compensation: Full-time permanent.....		310	
12.1 Personnel benefits: Civilian.....		35	
21.0 Travel and transportation of persons.....		10	
23.0 Rent, communications, and utilities.....		2	
24.0 Printing and reproduction.....		1	
25.0 Other services.....		11	
26.0 Supplies and materials.....		3	
31.0 Equipment.....		3	
99.0 Total obligations.....		375	

**Personnel Summary**

Total number of full-time permanent positions.....	40
Total compensable workyears: Full-time equivalent employment.....	10

**EXPORT-IMPORT BANK OF THE UNITED STATES**

(Supplemental language now requested, existing legislation)

*During the fiscal year 1987, and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed \$800,000,000.*

**Status of Direct Loans (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
83-4027-1-3-155			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....		-100,000	
1150 Total direct loan obligations.....		-100,000	
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....			
1231 Disbursements: Direct loan disbursements.....		-8,000	-23,000
1290 Outstanding, end of year.....		-8,000	-31,000

The proposed reduction in the Export-Import Bank's direct loan program is part of overall efforts to reduce government credit programs and to reduce the deficit. Recently, the Bank has had large amounts of unused authority. This proposal reduces excess authority, while still providing for the requirements of U.S. exporters.

**PANAMA CANAL COMMISSION**

**OPERATING EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Operating expenses," \$8,013,000, to be derived from the Panama Canal Commission Fund, of which \$6,000,000 shall be available to cover the cost of removing a landslide at the Panama Canal, and \$2,013,000 shall be available for payment to the Republic of Panama, pursuant to article XIII, paragraph 4(c) of the Panama Canal Treaty of 1977.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
95-5190-1-2-403			
<b>Program by activities:</b>			
00.01 Transit operations.....		6,000	
00.06 Contingency payment to Panama.....		2,013	
10.00 Total obligations.....		8,013	

<b>Financing:</b>			
40.00 Budget authority (appropriation) (special fund).....		8,013	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		8,013	
90.00 Outlays.....		8,013	

This proposal would enable the Panama Canal Commission to: (1) Cover the net unabsorbed cost of removing the landslide in the Gaillard Cut in the Panama Canal and (2) pay surplus operating revenues to the Republic of Panama, as required under the Panama Canal Treaty of 1977.

**Object Classification (in thousands of dollars)**

Identification code	1985 actual	1986 est.	1987 est.
95-5190-1-2-403			
25.0 Other services.....		6,000	
41.0 Grants, subsidies and contributions.....		2,013	
99.9 Total obligations.....		8,013	

**POSTAL SERVICE**

**PAYMENT TO THE POSTAL SERVICE FUND**

(Supplemental now requested, existing legislation)

For an additional amount for "Payment to the Postal Service Fund," \$79,177,000.

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
18-1001-1-1-372			
<b>Program by activities:</b>			
10.00 Previous nonfunded liabilities of the Post Office Department (object class 41.0).....		79,177	
<b>Financing:</b>			
40.00 Budget authority (appropriation).....		79,177	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		79,177	
90.00 Outlays.....		79,177	

This supplemental appropriation is requested to fund compensation paid to postal employees for injuries which occurred prior to July 1, 1971, while employed by the Post Office Department, which remain liabilities of the U.S. Government. The requested amount would cover the amount billed by the Department of Labor for compensation payments made during 1984 and 1985. The amount appropriated would then be reimbursed to the Department of Labor.

**UNITED STATES INFORMATION AGENCY**

**SALARIES AND EXPENSES**

(Supplemental now requested, existing legislation)

For an additional amount for "Salaries and expenses", \$8,098,176, of which \$598,176 shall be used for purchase of Pakistani Rupees from the special account for the Informational Media Guarantee Program to carry out the provisions of section 1011(d) of the Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442(d)).

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
67-0201-1-1-154			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		8,098	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		8,098	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		8,098	
72.00 Obligated balance, start of year			1,389
74.00 Obligated balance, end of year		-1,389	
90.00 Outlays		6,709	1,389

This proposal would provide \$7.5 million to offset exchange rate losses that have severely affected the purchasing power of the dollar abroad and \$598 thousand for a new U.S.-Pakistan Fund for cultural, educational, and scientific activities. This fund would use special foreign currency, derived from the Information Media Guaranty Program, to support the newly formed National English Language Institute in Pakistan.

**RADIO BROADCASTING TO CUBA**

(Supplemental now requested, existing legislation)

For an additional amount to carry out the provisions of section 7 of the *Radio Broadcasting to Cuba Act, as amended (22 U.S.C. 1465(e))*, \$993,000, to remain available until expended.

**Program and Financing** (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
67-0208-1-1-154			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		993	
<b>Financing:</b>			
40.00 Budget authority (appropriation)		993	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		993	
90.00 Outlays		993	

These funds would be used to make payments to radio broadcasters in the United States adversely affected by Cuban interference in accordance with Section 7 of Public Law 98-111, the Radio Broadcasters to Cuba Act.

**SECTION II—INCREASED PAY COST FOR THE FISCAL YEAR 1987**

For additional amounts for appropriations for the fiscal year 1987, for increased pay cost authorized by or pursuant to law as follows:

**LEGISLATIVE BRANCH**

**Senate:**

- “Compensation of Members, Senate”, \$172,000;
- “Salaries, officers and employees”, \$4,151,000;
- “Office of the Legislative Counsel of the Senate”, \$47,000;
- “Inquiries and investigations”, \$1,116,000;

**House of Representatives:**

- “House leadership offices”, \$78,000;
- “Salaries, officers and employees”, \$1,229,000;
- “Committee employees”, \$10,713,000;
- “Members’ clerk hire”, \$5,168,000;
- “Allowances and expenses”, \$815,000;
- “Special and select committees”, \$892,000;

**Joint Items:**

- “Joint Economic Committee”, \$106,000;
- “Joint Committee on Printing”, \$23,000;
- “Joint Committee on Taxation”, \$77,000;
- Congressional Budget Office: “Salaries and expenses”, \$227,000;
- Architect of the Capitol:
  - Office of the Architect of the Capitol: “Salaries”, \$129,000;
  - “Capitol buildings”, \$142,000;
  - “Capitol grounds”, \$54,000;
  - “Senate office buildings”, \$289,000;
  - “House office buildings”, \$354,000;
  - “Capitol power plant”, \$80,000;
  - “Library buildings and grounds: Structural and mechanical care”, \$90,000;
- Library of Congress:
  - “Salaries and expenses”, \$2,422,000;
- Copyright Office: “Salaries and expenses”, \$347,000;
- Congressional Research Service: “Salaries and expenses”, \$862,000;
- Books for the blind and physically handicapped: “Salaries and expenses”, \$99,000;
- Government Printing Office:
  - Office of Superintendent of Documents: “Salaries and expenses”, \$96,000;
- General Accounting Office: “Salaries and expenses”, \$3,905,000;
- Other Legislative Branch Agencies:
  - Botanic Garden: “Salaries and expenses”, \$34,000;
  - Copyright Royalty Tribunal: “Salaries and expenses”, \$9,000, of which \$7,000 shall be derived by collections from the appropriation “Payments to Copyright Owners” for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807;
  - Office of Technology Assessment: “Salaries and expenses”, \$209,000.

**THE JUDICIARY**

- Supreme Court of the United States:
  - “Salaries and expenses”, \$504,000;
  - “Care of buildings and grounds”, \$24,000;
- United States Court of Appeals for the Federal Circuit:
  - “Salaries and expenses”, \$97,000;
- United States Court of International Trade: “Salaries and expenses”, \$90,000;
- Courts of Appeals, District Courts, and Other Judicial Services:
  - “Salaries and expenses,” \$15,032,000;
  - “Defender services”, \$593,000;
- Administrative Office of the United States Courts: “Salaries and expenses”, \$504,000;
- Federal Judicial Center: “Salaries and expenses”, \$116,000.

**EXECUTIVE OFFICE OF THE PRESIDENT**

- White House Office: “Salaries and expenses”, \$172,000;
- Executive Residence and the White House: “Operating expenses”, \$43,000;
- Special Assistance to the President: “Salaries and expenses,” \$10,000;
- Council of Economic Advisers: “Salaries and expenses”, \$16,000;
- Council on Environmental Quality and Office of Environmental Quality, \$6,000;
- Office of Policy Development: “Salaries and expenses”, \$23,000;
- National Security Council: “Salaries and expenses”, \$28,000;
- Office of Administration: “Salaries and expenses”, \$57,000;
- Office of Management and Budget:
  - “Salaries and expenses”, \$290,000;

## EXECUTIVE OFFICE OF THE PRESIDENT—Continued

"Office of Federal Procurement Policy: "Salaries and expenses", \$12,000;  
 Office of Science and Technology Policy: "Salaries and expenses", \$9,000;  
 Office of the United States Trade Representative: "Salaries and expenses", \$77,000.

## FUNDS APPROPRIATED TO THE PRESIDENT

## Agency for International Development:

"Operating expenses, Agency for International Development", \$4,350,000 of which \$2,175,000 shall be derived by transfer from the "Functional development assistance program";  
 "Operating expenses of the Agency for International Development, Office of the Inspector General", \$206,000 of which \$103,000 shall be derived by transfer from the "Functional development assistance program";  
 Peace Corps: "Peace Corps, operating expenses", \$324,000;  
 African Development Foundation: "African Development Foundation", \$15,000.

## DEPARTMENT OF AGRICULTURE

"Office of the Secretary", \$31,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Administration", \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Governmental and Public Affairs, \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Economics", \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Science and Education", \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Marketing and Inspection Service", \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for International Affairs and Commodity Programs", \$8,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Small Community and Rural Development", \$8,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Natural Resources and Environment", \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Food and Consumer Services", \$7,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Departmental Administration", for budget and program analysis \$79,000; for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, \$462,000; making a total of \$541,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";

"Building operations and maintenance", \$35,000, to be derived from unobligated balances in "Forest Service, Land acquisition";  
 "Office of Governmental and Public Affairs", for public affairs \$105,000; for congressional relations, \$10,000; and for intergovernmental affairs \$9,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Inspector General", \$799,000, to be derived by transfer from unobligated balances in "Forest Service, Land acquisition";  
 "Office of the General Counsel", \$375,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Agricultural Research Service", \$7,799,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "National Agricultural Library", \$65,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Economic Research Service", \$815,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "National Agricultural Statistics Service", \$900,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "World Agricultural Outlook Board", \$30,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Foreign Agricultural Service", \$567,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "General Sales Manager", an additional \$114,000, to be derived by transfer from the Commodity Credit Corporation fund;  
 Agricultural Stabilization and Conservation Service: "Salaries and expenses", an additional \$8,967,000, to be derived by transfer from the Commodity Credit Corporation funds;  
 Farmers Home Administration: "Salaries and expenses", \$3,000,000, to be derived by transfer from prior-year unobligated balances in "Forest Service, Land acquisition";  
 Soil Conservation Service:  
 "Conservation operations", \$7,297,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 "River basin surveys and investigations", \$190,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 "Watershed planning", \$136,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 Animal and Plant Health Inspection Service: "Salaries and expenses", \$2,000,000, to be derived by transfer from unobligated balances in "Forest Service, Land acquisition";  
 Federal Grain Inspection Service: "Salaries and expenses", \$105,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 Agricultural Marketing Service:  
 "Limitation on administrative expenses", increase of \$501,000 in limitation;  
 "Funds for Strengthening markets, income and supply (section 32)", (increase of \$112,000 in the limitation, "marketing agreements and orders");  
 "Packers and Stockyards Administration", \$156,000, to be derived by transfer from unobligated balances in "Forest Service, Land acquisition";  
 "Agricultural cooperative service", \$64,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";

"Office of Transportation", \$45,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";

"Food Safety Inspection Service", \$7,996,000, to be derived by transfer from "Temporary Emergency Food Assistance";

Food and Nutrition Service: "Food program administration", \$713,000, for increased pay costs authorized or pursuant to law to be derived by transfer from "Temporary Emergency Food Assistance Program";

Human Nutrition Information Service: "Salaries and expenses", \$34,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";

Forest Service:

"Forest Research", \$1,381,000, to be derived by transfer from unobligated balances in "Forest Service, Land acquisition";

"National Forest System", \$17,083,000, to be derived by transfer of \$4,386,000 from unobligated balances in "Forest Service, Land acquisition", \$797,000 from "State and private forestry", and \$11,900,000 from "Forest Service Permanent Appropriations".

#### DEPARTMENT OF COMMERCE

General Administration: "Salaries and expenses", \$450,000, to be derived by transfer of unobligated balances from "Regional development programs";

Economic Development Administration: "Salaries and expenses", \$397,000, to be derived by transfer from "Economic Development Revolving Fund";

Economic and Statistical Analysis: "Salaries and expenses", \$332,000, to be derived by transfer of unobligated balances from "Regional development programs";

National Telecommunications and Information Administration: "Salaries and expenses", \$243,000, to be derived by transfer of unobligated balances from "Public telecommunications facilities, planning, and construction".

#### DEPARTMENT OF DEFENSE—MILITARY

Operation and Maintenance:

"Operation and Maintenance, Army", \$2,679,000;

"Operation and Maintenance, Navy", \$3,350,000;

"Operation and Maintenance, Marine Corps", \$183,000;

"Operation and Maintenance, Air Force", \$1,925,000;

"Operation and Maintenance, Defense Agencies", \$2,307,000;

"Operation and Maintenance, Army Reserve", \$109,000;

"Operation and Maintenance, Navy Reserve", \$29,000;

"Operation and Maintenance, Marine Corps Reserve", \$3,000;

"Operation and Maintenance, Air Force Reserve", \$281,000;

"Operation and Maintenance, Army National Guard", \$285,000;

"Operation and Maintenance, Air National Guard", \$618,000;

"Court of Military Appeals", \$1,000;

Research, Development, Test, and Evaluation:

"Research, Development, Test, and Evaluation, Army", \$336,000;

"Research, Development, Test, and Evaluation, Navy", \$33,000;

"Research, Development, Test, and Evaluation, Air Force", \$306,000;

"Research, Development, Test, and Evaluation, Defense Agencies", \$115,000;

Military Construction:

"Military Construction, Army", \$93,000;

"Military Construction, Navy", \$39,000;

"Military Construction, Army Reserve", \$1,000;

Family Housing: "Family Housing, Army", \$10,000.

#### DEPARTMENT OF DEFENSE—CIVIL

Corps of Engineers, Civil: "General expenses", \$1,832,000, to be derived by transfer from "Construction, General".

Soldiers' and Airmen's Home: "Operation and maintenance", \$378,000, to be derived by transfer from "Capital outlays".

#### DEPARTMENT OF ENERGY

"Energy Information Administration", \$469,000, to be derived by transfer of unobligated balances in "Fossil Energy Research and Development";

"Emergency preparedness", \$89,000; to be derived by transfer of unobligated balances in Fossil Energy Research and Development.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration: "Salaries and expenses", \$5,892,000, of which \$320,000 shall be derived by transfer from Centers for Disease Control, "Disease Control, Research, and Training"; and of which \$5,572,000 shall be derived by transfer from Alcohol, Drug Abuse, and Mental Health Administration, "Alcohol, Drug Abuse, and Mental Health";

Indian Health Service: "Indian Health Services" \$4,877,000, to be derived by transfer from "Indian Health Facilities";

Saint Elizabeths Hospital: "Federal Subsidy for Saint Elizabeths Hospital", \$2,487,000, to be derived by transfer from Alcohol, Drug Abuse, and Mental Health Administration, "Alcohol, Drug Abuse, and Mental Health";

Departmental Management: "General departmental management", \$2,200,000.

#### DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement: "Regulation and technology", \$642,000, to be derived by transfer from "Abandoned mine reclamation fund."

Office of the Secretary: "Office of the Secretary", *The limitation on expenses for the immediate Office of the Secretary in fiscal year 1987 under this head in the Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, shall be increased only to the extent necessary for pay adjustments pursuant to 5 U.S.C. ch. 53.*

#### DEPARTMENT OF JUSTICE

General Administration: "Salaries and expenses", \$575,000;

United States Parole Commission: "Salaries and expenses", \$84,000;

Legal activities:

"Salaries and expenses, general legal activities", \$1,646,000;

"Salaries and expenses, Antitrust Division", \$315,000;

"Salaries and expenses, Foreign Claims Settlement Commission", \$3,000;

"Salaries and expenses, United States Attorneys", \$2,818,000;

"Salaries and expenses, Oversight of Bankruptcy Cases", \$93,000;

"Salaries and expenses, United States Marshals Service", \$2,234,000;

## DEPARTMENT OF JUSTICE—Continued

"Salaries and expenses, Community Relations Service", \$64,000;  
 Federal Bureau of Investigation: "Salaries and expenses", \$9,309,000;  
 Drug Enforcement Administration: "Salaries and expenses", \$2,593,000;  
 Immigration and Naturalization Service: "Salaries and expenses", \$5,588,000;  
 Federal Prison System:  
 "Salaries and expenses", \$3,932,000;  
 "National Institute of Corrections", \$20,000;  
 "Buildings and facilities", \$30,000;  
 "Limitation on administrative and vocational training expenses, Federal Prison Industries, Incorporated" (increase of \$27,000 in the limitation on Administrative expenses, and \$106,000 on Vocational Training expenses);  
 Office of Justice Programs: "Salaries and expenses", \$172,000.

## DEPARTMENT OF LABOR

Occupational Safety and Health Administration: "Salaries and expenses", \$1,583,000, *to be derived from the unobligated balances of Employment Standards Administration, "Salaries and expenses"*;  
 Employment Standards Administration: "Black Lung Disability Trust Fund", \$708,000, of which \$296,000 shall be available for transfer to Employment Standards Administration, "Salaries and expenses" and of which \$412,000 shall be available for transfer to Departmental Management, "Salaries and expenses";  
 Departmental Management:  
 "Salaries and expenses", \$1,476,000, *to be derived from the unobligated balances of Employment Standards Administration, "Salaries and expenses"*;  
 "Office of the Inspector General", \$460,000, *to be derived from the unobligated balances of Employment Standards Administration, "Salaries and expenses"*.

## DEPARTMENT OF STATE

Administration of Foreign Affairs: "Salaries and expenses", \$6,900,000.

## DEPARTMENT OF TRANSPORTATION

Federal Highway Administration: "Limitation on general operating expenses" (increase of \$1,299,000 in the limitation on general operating expenses);  
 Federal Highway Administration: "Motor Carrier Safety", \$147,000, to be derived from unobligated balances of funds made available by section 311 of Public Law 96-131 for replacement of facilities associated with Interstate Route 170 and to be merged with this account, notwithstanding any limitation on obligations on Federal-aid highways;  
 National Highway Traffic Safety Administration: "Operations and research", \$634,000, to be derived by transfer from "Railroad Safety";  
 Federal Railroad Administration:  
 "Office of the Administrator", \$229,000, to be derived from the unobligated balances of "Conrail Labor Protection";  
 "Railroad safety", \$417,000, to be derived from the unobligated balances of "Conrail Labor Protection";  
 Federal Aviation Administration: "Operations", \$44,000,000, of which \$8,238,000 shall be derived by transfer from the unobligated balances of "Payment to air carriers", \$18,800,000 shall be derived

by transfer from the unobligated balances of "Interstate transfer grants—transit", and \$16,962,000 shall be derived by transfer from the "Northeast corridor improvement program";  
 "Headquarters administration", \$542,000, to be derived by transfer from "Operation and maintenance, Metropolitan Washington Airports";  
 Coast Guard: "Operating expenses", \$20,100,000, of which \$3,945,000 shall be derived from the unobligated balances of "Deepwater Port Liability Fund", \$5,000,000 from the unobligated balances of "Research, development, test, and evaluation", \$5,000,000 from the unobligated balances and \$5,000,000, to be derived by transfer from "Conrail commuter transition assistance", and \$1,155,000, to be derived by transfer from "United States Railway Association" administrative expenses;  
 "Reserve training", \$1,231,000 to be derived by transfer from the unobligated balances of the "Deepwater Port Liability Fund";  
 St. Lawrence Seaway Development Corporation: "Limitation on administrative expenses, Saint Lawrence Seaway Development Corporation" (increase of \$30,000 in the limitation on administrative expenses);  
 Office of the Inspector General: "Salaries and expenses", \$447,000, to be derived from the unobligated balances of "Payments to air carriers";  
 Research and Special Programs Administration: "Research and special programs", \$183,000, to be derived from the unobligated balances of "Payments to air carriers";  
 Office of the Secretary: "Salaries and expenses", \$763,000, to be derived by transfer from the unobligated balances of "Payments to air carriers".

## DEPARTMENT OF THE TREASURY

Department Offices: "Salaries and expenses", \$1,353,000;  
 Financial Management Service: "Salaries and expenses", \$1,436,000.

## ENVIRONMENTAL PROTECTION AGENCY

"Salaries and expenses", \$12,400,000, *of which \$6,000,000 shall be derived by transfer from "Research and development" and \$6,400,000 shall be derived by transfer from "Abatement, control, and compliance"*;  
 "Hazardous Substance Response Trust Fund" (increase of \$2,365,000 in the limitation on administrative expenses).

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"Research and program management", *not to exceed \$24,927,000 to be derived by transfer from "Research and development" and "Space flight, control and data communications"*.

## SMALL BUSINESS ADMINISTRATION

Small Business Administration: "Salaries and expenses," \$2,400,000, *to be derived by transfer from the "Business Loan and Investment Fund."*

## VETERANS ADMINISTRATION

"Medical care", \$74,695,000;  
 "Medical and prosthetic research", \$1,859,000;  
 "Medical administration and miscellaneous operating expenses", \$736,000;

"Construction, minor projects" (increase of \$665,000 in the limitation on the expenses of the Office of Facilities).

#### OTHER INDEPENDENT AGENCIES

Administrative Conference of the United States: "Salaries and expenses", \$34,000;  
 American Battle Monuments Commission: "Salaries and expenses", \$265,000;  
 Arms Control and Disarmament Agency: "Arms control and disarmament activities", \$124,000;  
 Equal Employment Opportunity Commission: "Salaries and expenses", \$2,640,000;  
 Export-Import Bank: "Limitation on administrative expenses" (increase of \$157,000 in the limitation on administrative expenses);  
 Federal Communications Commission: "Salaries and expenses", \$755,000;  
 Federal Election Commission: "Salaries and expenses", \$88,000;  
 Federal Home Loan Bank Board: "Limitation on administrative expenses Federal Home Loan Bank Board" (increase of \$350,000);  
 Federal Labor Relations Authority "Salaries and expenses", \$136,000;  
 Federal Maritime Commission: "Salaries and expenses", \$200,000;  
 Federal Mediation and Conciliation Service: "Salaries and expenses", \$181,000;  
 Merit Systems Protection Board:  
 "Salaries and expenses", \$170,000;  
 "Office of the Special Counsel", \$21,000;  
 National Commission on Libraries and Information Science: "Salaries and expenses", \$6,000;  
 National Labor Relations Board: "Salaries and expenses", \$628,000;  
 National Mediation Board: "Salaries and expenses", \$60,000;  
 National Science Foundation: "Research and related activities" (increase of \$2,600,000 in the limitation on program development and management);  
 Securities and Exchange Commission: "Salaries and expenses", \$1,837,000;  
 United States Information Agency: "Salaries and expenses", \$2,691,000.

### SECTION III—INCREASED COSTS FOR RETIREMENT CONTRIBUTIONS (P.L. 99-335)

For additional amounts for appropriations for the fiscal year 1987, for Federal Employee Retirement System cost authorized by or pursuant to law as follows:

#### LEGISLATIVE BRANCH

Senate:  
 "Compensation of Members, Senate", \$35,000;  
 "Salaries, officers and employees", \$6,986,000;  
 "Office of the Legislative Counsel of the Senate", \$53,000;  
 "Office of the Senate Legal Counsel", \$18,000;  
 "Senate policy committees", \$133,000;  
 "Inquiries and investigations", \$1,848,000;  
 House of Representatives:  
 "Allowances and expenses", \$35,880,000;  
 Joint Items:  
 "Joint Economic Committee", \$155,000;  
 "Joint Committee on Printing", \$34,000;  
 "Capitol Guide Service", \$32,000;  
 Congressional Budget Office, "Salaries and expenses", \$452,000;  
 Architect of the Capitol:  
 "Office of the Architect of the Capitol:  
 "Salaries", \$166,000;  
 "Capitol buildings", \$187,000;  
 "Capitol grounds", \$68,000;

"Senate office buildings", \$456,000;  
 "House office buildings", \$611,000;  
 "Capitol power plant", \$109,000;  
 "Library buildings and grounds: Structural and mechanical care", \$130,000;

#### Library of Congress:

"Salaries and expenses", \$1,906,000;  
 Copyright Office: "Salaries and expenses", \$275,000;  
 Congressional Research Service:  
 "Salaries and expenses", \$617,000;  
 Books for the Blind and Physically Handicapped:  
 "Salaries and expenses", \$103,000;  
 Government Printing Office:  
 Office of Superintendent of Documents: "Salaries and expenses", \$83,000;  
 General Accounting Office: "Salaries and expenses", \$3,563,000;  
 Other Legislative Branch Agencies:  
 Botanic Garden: "Salaries and expenses", \$48,000;  
 Copyright Royalty Tribunal: "Salaries and expense", \$7,000, of which \$6,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807;  
 Office of Technology Assessment: "Salaries and expenses", \$545,000.

#### THE JUDICIARY

Supreme Court of the United States:  
 "Salaries and expenses", \$409,000;  
 "Care of buildings and grounds", \$33,000;  
 United States Court of Appeals for the Federal Circuit:  
 "Salaries and expenses", \$23,000;  
 United States Court of International Trade: "Salaries and expenses", \$49,000;  
 Courts of Appeals, District Courts, and Other Judicial Services:  
 "Salaries and expenses", \$9,688,000;  
 "Defender services", \$887,000;  
 Administrative Office of the United States Courts:  
 "Salaries and expenses", \$80,000;  
 Federal Judicial Center: "Salaries and expenses", \$108,000.

#### EXECUTIVE OFFICE OF THE PRESIDENT

White House Office: "Salaries and expenses", \$374,000;  
 Executive Residence and the White House: "Operating expenses", \$53,000;  
 Special Assistance to the President: "Salaries and expenses", \$107,000;  
 Council of Economic Advisers: "Salaries and expenses", \$95,000;  
 Office of Policy Development: "Salaries and expenses", \$89,000;  
 National Security Council: "Salaries and expenses", \$62,000;  
 Office of Administration: "Salaries and expenses", \$214,000;  
 Office of Management and Budget: "Salaries and expenses", \$413,000;  
 Office of Federal Procurement Policy: "Salaries and expenses", \$20,000;  
 Office of Science and Technology Policy: "Salaries and expenses", \$40,000;  
 Office of the United States Trade Representative: "Salaries and expenses", \$168,000.

#### FUNDS APPROPRIATED TO THE PRESIDENT

Agency for International Development:  
 "Operating expenses, Agency for International Development", \$5,488,000;

## FUNDS APPROPRIATED TO THE PRESIDENT—Continued

"Operating expenses, of the Agency for International Development, Office of the Inspector General", \$218,000;  
 Peace Corps: "Peace Corps, operating expenses", \$436,000;  
 African Development Foundation: "African Development Foundation", \$99,000.

## DEPARTMENT OF AGRICULTURE

"Office of the Secretary", \$29,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Administration", \$8,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Governmental and Public Affairs", \$6,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Economics", \$6,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Science and Education", \$6,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Marketing and Inspection Service", \$6,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for International Affairs and Commodity Programs", \$8,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Small Community and Rural Development", \$8,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Natural Resources and Environment", \$6,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Assistant Secretary for Food and Consumer Services", \$6,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Departmental Administration", for budget and program analysis, \$73,000; for personnel, finance and management, operations, information resources management, equal opportunity, small and disadvantaged business utilization, and administrative law judges and judicial officer, \$385,000; making a total of \$458,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Building operations and maintenance", \$165,000, to be derived from prior-year unobligated balances in "Forest Service, Land acquisition";  
 "Office of Governmental and Public Affairs", for public affairs, \$111,000; for congressional relations, \$6,000; and for intergovernmental affairs, \$9,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the Inspector General", \$622,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Office of the General Counsel", \$239,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";

"Agricultural Research Service", \$4,747,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "National Agricultural Library", \$97,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Economic Research Service", \$580,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "National Agricultural Statistics Service", \$612,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "World Agricultural Outlook Board", \$21,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Foreign Agricultural Service", \$607,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "General Sales Manager", an additional \$107,000 to be derived by transfer from the Commodity Credit Corporation fund;  
 Agricultural Stabilization and Conservation Service: "Salaries and expenses", an additional \$9,920,000 to be derived by transfer from the Commodity Credit Corporation fund;  
 "Office of International Cooperation and Development", \$114,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 Soil Conservation Service: "Conservation operations", \$5,331,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 "River Basin surveys and investigations", \$130,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 "Watershed planning", \$97,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 Farmers Home Administration: "Salaries and expenses", \$4,678,000, to be derived by transfer from prior-year unobligated balances in "Forest Service, Land Acquisition";  
 Federal Grain Inspection Service: "Salaries and expenses", \$76,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 Agricultural Marketing Service: "Marketing Services", \$490,000, to be derived by transfer from "Reimbursement to the Rural Electrification and Telephone Revolving Fund";  
 "Limitation on Administrative Expenses", (increase of \$213,000 in limitation);  
 "Funds for Strengthening Markets, Income and Supply" (section 32), (increase of \$84,000 in the limitation "Marketing Agreements and Orders");  
 "Packers and Stockyards Administration", \$58,000, to be derived by transfer from unobligated balances in "Forest Service, Land acquisition";  
 "Agricultural Cooperative Service", \$46,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 "Office of Transportation", \$34,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 "Food Safety Inspection Service", \$4,573,000, to be derived by transfer from "Temporary Emergency Food Assistance Program";  
 Food and Nutrition Service: "Food program administration", \$1,503,000, for increased costs authorized by or pursuant to the Federal Employee Retirement System Act of 1986, Public Law 99-335, to be derived by transfer from "Temporary Emergency Food Assistance Program";

Human Nutrition Information Service: "Salaries and expenses", \$75,000, *to be derived by transfer from "Temporary Emergency Food Assistance Program"*;  
 Forest Service: "National Forest System", \$10,412,000, *to be derived by transfer of unobligated balances in "Forest Service, Land acquisition"*;

#### DEPARTMENT OF COMMERCE

General Administration:  
 "Salaries and expenses", \$464,000;  
 Bureau of the Census:  
 "Salaries and expenses", \$1,433,000;  
 "Periodic censuses and programs", \$2,806,000;  
 Economic and Statistical Analysis: "Salaries and expenses", \$408,000;  
 Economic Development Administration: "Salaries and expenses", \$400,000, *to be derived by transfer from "Economic Development Revolving Fund"*;  
 International Trade Administration: "Operations and Administration", \$2,237,000;  
 Minority Business Development Agency: "Minority business development", \$180,000;  
 United States Travel and Tourism Administration: "Salaries and expenses", \$49,000;  
 National Oceanic and Atmospheric Administration: "Operations, research, and facilities", \$5,972,000;  
 National Bureau of Standards: "Scientific and technical research and services", \$1,368,000;  
 National Telecommunications and Information Administration: "Salaries and expenses", \$213,000.

#### DEPARTMENT OF DEFENSE—MILITARY

Operation and Maintenance:  
 "Operation and Maintenance, Army", \$119,047,000;  
 "Operation and Maintenance, Navy", \$148,880,000;  
 "Operation and Maintenance, Marine Corps", \$8,117,000;  
 "Operation and Maintenance, Air Force", \$85,564,000;  
 "Operation and Maintenance, Defense Agencies", \$102,453,000;  
 "Operation and Maintenance, Army Reserve", \$4,858,000;  
 "Operation and Maintenance, Navy Reserve", \$1,306,000;  
 "Operation and Maintenance, Marine Corps Reserve", \$135,000;  
 "Operation and Maintenance, Air Force Reserve", \$12,471,000;  
 "Operation and Maintenance, Army National Guard", \$12,666,000;  
 "Operation and Maintenance, Air National Guard", \$27,479,000;  
 "National Board for the Promotion of Rifle Practice, Army", \$7,000;  
 "Court of Military Appeals", \$36,000;  
 Research, Development, Test, and Evaluation:  
 "Research, Development, Test, and Evaluation, Army", \$14,955,000;  
 "Research, Development, Test, and Evaluation, Navy", \$1,477,000;  
 "Research, Development, Test, and Evaluation, Air Force", \$13,609,000;  
 "Research, Development, Test, and Evaluation, Defense Agencies", \$5,165,000;  
 Military Construction:  
 "Military Construction, Army", \$4,136,000;  
 "Military Construction, Navy", \$1,736,000;  
 "Military Construction, Army Reserve", \$53,000;  
 Family Housing:  
 "Family Housing, Army", \$435,000.

#### DEPARTMENT OF DEFENSE—CIVIL

Cemeterial Expenses, Army: "Salaries and expenses", \$74,000;  
 Corps of Engineers, Civil: "General expenses," \$1,400,000, *to be derived by transfer from "Construction, General"*;  
 Soldiers' and Airmen's Home: "Operation and maintenance", \$578,000, *to be derived by transfer from "Capital outlays"*.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration: "Salaries and expenses", \$4,108,000 *to be derived by transfer from Centers for Disease Control, Research and Training*;  
 Indian Health Service: "Indian Health Services" \$4,475,000, *to be derived by transfer from "Indian Health Facilities"*;  
 Saint Elizabeths Hospital: "Federal Subsidy for Saint Elizabeths Hospital", \$1,941,000, *to be derived by transfer from Alcohol, Drug Abuse, and Mental Health Administration, "Alcohol, Drug Abuse, and Mental Health"*;  
 National Institutes of Health: "Office of the Director", \$755,000, *to be derived by transfer from the various institutes of the National Institutes of Health*;  
 Departmental Management: "Office of the Inspector General", \$500,000, *to be derived by transfer from "Grants to States for Medicaid" in the Health Care Financing Administration.*

#### DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement: "Regulation and technology", \$665,000, *to be derived by transfer from "Abandoned mine reclamation fund"*;  
 Bureau of Land Management: "Construction and access", \$36,000, *to be derived by transfer from "Land acquisition"*;  
 Office of the Secretary: "Salaries and expenses" *The limitation on expenses for the immediate Office of the Secretary in fiscal year 1987 under this head in the Department of the Interior and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, shall be increased only to the extent necessary for agency contributions for retirement costs prescribed by the Civil Service Retirement System (5 U.S.C. ch. 83) and the Federal Employees Retirement System Act of 1986 (Public Law 99-335).*

#### DEPARTMENT OF JUSTICE

General administration: "Salaries and expenses", \$778,000;  
 United States Parole Commission: "Salaries and expenses", \$155,000;  
 Legal activities:  
 "Salaries and expenses, general legal activities", \$2,213,000;  
 "Salaries and expenses, Antitrust Division", \$430,000;  
 "Salaries and expenses, Foreign Claims Settlement Commission", \$4,000;  
 "Salaries and expenses, United States Attorneys", \$3,510,000;  
 "Salaries and expenses, Oversight of Bankruptcy Cases", \$150,000;  
 "Salaries and expenses, United States Marshals Service", \$3,211,000;  
 "Salaries and expenses, Community Relations Service", \$85,000;  
 Federal Bureau of Investigation: "Salaries and expenses", \$23,005,000;

## DEPARTMENT OF JUSTICE—Continued

Drug Enforcement Administration: "Salaries and expenses", \$7,324,000;  
 Immigration and Naturalization Service: "Salaries and expenses", \$10,186,000;  
 Federal Prison System:  
 "Salaries and expenses", \$17,053,000;  
 "National Institute of Corrections", \$129,000;  
 "Buildings and Facilities", \$208,000;  
 "Limitation on administrative and vocational training expenses, Federal Prison Industries, Incorporated" (increase of \$25,000 in the limitation on Administrative expenses, and of \$30,000 in Vocational Training expenses);  
 Office of Justice Programs: "Salaries and expenses", \$210,000.

## DEPARTMENT OF LABOR

Employment and Training Administration: "Program administration", \$808,000 to be derived from the unobligated balances of *Employment Standards Administration*, "Salaries and expenses";  
 Employment Standards Administration: "Black Lung Disability Trust Fund", \$494,000, of which \$224,000 shall be available for transfer to Employment Standards Administration, "Salaries and expenses" and of which \$270,000 shall be available for transfer to Departmental Management, "Salaries and expenses";  
 Occupational Safety and Health Administration: "Salaries and expenses", \$1,533,000 to be derived from the unobligated balances of *Employment Standards Administration*, "Salaries and expenses";  
 Mine Safety and Health Administration: "Salaries and expenses", \$1,941,000 to be derived from the unobligated balances of *Employment Standards Administration*, "Salaries and expenses";  
 Departmental Management:  
 "Salaries and expenses", \$1,302,000 of which \$199,000 shall be derived from unobligated balances of the *Employment Standards Administration*, "Salaries and expenses", and \$1,103,000 shall be derived by transfer from *Employment Standards Administration*, "Salaries and expenses";  
 "Office of the Inspector General", \$556,000 to be derived by transfer from *Employment Standards Administration*, *Salaries and expenses*".

## DEPARTMENT OF STATE

Administration of foreign affairs: "Salaries and expenses," \$16,734,000.

## DEPARTMENT OF TRANSPORTATION

Federal Highway Administration: "Limitation on general operating expenses" (increase of \$1,933,000 in the limitation on general operating expenses);  
 Federal Highway Administration: "Motor Carrier Safety", \$661,000 to be derived from unobligated balances of funds made available by section 311 of Public Law 96-131 for replacement of facilities associated with Interstate Route 170 and to be merged with this account notwithstanding any limitation on obligations for Federal-aid highways;  
 National Highway Traffic Safety Administration: "Operations and research", \$467,000, to be derived by transfer from "Railroad Safety";  
 Federal Railroad Administration:  
 "Office of the Administrator", \$156,000, to be derived from the unobligated balances of "Rail service assistance";  
 "Railroad safety", \$306,000, to be derived from the unobligated balances of "Rail service assistance";

Urban Mass Transportation Administration: "Administrative expenses", \$336,000, to be derived from the unobligated balances of "Research, training, and human resources";  
 Federal Aviation Administration:  
 "Operations", \$48,267,000, of which \$11,267,000 shall be derived by transfer from "Operation and Maintenance, Metropolitan Washington Airports", \$33,000,000 shall be derived by transfer from the unobligated balances of Interstate Transfer Grants—Transit", and \$4,000,000 shall be derived by transfer from the unobligated balances of "Research, Training, and Human Resources";  
 "Headquarters administration", \$405,000, to be derived by transfer from "Operation and Maintenance, Metropolitan Washington Airports";  
 Coast Guard: "Operating expenses", \$2,154,000 to be derived from the unobligated balances of the "Off-shore Oil Pollution Compensation Fund";  
 St. Lawrence Seaway Development Corporation: "Limitation on administrative expenses, Saint Lawrence Seaway Development Corporation" (increase of \$34,000 in the limitation on administrative expenses);  
 Office of Inspector General: "Salaries and expenses", \$443,000, to be derived from the unobligated balances of "Payments to air carriers";  
 Research and Special Programs Administration: "Research and special programs", \$139,000, to be derived from the unobligated balances of "Payments to air carriers";  
 Office of the Secretary: "Salaries and expenses", \$535,000, to be derived from the unobligated balances of "Payments to air carriers".

## DEPARTMENT OF THE TREASURY

Department Offices: "Salaries and expenses", \$863,000;  
 Financial Management Service: "Salaries and expenses", \$1,164,000;  
 Internal Revenue Service:  
 "Salaries and expenses", \$3,110,000;  
 "Processing Tax Returns", \$81,854,000;  
 "Examination and Appeals", \$23,325,000;  
 "Investigation, Collection, and Taxpayer Service", \$11,711,000.

## ENVIRONMENTAL PROTECTION AGENCY

"Salaries and expenses", \$10,000,000, of which \$5,000,000 shall be derived by transfer from "Research and development" and \$5,000,000 shall be derived by transfer from "Abatement, control, and compliance";  
 "Hazardous Substance Response Trust Fund", (increase of \$4,218,000 in the limitation on administrative expenses).

## NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"Research and Program Management", not to exceed \$16,557,000, to be derived by transfer from "Research and development" and "Space flight, control and data communications".

## SMALL BUSINESS ADMINISTRATION

Small Business Administration: "Salaries and expenses", \$2,400,000, to be derived by transfer from the "Business Loan and Investment Fund".

VETERANS ADMINISTRATION

"Medical care", \$131,600,000, which, together with \$426,626,000 provided and made available by Public Laws 99-500 and 99-591 under this account in the conference version of H.R. 5313, Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1987, shall be available only to the extent necessary for agency contributions for the retirement costs prescribed by the Civil Service Retirement System (5 U.S.C. ch. 83) and the Federal Employees Retirement System Act of 1986 (Public Law 99-335);  
 "Medical and prosthetic research", \$1,024,000;  
 "Medical administration and miscellaneous operating expenses", \$345,000;  
 "General operating expenses", \$9,242,000;  
 "Construction, minor projects" (an increase of \$529,000 in the limitation on the expenses of the Office of Facilities).

OTHER INDEPENDENT AGENCIES

Administrative Conference of the United States: "Salaries and expenses", \$14,000;  
 Arms Control and Disarmament Agency: "Arms control and disarmament activities", \$176,000;  
 Commission on Civil Rights: "Salaries and expenses", \$19,000;  
 Consumer Product Safety Commission: "Salaries and expenses", \$496,000;  
 Equal Employment Opportunity Commission: "Salaries and expenses", \$1,889,000;  
 Export-Import Bank: "Limitation on administrative expenses" (increase of \$227,000 in the limitation on administrative expenses);  
 Federal Communications Commission: "Salaries and expenses", \$1,199,000;  
 Federal Election Commission: "Salaries and expenses", \$202,000;  
 Federal Home Loan Bank Board: "Limitation on administrative expenses, Federal Home Loan Bank Board", (increase of \$350,000);  
 Federal Maritime Commission: "Salaries and expenses", \$147,000;  
 Federal Mediation and Conciliation Service: "Salaries and expenses", \$188,000;  
 Intelligence Community Staff: "Intelligence Community Staff", \$155,000  
 Marine Mammal Commission: "Salaries and expenses", \$10,000;  
 National Archives and Records Administration: "Operating expenses", \$863,000;  
 National Commission on Libraries and Information Science: "Salaries and expenses", \$17,000;  
 National Council on the Handicapped: "Salaries and expenses", \$10,000;  
 National Labor Relations Board: "Salaries and expenses", \$1,659,000;  
 National Mediation Board: "Salaries and expenses", \$44,000;  
 Railroad Retirement Board:  
 "Limitation on administration." (increase of \$764,000 in the limitation on administration in fiscal year 1987, which shall be available only after maximum absorption within the existing limitation and only to the extent necessary for agency contributions prescribed by the Federal Employees Retirement System Act of 1986, to be derived from the railroad retirement accounts);  
 "Limitation on railroad unemployment insurance administration fund" increase of \$214,000 in the limitation on railroad unemployment insurance administration fund in fiscal year 1987, which shall be available only after maximum absorption within the existing limitation and only to the extent necessary for agency contributions prescribed by the Federal Employees Retirement System Act of 1986, to be

derived as authorized by section 11(a)(iv) of the Railroad Unemployment Insurance Act;  
 "Limitation on review activity" increase of \$22,000 in the limitation on review activity in fiscal year 1987, which shall be available only after maximum absorption within the existing limitation and only to the extent necessary for agency contributions prescribed by the Federal Employees Retirement System Act of 1986, to be derived from the railroad retirement accounts and the railroad unemployment insurance account.  
 Securities and Exchange Commission: "Salaries and expenses", \$2,163,000;  
 United States Information Agency:  
 "Salaries and expenses", \$5,443,000;  
 "Radio Broadcasting to Cuba", \$516,000.

SECTION IV—RESCISSION PROPOSALS

Department of Agriculture

AGRICULTURAL RESEARCH SERVICE

BUILDINGS AND FACILITIES

(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	12-1401-5-1-352	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 32.0)		-28,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-1)		-28,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-28,000	
72.40	Obligated balance, start of year			-17,000
74.40	Obligated balance, end of year		17,000	
90.00	Outlays		-11,000	-17,000

This proposal would rescind certain facility planning and construction funds not requested in the budget. Remaining funds would be used to support the construction of two previously planned facilities and to initiate the planning studies and design of four additional projects.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

RURAL CLEAN WATER PROGRAM

(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	12-3337-5-1-304	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)			-6,000
<b>Financing:</b>				
21.40	Unobligated balance available, start of year			6,000
23.40	Unobligated balance, rescission proposal (R87-2)		6,000	
24.40	Unobligated balance available, end of year		-6,000	
39.00	Budget authority			
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net			-6,000
74.40	Obligated balance, end of year			5,660
90.00	Outlays			-340

RURAL CLEAN WATER PROGRAM—Continued

Under the experimental Rural Clean Water Program (RCWP), a total of \$70 million was appropriated in 1980 and 1981 to develop and test means of controlling agricultural nonpoint source water pollution in rural areas. Twenty-one projects were approved, for which full funding over the 3- to 10-year life of the project areas was estimated to be \$70 million. In 1986, unobligated Rural Clean Water funds were reserved to assist Chesapeake Bay clean-up efforts, supplementing other funds provided by the Congress in the Clean Water Act. Since related funds did not become available under the Clean Water Act, RCWP funds will not be needed for this purpose and are therefore proposed for rescission.

AGRICULTURAL CONSERVATION PROGRAM  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-3315-5-1-302			
<b>Program by activities:</b>			
10.00 Cost-sharing and technical assistance to farmers (total obligations) (object class 41.0)		-114,356	-50,000
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			50,000
24.40 Unobligated balance available, end of year		-50,000	
40.00 Budget authority (appropriation rescission proposal R87-3)		-164,356	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-114,356	-50,000
72.40 Obligated balance, start of year			-61,686
74.40 Obligated balance, end of year		61,686	36,686
90.00 Outlays		-52,670	-75,000

Responsibility for the maintenance of the productivity and profitability for the individual farm is primarily the responsibility of its owner, who has an economic stake in preserving its productivity. This proposal reduces areas consistent with the Administration's policy in shifting the responsibility of financing the costs of installing conservation measures back to State, local, and private sources and focusing Federal financial assistance on the most seriously eroding areas.

WATER BANK PROGRAM  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-3320-5-1-302			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-8,166	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-4)		-8,166	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-8,166	
72.40 Obligated balance, start of year			-7,078
74.40 Obligated balance, end of year		7,078	6,240
90.00 Outlays		-1,088	-838

This proposal would rescind excess funds in the Water Bank Program. The major program thrust for

waterfowl habitat protection is in the Department of Interior, which has a dedicated source of funding for waterfowl habitat preservation authorized by the Migratory Bird Conservation Act. Also, the "swampbuster provision" of the Food Security Act of 1985 would deny farm benefits to producers who convert wetlands to crop use in the future, except where the impact of the action is found to be minimal.

EMERGENCY CONSERVATION PROGRAM  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
2-3316-5-1-302			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-10,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-5)		-10,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-10,000	
72.40 Obligated balance, start of year			-2,500
74.40 Obligated balance, end of year		2,500	
90.00 Outlays		-7,500	-2,500

This proposal is consistent with the Administration's policy in shifting the responsibility for financing the costs of installing conservation measures back to State, local, and private sources and focusing limited Federal financial assistance on the most seriously eroding areas. Also, losses resulting from natural disasters could be indemnified by insurance carriers.

FARMERS HOME ADMINISTRATION

RURAL WATER AND WASTE DISPOSAL GRANTS  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
12-2066-5-1-452			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-79,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-6)		-79,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-79,500	
72.40 Obligated balance, start of year			-77,910
74.40 Obligated balance, end of year		77,910	65,985
90.00 Outlays		-1,590	-11,925

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not federal loans and grants.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....		-223	
Amount of grants (in thousands of dollars) .....		-79,500	

**RURAL COMMUNITY FIRE PROTECTION GRANTS  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	12-2067-5-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		-2,300	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-7) .....		-2,300	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-2,300	
72.40	Obligated balance, start of year .....			-1,265
74.40	Obligated balance, end of year .....		1,265	1,150
90.00	Outlays .....		-1,035	-115

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not federal loans and grants.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....		-1,288	
Amount of grants (in thousands of dollars) .....		-2,300	

**RURAL HOUSING FOR DOMESTIC FARM LABOR  
(Rescission proposal)**

**Program and financing (in thousands of dollars)**

Identification code	12-2004-5-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		-7,400	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-8) .....		-7,400	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-7,400	
72.40	Obligated balance, start of year .....			-7,104
74.40	Obligated balance, end of year .....		7,104	5,254
90.00	Outlays .....		-296	-1,850

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not Federal loans and grants. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....		-10	
Amount of grants (in thousands of dollars) .....		-7,400	

**MUTUAL AND SELF-HELP HOUSING  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	12-2006-5-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		-8,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-9) .....		-8,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-8,000	
72.40	Obligated balance, start of year .....			-7,360
72.40	Obligated balance, end of year .....		7,360	4,160
90.00	Outlays .....		-640	-3,200

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not federal loans and grants. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

**GRANT OBLIGATIONS**

	1986 actual	1987 est.	1988 est.
Number of grants .....		-60	
Amount of grants (in thousands of dollars) .....		-8,000	

**VERY LOW-INCOME HOUSING REPAIR GRANTS  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	12-2064-5-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		-9,400	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-10) .....		-9,400	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-9,400	
72.40	Obligated balance, start of year .....			-470
74.40	Obligated balance, end of year .....		470	
90.00	Outlays .....		-8,930	-470

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not federal loans and grants. However, housing vouchers will be provided to continue meeting the specific needs of low

VERY LOW-INCOME HOUSING REPAIR GRANTS—Continued

income families in rural areas under the Rural Housing Voucher program.

GRANT OBLIGATIONS

	1986 actual	1987 est.	1988 est.
Number of grants .....		-2,843	
Amount of grants (in thousands of dollars) .....		-9,400	

COMPENSATION FOR CONSTRUCTION DEFECTS  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code 12-2071-5-1-371	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....		-500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-11) .....		-500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		-500	
90.00 Outlays .....		-500	

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not federal loans and grants.

GRANT OBLIGATIONS

	1986 actual	1987 est.	1988 est.
Number of payments .....		-193	
Amount of payments (in thousands of dollars) .....		-500	

RURAL HOUSING PRESERVATION GRANTS  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code 12-2070-5-1-604	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0) .....		-14,400	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-12) .....		-14,400	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		-14,400	
72.40 Obligated balance, start of year .....			-10,800
74.40 Obligated balance, end of year .....		10,800	
90.00 Outlays .....		-3,600	-10,800

The proposed rescission is part of the Administration's efforts to reduce the size and scope of Federal programs and their adverse impact on the management of future fiscal policy and deficit targets. The Administration believes that the most efficient way to manage both local housing and community facilities is to rely upon the American private credit market, not federal loans and grants. However, housing vouchers will be provided to continue meeting the specific needs of low income families in rural areas under the Rural Housing Voucher program.

GRANT OBLIGATIONS

	1986 actual	1987 est.	1988 est.
Number of grants .....		-94	
Amount of grants (in thousands of dollars) .....		-14,400	

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code 12-1072-5-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.00 Watershed operations authorized by Public Law 534 .....		-9,000	
00.00 Emergency watershed protection operations .....		-23,000	
00.04 Small watershed operations authorized by Public Law 566 .....		-64,000	
10.00 Total obligations .....		-96,000	
<b>Financing:</b>			
23.40 Unobligated balance, rescission proposal (R87-13) ..		8,245	
40.00 Budget authority (appropriation rescission proposal R87-13) .....		-87,755	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		-96,000	
72.40 Obligations incurred, start of year .....			-30,000
74.40 Obligations incurred, end of year .....		30,000	
90.00 Outlays .....		-66,000	-30,000

This proposal would rescind all unobligated financial assistance funds for the Watershed and Flood Prevention Program operations. No new contracts would be signed for the remainder of 1987 in anticipation of terminating this program as proposed for 1988.

Object Classification (in thousands of dollars)

Identification code 12-1072-5-1-301	1986 actual	1987 est.	1988 est.
25.0 Other services .....		-16,670	
25.0 Construction contracts .....		-56,500	
26.0 Supplies and materials .....		-250	
32.0 Land and structures .....		-1,090	
41.0 Grants, subsidies, and contributions .....		-21,490	
99.0 Total obligations .....		-96,000	

GREAT PLAINS CONSERVATION PROGRAM  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code 12-2268-5-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.0 Cost-sharing assistance (total obligations)(object class 41.0) .....		-8,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-14) .....		-8,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....		-8,000	
72.40 Obligated balance, start of year .....			-3,000
74.40 Obligated balance, end of year .....		3,000	
90.00 Outlays .....		-5,000	-3,000

This proposal would rescind all unobligated cost-share funds under this program. No new contracts will be signed for the remainder of 1987 in anticipation of the

complete termination of this program as proposed for 1988.

**RESOURCE CONSERVATION AND DEVELOPMENT**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	12-1010-5-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations		-5,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-15)		-5,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-5,000	
72.40	Obligations incurred, start year			-2,000
74.40	Obligations incurred, end of year		2,000	
90.00	Outlays		-3,000	-2,000

This proposal would rescind all unobligated financial assistance funds for the Resource Conservation and Development Program. No new contracts would be signed for the remainder of 1987 in anticipation of terminating this program as proposed for fiscal year 1988.

**Object Classification** (in thousands of dollars)

Identification code	12-1010-5-1-302	1986 actual	1987 est.	1988 est.
25.0	Other services		-100	
25.0	Supplies and materials		-1,630	
26.0	Supplies and materials		-130	
41.0	Grants, subsidies, and contributions		-3,140	
99.0	Total obligations		-5,000	

**FOREST SERVICE**

**LAND ACQUISITION**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	12-5004-5-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Land acquisition (general)		-46,030	
00.02	Columbia River Gorge		-3,000	
10.00	Total obligations (object class 32.0)		-49,030	
<b>Financing:</b>				
23.98	Unobligated balance (rescission proposal R87-16)		6,600	
40.00	Budget authority (appropriation rescission proposal R87-16)		-42,430	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-49,030	
72.40	Obligated balance, start of year			-41,147
74.40	Obligated balance, end of year		41,147	15,670
90.00	Outlays		-7,883	-25,477

This account funds the acquisition of private lands and interests for public outdoor recreation purposes. Additional acquisition of private lands by the Federal Government will be postponed in 1987 in order to: (1) minimize reducing the current taxable land base for State and local government revenue purposes, (2) permit the Forest Service to concentrate its attention and limited resources on maintaining and improving

their current extensive land base, and (3) help achieve the deficit reduction goals of the Balanced Budget and Deficit Control Act of 1985.

**Department of Commerce**  
**GENERAL ADMINISTRATION**

**ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	13-2050-5-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Planning grants		-17,100	
00.02	Technical assistance grants		-4,980	
00.03	Development grants		-128,548	
00.04	Economic adjustment grants		-18,340	
00.05	Research and evaluation		-700	
10.00	Total obligations (object class 41.0)		-169,668	
<b>Financing:</b>				
23.40	Unobligated balance rescission proposal		45,755	
39.00	Budget authority		-125,509	
<b>Budget authority:</b>				
40.00	Budget authority (appropriation rescission proposal R87-17)		-123,913	
50.00	Reappropriation		-1,596	
<b>Relation of obligations to outlays:</b>				
71.01	Obligations incurred, net		-169,668	
72.40	Obligated balance, start of year			-152,701
74.40	Obligated balance, end of year		152,701	118,767
90.00	Outlays		-16,967	-33,934

This rescission would eliminate Economic Development Administration grant programs. Supplemental language terminating the guaranteed loan program is included in the supplemental section of Part II.

**INTERNATIONAL TRADE ADMINISTRATION**

**OPERATIONS AND ADMINISTRATION**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	13-1250-5-1-376	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		-11,400	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-18)		-11,400	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-11,400	
72.30	Obligated balance, start of year			-3,363
74.40	Obligated balance, end of year		3,363	
90.00	Outlays		-8,037	-3,363

This proposal would rescind Congressionally-provided funds for grants to firms adversely affected by increased imports. The fact that a firm has been harmed by import competition should not in and of itself constitute justification for special government assistance. U.S. trade laws provide remedies against unfair import competition.

**NATIONAL OCEANIC AND ATMOSPHERIC  
ADMINISTRATION**

OPERATIONS, RESEARCH, AND FACILITIES  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-1450-5-1-306			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-58,857	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-19)		-58,857	
Relation to obligations to outlays:			
71.00 Obligations incurred, net		-58,857	
72.40 Obligated balance, start of year			-44,143
72.40 Obligated balance, end of year		44,143	20,600
90.00 Outlays		-14,714	-23,543

Consistent with the President's policy to eliminate unnecessary and low priority Federal programs, the following are proposed for rescission: Coastal Zone Management grants (\$36.7 million) and Sea Grant (\$22.2 million).

**NATIONAL TELECOMMUNICATIONS AND  
INFORMATION ADMINISTRATION**

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND  
CONSTRUCTION  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
13-0551-5-1-503			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-19,300	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-20)		-19,300	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		-19,300	
72.40 Obligated balance, start of year			-17,949
73.40 Obligated balance, transferred, net			7,237
74.40 Obligated balance, end of year		17,949	
90.00 Outlays		-1,351	-10,712

The public telecommunications facilities program provides grants to plan for and construct non-commercial broadcasting facilities in areas not served by public television and radio. Over 95 percent of the United States currently receives public broadcasting. This rescission would eliminate the funds available for grants from the 1987 appropriation while allowing for an orderly phase out of the program.

**Department of Defense—Military  
PROCUREMENT**

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
21-2033-5-1-051				
<b>Program by activities:</b>				
10.00 Total obligations (object class 25.0)		-15,000		
<b>Financing:</b>				
40.00 Budget authority (appropriation rescission proposal R87-21)		-15,000		
Relation of obligations to outlays:				
71.00 Obligations incurred, net		-15,000		
72.40 Obligated balance, start of year			-13,425	-8,040
74.40 Obligated balance, end of year		13,425	8,040	3,300
90.00 Outlays		-1,575	-5,385	-4,740

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

07.02 Weapons and other combat vehicles— total budget plan		-15,000		
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Funds added by Congress in the 1987 Defense Appropriation Act to recompet the production contract for the 9mm handgun are not required. A contractor has already been awarded a multiyear contract through a competitive selection.

OTHER PROCUREMENT, NAVY  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.	1989 est.
17-1810-5-1-051				
<b>Program by activities:</b>				
10.00 Total obligations (object class 25.0)		-116,000		
<b>Financing:</b>				
40.00 Budget authority (appropriation rescission proposal R87-22)		-116,000		
Relation of obligations to outlays:				
71.00 Obligations incurred, net		-116,000		
72.40 Obligated balance, start of year			-102,660	-65,540
74.40 Obligated balance, end of year		102,660	65,540	33,327
90.00 Outlays		-13,340	-37,120	-32,213

Budget Plan (in thousands of dollars)

(amount for procurement actions programmed)

07.04 Ordnance support equipment—total budget plan		-116,000		
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Funds added by Congress in the 1987 Defense Appropriation Act for the MK-92 CORT program are not required.

**MILITARY CONSTRUCTION**

**MILITARY CONSTRUCTION, AIR FORCE  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 57-3300-5-1-051	1986 actual	1987 est.	1988 est.	1989 est.
<b>Program by activities:</b>				
10.00 Major construction (total obligations) (object class 31.0)		-2,750		
<b>Financing:</b>				
40.00 Budget authority (appropriation rescission proposal R87-23)		-2,750		
<b>Relation of obligations to outlays:</b>				
71.00 Obligations incurred, net		-2,750		
72.40 Obligated balance, start of year			-2,395	-1,130
74.40 Obligated balance, end of year		2,395	1,130	595
90.00 Outlays		-355	-1,265	-535
<b>Budget Plan (in thousands of dollars)</b>				
(amount for procurement actions programmed)				
07.01 Major construction—total budget plan		-2,750		

Funds added by Congress in the 1987 Military Construction Appropriation Act for a Gymnasium at the Blytheville Air Force Base, Arkansas are not required.

**Department of Education**

**OFFICE OF ELEMENTARY AND SECONDARY EDUCATION**

**COMPENSATORY EDUCATION FOR THE DISADVANTAGED  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 91-0900-5-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Migrant education (total obligations) (object class 41.0)		-7,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-25)		-7,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-7,500	
72.40 Obligated balance, start of year			-6,450
74.40 Obligated balance, end of year		6,450	1,650
90.00 Outlays		-1,050	-4,800

This proposal would rescind funds for the high school equivalency and college assistance migrant programs. Both programs are expensive relative to the number of students served and other Federal programs provide similar services at a lower cost.

**IMPACT AID**

**(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 91-0102-5-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Construction (total obligations) (object class 32.0)		-17,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-26)		-17,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-17,500	
72.40 Obligated balance, start of year			-15,750
74.40 Obligated balance, end of year		15,750	11,024
90.00 Outlays		-1,750	-4,726

Most construction funds appropriated under this program are used for grants to local educational agencies that have increases in enrollments because of Federal activities or decreases in local property tax bases due to Federal ownership of property and the exemption of that property from local taxation. The remainder of the funds are used for the repair of buildings originally built with Federal funds and to which the Federal Government still holds title. The rescission of funds appropriated for construction activities is proposed as part of the President's program to eliminate unnecessary Federal spending, to help control the Federal deficit, and to direct Federal support to priority programs. The activities proposed for rescission are duplicative of or similar to other Federal, State, or local programs.

**Department of Defense—Civil**

**CORPS OF ENGINEERS—CIVIL  
CONSTRUCTION GENERAL  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 96-3122-5-1-301	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.29 Multiple-purpose power projects		-7,715	
10.00 Total obligations (object class 25.0)		-7,715	
<b>Financing:</b>			
23.40 Unobligated balance (rescission proposal R87-24)		7,715	
39.00 Budget authority			
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-7,715	
90.00 Outlays		-7,715	

This proposal would rescind the balance of 1985 funding associated with the Cooper River Seismic Modification project in South Carolina. Repair of this privately constructed and owned hydroelectric power dam is not a Federal responsibility. The owner should finance the repairs necessary to maintain its Federal license and recover the costs through sales of power.

**SPECIAL PROGRAMS**  
(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
91-1000-5-1-501			
<b>Program by activities:</b>			
00.07 Territorial teacher training.....		-2,000	
00.08 Leadership in educational administration.....		-7,177	
00.09 Excellence in education.....		-4,427	
00.11 Women's educational equity.....		-3,500	
00.12 Training and advisory services.....		-24,000	
00.13 General assistance to the Virgin Islands.....		-5,000	
00.14 Ellender fellowships.....		-1,700	
00.15 Follow through.....		-7,176	
10.00 Total obligations.....		-54,980	
<b>Financing:</b>			
23.40 Unobligated balance (rescission proposal R87-27).....		4,427	
40.00 Budget authority (appropriation rescission proposal R87-27).....		-50,553	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		-54,980	
72.40 Obligated balance, start of year.....			-51,278
74.40 Obligated balance, end of year.....		51,278	10,189
90.00 Outlays.....		-3,702	-41,089

This rescission proposal covers eight small categorical programs. These programs duplicate the assistance provided under broader or more flexible authorities such as Chapter 1, Chapter 2 State block grants, the Teacher training and improvement program, and the Magnet schools assistance program. In several cases, such as Women's educational equity and Follow through, the programs have outlived their usefulness as specific activities. The rescission includes funds appropriated for 1987 for seven programs. In addition, available unobligated balances appropriated in 1985 and 1986 for the Excellence in education program would be rescinded. In all cases, the programs can be considered nonessential uses of Federal resources during this time of fiscal restraint.

**Object Classification (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
91-1000-5-1-501			
25.0 Other services.....		-8,701	
41.0 Grants, subsidies, and contributions.....		-46,279	
99.9 Total obligations.....		-54,980	

**OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS**

**IMMIGRANT AND REFUGEE EDUCATION**  
(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
91-1600-5-1-501			
<b>Program by activities:</b>			
00.01 Immigrant education.....		-30,000	
00.02 Refugee education.....		-15,886	
10.00 Total obligations (object class 41.0).....		-45,886	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-28).....		-45,886	

<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-45,886	
72.40	Obligated balance, start of year.....		-44,968
74.40	Obligated balance, end of year.....	44,968	22,484
90.00	Outlays.....	-918	-22,484

The immigrant and refugee education programs provide assistance to eligible children who have been in a school district for three years or less. Children in need of assistance who qualify for these services may also qualify for service under other programs in the Department. If they are educationally disadvantaged, they may be served under Chapter 1, and if limited English proficient, they may be served under the Bilingual Education Act.

**OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES**

**EDUCATION FOR THE HANDICAPPED**  
(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
91-0300-5-1-501			
<b>Program by activities:</b>			
<b>State grants:</b>			
00.01	Grants to States.....	-121,207	
00.02	Preschool grants.....	-101,100	
00.03	Grants for infants and families.....	-50,000	
<b>Special purpose funds:</b>			
00.04	Special populations.....	-9,870	
00.06	Training and information.....	-6,482	
10.00	Total obligations.....	-288,659	
<b>Financing:</b>			
40.00	Budget authority (appropriation rescission proposal R87-29).....	-288,659	
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net.....	-288,659	
72.40	Obligated balance, start of year.....		-277,546
74.40	Obligated balance, end of year.....	277,546	67,316
90.00	Outlays.....	-11,113	-210,230

Funding for the State grant program is proposed for partial rescission. The revised amount provides an increase to offset the cost of inflation. Funding for preschool State grants is proposed for partial rescission to remove unnecessarily high one-time payments based on estimates of additional children served, while still allowing an award of \$300 for each child who received services. Funding for grants for infants and families is proposed for full rescission because this new program is not targeted on those most in need and because many other Federal, State, local and private programs—including private and public health insurance—make health and social services available to handicapped infants and their families. Funding for deaf-blind projects within the special populations activity is proposed for partial rescission because under the Education of the Handicapped Act States are responsible for providing direct services to most of this very small population. Funding for early childhood education grants within the special populations activity is proposed for partial rescission because the 1986 amendments eliminated the separate program of State planning, development, and implementation grants. Special education personnel de-

velopment funding within the training and information activity is proposed for partial rescission because of inadequate evidence tying changes in the quality and quantity of special education personnel to the funding provided under this program and because of the availability of other funds for similar purposes.

**Object Classification (in thousands of dollars)**

Identification code	91-0300-5-1-501	1986 actual	1987 est.	1988 est.
25.0	Other services .....		-250	
41.0	Grants, subsidies, and contributions .....		-288,409	
99.9	Total obligations .....		-288,659	

**REHABILITATION SERVICES AND HANDICAPPED RESEARCH  
(Rescission proposal)**

**Program and financing (in thousands of dollars)**

Identification code	91-0301-5-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Vocational rehabilitation State grants .....		-96,678	
00.02	Supported employment .....		-22,100	
00.04	Service and demonstration projects .....		-3,830	
00.07	Training .....		-3,712	
00.09	Evaluation .....		-1,135	
10.00	Total obligations .....		-127,455	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-30) .....		-127,455	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-127,455	
72.40	Obligated balance, start of year .....			-29,315
74.40	Obligated balance, end of year .....		29,315	8,921
90.00	Outlays .....		-98,140	-20,394

This proposal would rescind funds for various rehabilitation programs. For most programs, funding would be maintained at or above the 1986 level, a level adequate for Federal contributions to these activities. The new supported employment formula grant program would not be funded since supported employment activities are already conducted under the special demonstration programs. Funding for recreation programs would be eliminated, because these programs are more appropriately supported by voluntary organizations and local governments. The Indian program would be funded by a set-aside equal to one-eighth of one percent of the State grant program beginning in 1987. Funding for Indian grants under service and demonstration projects, that duplicates the new set-aside, would be terminated. The training program would be funded at the 1986 level because available data on personnel shortages do not support appropriation increases. Evaluation would be funded at the level needed for new evaluation contracts.

**Object Classification (in thousands of dollars)**

Identification code	91-0301-5-1-506	1986 actual	1987 est.	1988 est.
25.0	Other services .....		-1,135	
41.0	Grants, subsidies, and contributions .....		-126,320	
99.9	Total obligations .....		-127,455	

**OFFICE OF VOCATIONAL AND ADULT  
EDUCATION**

**VOCATIONAL AND ADULT EDUCATION  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	91-0400-5-1-501	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
<b>Vocational education:</b>				
<b>Basic grants:</b>				
00.01	Basic State grants .....		-383,142	
00.02	Indian and Hawaiian natives set-aside .....		-5,858	
01.01	Community-based organizations .....		-6,000	
02.01	Consumer and homemaking education .....		-31,633	
03.01	State councils .....		-500	
04.02	National programs: Demonstrations .....		-1,500	
05.01	Bilingual vocational training .....		-3,686	
10.00	Total obligations .....		-432,319	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-31) .....		-432,319	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-432,319	
72.40	Obligated balance, start of year .....			-423,672
74.40	Obligated balance, end of year .....		423,672	129,696
90.00	Outlays .....		-8,647	-293,976

This proposal would rescind a portion of the funds for vocational education basic grants, including funds for Indian and Hawaiian natives programs, all funds for community-based organizations, consumers and home-making education and bilingual vocational training, a portion of the funds for State councils, and all funds for national program demonstration projects. The rescission in the basic grant program is necessary to help achieve deficit reduction targets, while protecting other higher priority programs. However, title II, part A, which authorizes vocational education opportunities for six special populations, would be funded at a level slightly higher than in 1986. Categorical funding for community-based organizations, consumer and home-making education and bilingual vocational training is not necessary, since activities under these programs are allowable under the basic grant program. Bilingual education is also provided by programs funded under the Bilingual Education Act. Funding for State councils would be maintained at the 1986 level. Demonstration projects funding would be rescinded to prevent the initiation of new projects at this time of fiscal restraint.

**Object Classification (in thousands of dollars)**

Identification code	91-0400-5-1-501	1986 actual	1987 est.	1988 est.
25.0	Other services .....		-369	
41.0	Grants, subsidies and contributions .....		-431,950	
99.9	Total obligations .....		-432,319	

**OFFICE OF POSTSECONDARY EDUCATION**

**STUDENT FINANCIAL ASSISTANCE  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	91-0200-5-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Campus-based aid:				
02.01	Work study .....		-592,500	
02.02	Supplemental opportunity grants .....		-412,500	
02.91	Subtotal, campus-based aid .....		-1,005,000	
03.02	Direct student loans: Perkins loans: Federal capital contribution .....		-188,000	
04.01	State student incentive grants .....		-76,000	
10.00	Total obligations (object class 41.0) .....		-1,269,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-32) .....		-1,269,000	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		-1,269,000	
72.40	Obligated balance, start of year .....			-1,111,700
74.40	Obligated balance, end of year .....		1,111,700	35,790
90.00	Outlays .....		-157,300	-1,075,910

This proposal would rescind funds in student aid programs of grant, work, and loan assistance to reduce Federal funding to levels consistent with overall budget constraints and with limited Federal responsibility in this area. Grants to schools for work study and supplemental grant programs are not needed given the availability of direct aid to students in the form of the Pell grant and Guaranteed Student Loan programs. Loan capital contributions would be eliminated because of the excessive, unnecessary borrower subsidies in the current direct loan program. The goals of the State student incentive grant program have been achieved; the program no longer requires Federal financial support.

**HIGHER EDUCATION  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	91-0201-5-1-502	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
Other aid for institutions:				
01.01	Program development .....		-54,150	
01.03	Special grants .....		-15,250	
01.91	Subtotal, other aid for institutions .....		-69,400	
Aid for students:				
02.01	Special programs for the disadvantaged .....		-94,000	
02.02	Other support services .....		-4,500	
02.03	Scholarships and fellowships .....		-35,150	
02.91	Subtotal, aid for students .....		-133,650	
10.00	Total obligations (object class 41.0) .....		-203,050	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-33) .....		-203,050	
Relation of obligations to outlays:				
71.00	Obligations incurred, net .....		-203,050	
72.40	Obligated balance, start of year .....			-183,711
74.40	Obligated balance, end of year .....		183,711	45,026
90.00	Outlays .....		-19,339	-138,685

Rescissions are proposed for the following activities:  
*Other aid for institutions—*

*Program development.*—A partial rescission for the Fund for the Improvement of Postsecondary Education is proposed to focus support on potentially exemplary projects which respond to identified, needed improvements in postsecondary education. Federal funding is no longer necessary for the international education and foreign language studies, cooperative education, and law school clinical experience programs. Such programs are now securely established in postsecondary curriculums. Specific Federal-level needs in international education and foreign language studies can be met with related programs of the Departments of Defense and State and the U.S. Information Agency. A new program, innovative projects for community services, is essentially to develop a student aid program and thus unnecessary, since other general student financial aid is available from the Department.

*Special grants.*—These activities, including assistance to Guam, the Robert A. Taft Institute of Government, Welch Hall at Eastern Michigan University, the Wagner Institute of Urban Public Policy, the Kansas Educational Satellite Video Communications Center, the Carl Albert Congressional Research and Studies Center, and the Technology Transfer Institute, are narrow in purpose and nonessential.

*Aid for students—*

*Special programs for the disadvantaged.*—A partial rescission is proposed to focus resources on providing direct services for students. Grants would be available to postsecondary institutions which participate in the special services and upward bound programs.

*Other support services.*—The veterans' education outreach program has outlived its original purpose of assisting postsecondary institutions in responding to the special needs of Vietnam-era veterans. Federal funds are no longer necessary for the legal training for the disadvantaged program which receives support from private sources.

*Scholarships and fellowships.*—The graduate and teacher fellowship programs duplicate support available under the Department's general student financial aid programs and through the National Science Foundation and National Endowment for the Humanities.

**OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT**

**LIBRARIES**

**(Rescission proposal)**

**Program and financing (in thousands of dollars)**

Identification code	91-0104-5-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.02	Public library construction .....		-22,500	
00.04	Library literacy programs .....		-5,000	
00.05	Training and demonstrations .....		-1,000	
00.06	Research libraries .....		-6,000	
10.00	Total obligations .....		-34,500	

<b>Financing:</b>			
40.00	Budget authority (appropriation rescission proposal R87-34)		-34,500
Relation of obligations to outlays:			
71.00	Obligations incurred, net		-34,500
72.40	Obligated balance, start of year		-30,540
74.40	Obligated balance, end of year	30,540	9,690
90.00	Outlays	-3,960	-20,850

This rescission is proposed because (1) Federal support for public library construction has accomplished its goal of increasing access to library services—over 96 percent of the population now has access to such services; (2) the number of literacy projects in local public libraries reported by the States more than doubled between 1980 and 1984 without the aid of the new library literacy programs indicating that this program is not necessary to increase the number of literacy projects in public libraries; and (3) training, demonstrations and research library support duplicates other Federal programs, substitutes Federal for ample non-Federal resources, and provides money to many well-financed institutions.

**Object Classification (in thousands of dollars)**

Identification code	91-0104-5-1-503	1986 actual	1987 est.	1988 est.
25.0	Other services		-333	
41.0	Grants, subsidies, and contributions		-34,167	
99.9	Total obligations		-34,500	

**Department of Energy  
ENERGY PROGRAMS**

**ENERGY SUPPLY, RESEARCH AND DEVELOPMENT  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	89-0224-5-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Solar and renewable energy technology base		-13,100	
00.07	Supporting research and technical analysis		-68,700	
10.00	Total obligations (object class 25.0)		-81,800	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-35)		-81,800	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-81,800	
72.40	Obligated balance, start of year		-53,940	
74.40	Obligated balance, end of year	53,940		
90.00	Outlays	-27,860	-53,940	

The purpose of Energy supply, research and development activities is to: (1) support long-term research and development on a mix of technologies that have the potential to provide adequate supplies of energy at reasonable costs, and (2) fund other research programs which provide significant benefits to the Government and the public. The proposed rescission consists of unnecessary Congressional addition in Solar Energy research (\$9.4 million) Electric Energy Systems research (\$3.7 million) and university construction projects which include: the Center for New Industrial Materials, Energy Research Complex, Center for Science and Tech-

nology, Center for Science and Engineering, Center for Nuclear Imaging Research, St. Christopher's Hospital for Children, Center for Excellence in Education, Center for Molecular Medicine and Immunology.

**FOSSIL ENERGY RESEARCH AND DEVELOPMENT  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	89-0213-5-1-271	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Coal technology base		-42,712	
00.02	Oil, gas, and shale R&D		-1,752	
10.00	Total obligations (object class 25.0)		-44,464	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-36)		-44,464	
Relation of obligations to outlays:				
71.00	Obligations incurred net		-44,464	
72.40	Obligated balance, start of year		-31,125	
74.40	Obligated balance, end of year	31,125	8,893	
90.00	Outlays	-13,339	-22,232	

This account funds research and development activities in coal, petroleum and unconventional gas. The amount proposed for rescission consists of various projects which we believe are in excess of the funds required to conduct the fossil energy research and development program. Some of these projects support the development of fossil energy technologies beyond the proof-of-concept stage. The administration believes that further development of these technologies should be the responsibility of the private sector.

**ENERGY CONSERVATORY  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	89-0215-5-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.03	Industrial		-4,500	
00.05	Transportation		-3,500	
00.07	State and local assistance		-65,933	
00.08	Multi-sector			
00.10	Facilities		-10,000	
10.00	Total obligations (object class 25.0)		-83,933	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-37)		-83,933	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-83,933	
72.40	Obligated balance, start of year		-61,746	
72.40	Obligated balance, end of year	61,746	10,193	
90.00	Outlays	-22,187	-51,553	

This account funds a variety of energy conservation research and development activities including buildings and community systems, industry, transportation, and multi-sector research. It also funds assistance to State and local governments for the weatherization of schools, hospitals, and low-income dwellings. The rescission of \$83.9 million is for Congressional add-ons that are in

ENERGY CONSERVATORY—Continued

excess of program requirements. The rescinded funds include transportation energy conservation (\$3.5 million) industrial energy conservation (\$4.5 million), Tufts University Research Building (\$10.0 million), schools and hospitals (\$1.3 million), and the weatherization assistance program (\$64.6 million).

**Department of Health and Human Services  
FOOD AND DRUG ADMINISTRATION**

**BUILDINGS AND FACILITIES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 75-0603-5-1-554	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0)		- 500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-38)		- 500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		- 500	
72.40 Obligated balance, start of year			- 350
74.40 Obligated balance, end of year		350	
90.00 Outlays		- 150	- 350

The rescission would eliminate unrequested funding for a visiting scientists dormitory at the National Center for Toxicological Research at Jefferson, Arkansas. These dormitory facilities are unnecessary for program operations.

**HEALTH RESOURCES AND SERVICES  
ADMINISTRATION**

**HEALTH RESOURCES AND SERVICES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 75-0350-5-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Native Hawaiian children		- 1,000	
00.02 EMS for children		- 2,000	
00.03 NHSC scholarships		- 2,300	
00.04 National Health Service Corps		- 15,500	
00.05 Exceptional need scholarships		- 7,000	
00.06 Two-year medical/osteopathy schools		- 500	
00.07 Health promotion/disease prevention		- 11,600	
00.08 Primary care		- 28,763	
00.09 H.P. special educational initiatives		- 8,300	
00.10 Area health education centers		- 8,800	
00.11 Pacific Basin		- 1,500	
00.12 Disadvantaged assistance		- 20,250	
00.13 H.P. analytical studies and reports		- 1,575	
00.14 Nurse education		- 47,122	
00.15 Outpatient medical facilities		- 5,000	
10.00 Total obligations		- 161,210	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-39)		- 161,210	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		- 161,210	
72.40 Obligated balance, start of year			- 80,605
74.40 Obligated balance, end of year		80,605	
90.00 Outlays		- 80,605	- 80,605

This rescission would reduce health resources and services funding, including health professions training funds which are unnecessary due to the current adequate supply and the projected increase in the numbers of health professionals.

**Object Classification (in thousands of dollars)**

Identification code 75-0350-5-1-550	1986 actual	1987 est.	1988 est.
25.0 Other services		- 3,875	
41.0 Grants, subsidies and contributions		- 157,335	
99.9 Total obligations		- 161,210	

**INDIAN HEALTH FACILITIES**

**(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 09-0391-5-1-551	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations		- 57,100	
<b>Financing:</b>			
23.40 Unobligated balance (rescission proposal R87-40)		26,339	
40.00 Budget authority (appropriation rescission proposal R87-40)		- 30,761	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		- 57,100	
72.40 Obligated balance, start of year			- 43,602
74.40 Obligated balance, end of year		43,602	18,850
90.00 Outlays		- 13,498	- 24,752

The proposed rescission would reduce excess funding for new hospitals and clinics and effect a more efficient balance between the decreasing cost of contract health services and the cost of constructing direct care facilities.

**Object Classification (in thousands of dollars)**

Identification code 75-0391-5-1-551	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.3 Other than full-time permanent		- 1,600	
11.5 Other personnel compensation		- 300	
11.9 Total personnel compensation		- 1,900	
12.1 Personnel benefits: Civilian		- 160	
21.0 Travel and transportation of persons		- 550	
22.0 Transportation of things		- 980	
23.3 Communications, utilities, and miscellaneous charges		- 220	
24.0 Printing and reproduction		- 35	
25.0 Other services		- 5,512	
26.0 Supplies and materials		- 2,100	
31.0 Equipment		- 7,883	
32.0 Land and structures		- 37,760	
99.9 Total obligations		- 57,100	

**NATIONAL INSTITUTES OF HEALTH**

**NATIONAL LIBRARY OF MEDICINE**

**(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 75-0807-5-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		- 5,405	

<b>Financing:</b>			
23.40	Unobligated balance, (rescission proposal R87-41) .....	5,405	
40.00	<b>Budget authority (appropriation rescission proposal R87-41).....</b>		
<b>Relation of obligations to outlays:</b>			
71.00	Obligations incurred, net .....	-5,405	
90.00	Outlays .....	-5,405	

This rescission proposal is consistent with the Administration's policy to encourage appropriate peer review of scientific project awards, the rescission proposal eliminates funding for a non-peer-reviewed project first appropriated in 1983, for which no implementation funds have yet been awarded.

**OFFICE OF THE ASSISTANT SECRETARY FOR HEALTH**

**PUBLIC HEALTH SERVICE MANAGEMENT  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	75-1101-5-1-550	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Disease prevention/health promotion (total obligations) (object class 41.0) .....		-5,000	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation rescission proposal R87-42) .....</b>		<b>-5,000</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-5,000	
90.00	Outlays .....		-5,000	

The proposal would rescind unrequested funds for the Lister Hill Center for Health Policy at the University of Alabama in Birmingham. The proposed rescission is part of a general effort to request rescission for non-peer reviewed projects.

**DEPARTMENTAL MANAGEMENT**

**POLICY RESEARCH  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	75-0122-5-1-609	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		-2,200	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation rescission proposal R87-43) .....</b>		<b>-2,200</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-2,200	
72.40	Obligated balance, start of year .....			-880
74.40	Obligated balance, end of year .....		880	282
90.00	Outlays .....		-1,320	-598

This proposal would rescind funds earmarked for the Institute for Research and Poverty. These funds are in excess of the social research needs of the Department of Health and Human Services, and would be excluded from the research review processes that ensure grants are competitively awarded.

**Department of Housing and Urban Development  
HOUSING PROGRAMS**

**ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	86-0164-5-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Lower income housing (section 8) .....			-238,763
00.02	Rental housing development grants .....		-109,550	
00.03	Rental rehabilitation grants .....		-125,000	
10.00	Total obligations (object class 41.0) .....		-234,550	-238,763
<b>Financing:</b>				
21.40	Unobligated balance available, start of year .....			238,763
23.40	Unobligated balance (rescission proposal R87-44) .....		10,000	
24.40	Unobligated balance available, end of year .....		-238,763	
39.00	<b>Budget authority .....</b>		<b>-463,313</b>	
<b>Budget authority:</b>				
40.00	<b>Appropriation—rescission proposal R87-44 .....</b>		<b>-224,550</b>	
49.00	<b>Contract authority—rescission proposal R87-44 .....</b>		<b>-238,763</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-234,550	-238,763
72.40	Obligated balance, start of year .....			-222,050
74.40	Obligated balance, end of year (appropriation) .....		222,050	147,250
74.49	Obligated balance, end of year (contract authority) .....			238,763
90.00	Outlays .....		-12,500	-74,800

This proposal would rescind \$238.8 million of funds appropriated in 1987 for section 8 moderate rehabilitation, \$109.6 million for rental housing development grants, and \$125.0 million for rental rehabilitation grants.

**HOUSING COUNSELING ASSISTANCE  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	86-0156-5-1-506	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0) .....		-3,500	
<b>Financing:</b>				
40.00	<b>Budget authority (appropriation rescission proposal R87-45) .....</b>		<b>-3,500</b>	
<b>Budget authority:</b>				
40.00	<b>Appropriation .....</b>		<b>-3,500</b>	
43.00	<b>Appropriation (adjusted) .....</b>		<b>-3,500</b>	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net .....		-3,500	
72.40	Obligated balance, start of year .....			-3,500
74.40	Obligated balance, end of year .....		3,500	520
90.00	Outlays .....			-2,980

This rescission reflects the termination of the Housing Counseling Assistance program in 1987.

**COMMUNITY PLANNING AND DEVELOPMENT**

**COMMUNITY DEVELOPMENT GRANTS  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	86-0162-5-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		-375,200	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-46)		-375,200	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-375,200	
72.40	Obligated balance, start of year			-367,696
74.40	Obligated balance, end of year		367,696	225,120
90.00	Outlays		-7,504	-142,576

This rescission proposal would continue funding for the Community Development Grants program at a level similar to that proposed in the 1987 Budget. A \$2.6 billion program level provides a level of funds that balances this program's objectives against the need for fiscal restraint. In addition, the Administration will propose to strengthen the targeting of this program to ensure that these Federal resources are allocated to more accurately reflect the relative level of needs of the communities.

**URBAN DEVELOPMENT ACTION GRANTS  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	86-0170-5-1-451	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Total obligations (object class 41.0)		-237,500	-25,000
<b>Financing:</b>				
17.00	Recovery of prior year obligations		32,100	25,000
40.00	Budget authority (appropriation rescission proposal R87-47)		-205,400	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-237,500	-25,000
72.40	Obligated balance, start of year			-193,525
74.40	Obligated balance, end of year		193,525	146,025
78.00	Adjustments in unexpired accounts		32,100	25,000
90.00	Outlays		-11,875	-47,500

This rescission reflects the termination of the Urban Development Action Grants program in 1987.

**MANAGEMENT AND ADMINISTRATION**

**SALARIES AND EXPENSES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	86-0143-5-1-999	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Housing, mortgage credit, regulatory and energy conservation programs		-8,803	
00.02	Community planning and development programs		-1,401	
00.03	Equal opportunity and research programs		-1,046	
00.04	Department management, legal and audit services		-5,235	

00.05	Field direction and administration		-2,557	
10.00	Total obligations		-19,042	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-48)		-19,042	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-19,042	
72.40	Obligated balance, start of year			-762
74.40	Obligated balance, end of year		762	
90.00	Outlays		-18,280	-762

The funding level of \$638.8 million remaining after this rescission of \$19.0 million is sufficient to fund the staffing levels and associated support required to manage and administer the Departmental program activity anticipated during 1987.

The proposal would remove a requirement that one specific program activity in the Department maintain a minimum staffing level. This level is in excess of budgeted needs and distorts staffing patterns.

**Object Classification (in thousands of dollars)**

Identification code	86-0143-5-1-999	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		-16,375	
11.3	Other than full-time permanent		-573	
11.9	Total personnel compensation		-16,948	
21.0	Travel and transportation of persons		-2,094	
99.9	Total obligations		-19,042	

**Department of the Interior  
BUREAU OF LAND MANAGEMENT**

**MANAGEMENT OF LANDS AND RESOURCES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code	14-1109-5-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Lands and realty management		-1,000	
00.02	Cadastral survey		-2,000	
00.03	Grasshopper control		-3,500	
10.00	Total obligations		-6,500	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-49)		-6,500	
<b>Relation of obligations to outlays:</b>				
71.00	Obligation incurred, net		-6,500	
72.40	Obligated balance, start of year			-1,105
74.40	Obligated balance, end of year		1,105	
90.00	Outlays		-5,395	-1,105

This rescission is proposed as an integral component of the President's comprehensive plan for reducing the Federal budget deficit. The amounts proposed for rescission would have funded lower priority program activities in excess of the President's request for 1987.

**Object Classification (in thousands of dollars)**

Identification code	14-1109-5-1-302	1986 actual	1987 est.	1988 est.
11.1	Personnel compensation: Full-time permanent		-350	
12.1	Personnel benefits: Civilian		-67	

25.0	Other services .....	-6,083	
99.9	Total obligations .....	-6,500	

**Personnel Summary**

Total number of permanent positions.....	-12
Total compensable workyears: Full-time permanent employment.....	-12

**CONSTRUCTION AND ACCESS**

(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code 14-1110-5-1-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Building construction (total obligations).....		-1,600	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-50).....		-1,600	
<b>Relation of obligations to outlays:</b>			
71.00 Obligation incurred, net.....		-1,600	
72.40 Obligated balance, start of year.....			-320
74.40 Obligated balance, end of year.....		320	
90.00 Outlays.....		-1,280	-320

This rescission is proposed as an integral component of the President's comprehensive plan for reducing the Federal budget deficit. The amounts proposed for rescission would have funded lower priority construction activities in excess of the President's request for 1987.

**Object Classification (in thousands of dollars)**

Identification code 14-1110-5-1-302	1986 actual	1987 est.	1988 est.
21.0 Personnel benefits: Civilian.....		-8	
22.0 Transportation of things.....		-40	
23.2 Rental payments to others.....		-3	
23.3 Communications, utilities and miscellaneous charges.....		-25	
24.0 Printing and reproduction.....		-2	
25.0 Other services.....		-50	
26.0 Supplies and materials.....		-30	
32.0 Lands and structures.....		-1,442	
99.9 Total obligations.....		-1,600	

**LAND ACQUISITION**

(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code 14-5033-5-2-302	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Operating program (total obligations) (object class 25.0).....		-2,700	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-51).....		-2,700	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net.....		-2,700	
72.40 Obligated balance, start of year.....			-1,890
74.40 Obligated balance, end of year.....		1,890	
90.00 Outlays.....		810	-1,890

This rescission is proposed as an integral component of the President's comprehensive plan for reducing the Federal budget deficit. The amounts proposed for rescission would have funded lower priority acquisition activities in excess of the President's request for 1987.

**BUREAU OF MINES**

**MINES AND MINERALS**

(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code 14-0959-5-1-306	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Minerals information.....		293	
00.02 Minerals data analysis.....		-486	
00.03 Minerals and material technology.....		415	
00.04 Health and safety technology.....		-5,989	
00.05 Mining technology.....		-3,932	
00.06 Mineral Institutes.....		-7,612	
00.07 General administration.....		717	
10.00 Total obligations.....		-16,594	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-52).....		-16,594	
<b>Relation of obligations to outlays:</b>			
71.00 Obligation incurred, net.....		-16,594	
72.40 Obligated balance, start of year.....			-4,324
74.40 Obligated balance, end of year.....		4,324	
90.00 Outlays.....		-12,270	-4,324

This rescission is proposed as an integral component of the President's comprehensive plan for reducing the Federal budget deficit. The amounts proposed for rescission would have funded lower priority program activities in excess of the President's request for 1987.

**Object Classification (in thousands of dollars)**

Identification code 14-0959-5-1-306	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent.....		-2,882	
11.3 Other than full-time permanent.....		-112	
11.5 Other personnel compensation.....		-26	
11.9 Total personnel compensation.....		-3,021	
12.1 Personnel benefits: Civilian.....		-725	
13.0 Benefits for former personnel.....		1,588	
21.0 Travel and transportation of persons.....		-160	
25.0 Other services.....		-4,900	
41.0 Grants, subsidies, and contributions.....		-9,376	
99.9 Total obligations.....		-16,594	

**Personnel Summary**

Total number of full-time permanent positions.....	-98
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**UNITED STATES FISH AND WILDLIFE SERVICE**

**RESOURCE MANAGEMENT**

(Rescission proposal)

**Program and Financing (in thousands of dollars)**

Identification code 14-1611-5-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Fish and wildlife enhancement.....		-6,025	
00.02 Refuges and wildlife.....		-12,083	
00.03 Fisheries.....		-566	
00.04 Research and development.....		-1,826	
10.00 Total obligations (object class 92.0).....		-20,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-53).....		-20,500	

RESOURCE MANAGEMENT—Continued

Program and Financing (in thousands of dollars)—Continued

Identification code	14-1611-5-1-303	1986 actual	1987 est.	1988 est.
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-20,500	
72.40	Obligated balance, start of year			-3,075
74.40	Obligated balance, end of year		3,075	
90.00	Outlays		-17,425	-3,075

This proposal would rescind funding for low priority wildlife and refuge programs, research and development, fisheries and enhancement activities, and endangered species state grants.

CONSTRUCTION

(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	14-1612-5-1-303	1986 actual	1987 est.	1988 est.
Program by activities:				
00.01	Refuges		-7,309	
00.02	Hatcheries		-7,338	
00.03	Fishery research facilities		-4,575	
00.05	Wildlife research facilities		-1,750	
00.06	Construction, rehabilitation and maintenance planning		-228	
00.07	Anadromous fish		-2,000	
10.00	Total obligations (object class 92.0)		-23,200	
Financing:				
40.00	Budget authority (appropriation rescission proposal R87-54)		-23,200	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-23,200	
72.40	Obligated balance, start of year			-18,328
74.40	Obligated balance, end of year		18,328	5,800
90.00	Outlays		-4,872	-12,528

This rescission proposal would reduce construction funding to high priority health and safety projects and support for projects underway. Anadromous fish grants would be terminated as these should be borne by the States.

LAND ACQUISITION

(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	14-5020-5-2-303	1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations (object class 92.0)		-26,763	
Financing:				
40.00	Budget authority (appropriation rescission proposal R87-55)		-26,763	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-26,763	
72.40	Obligated balance, start of year			-10,706
74.40	Obligated balance, end of year		10,706	2,677
90.00	Outlays		-16,057	-8,029

This proposal would rescind funds for acquisition projects added in 1987 that can be left unfunded with-

out immediate adverse effects on our natural resources. Acquisition management funding and funds for obligations already incurred would be provided for with remaining balances.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	14-1036-5-1-303	1986 actual	1987 est.	1988 est.
Program by activities:				
10.00	Total obligations		-7,950	
Financing:				
40.00	Budget authority (appropriation rescission proposal R87-56)		-7,950	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-7,950	
72.40	Obligated balance, start of year			-6,000
74.40	Obligated balance, end of year		6,000	4,000
90.00	Outlays		-1,950	-2,000

Low priority funds for developing Steamtown Historic site would be withdrawn until such time as a National Park Service review to establish the historical character of the area is completed.

Object Classification (in thousands of dollars)

Identification code	14-1036-5-1-303	1986 actual	1987 est.	1988 est.
21.0	Travel and transportation of persons		-90	
25.0	Other services		-2,860	
41.0	Grants, subsidies, and contributions		-5,000	
99.9	Total obligations		-7,950	

CONSTRUCTION

(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	14-1039-5-1-303	1986 actual	1987 est.	1988 est.
Program by activities:				
00.01	Construction		-52,677	
00.02	Emergency and unscheduled projects		-1,000	
00.03	Planning		-5,304	
10.00	Total obligations (object class 25.0)		-58,981	
Financing:				
40.00	Budget authority (appropriation rescission proposal R87-57)		-58,981	
Relation of obligations to outlays:				
71.00	Obligations incurred, net		-58,981	
72.40	Obligated balance, start of year			-50,881
74.40	Obligated balance, end of year		50,881	35,481
90.00	Outlays		-8,100	-15,400

Non-essential construction projects would be postponed until such time as the fiscal situation improves.

**LAND ACQUISITION**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	14-5035-5-2-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Land acquisition		-34,938	
00.01	State grants		-32,700	
10.00	Total obligations		-67,638	
<b>Financing:</b>				
32.49	Balance of contract authority withdrawn		-30,000	
39.00	Budget authority		-97,638	
<b>Budget authority:</b>				
40.00	Budget authority (appropriation rescission proposal R87-58)		-67,638	
49.00	Contract authority (permanent) (special fund) (contract authority rescission proposal R87-58)		-30,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-67,638	
72.40	Obligated balance, start of year			-45,918
74.40	Obligated balance, end of year		45,918	32,378
90.00	Outlays		-21,720	-13,540

Non-essential Federal land acquisition would be postponed, unneeded annual contract authority would be cancelled, and appropriations for grants to States for land acquisition will be withdrawn.

**Object Classification** (in thousands of dollars)

Identification code	14-5035-5-2-303	1986 actual	1987 est.	1988 est.
32.0	Lands and structures		-34,938	
42.0	Grants subsidies, and contributions		-32,700	
99.9	Total obligations		-67,638	

**HISTORIC PRESERVATION FUND**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	14-5140-5-1-303	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.00	Grants-in-aid (total obligations) (object class 41.0)		-15,000	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-59)		-15,000	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-15,000	
72.40	Obligated balance, start of year			-11,400
74.40	Obligated balance, end of year		11,400	5,850
90.00	Outlays		-3,600	-5,550

Unobligated funds for grants to States for historic preservation would be withdrawn.

**BUREAU OF INDIAN AFFAIRS**

**CONSTRUCTION**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	14-2301-5-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
00.01	Buildings and utilities		-7,500	
00.02	Irrigation systems		-9,000	
00.03	Housing		-6,311	
10.00	Total obligations		-22,811	
<b>Financing:</b>				
40.00	Budget authority (appropriation rescission proposal R87-60)		-22,811	
<b>Relation of obligations to outlays:</b>				
71.00	Obligations incurred, net		-22,811	
72.40	Obligated balance, start of year			-15,968
74.40	Obligated balance, end of year		15,968	4,563
90.00	Outlays		-6,843	-11,405

This proposal would rescind funding for unnecessary or postponable Bureau of Indian Affairs construction projects, including Juvenile Detention Centers, new Indian housing, and segments of the Navajo Indian Irrigation Project, the Gila River Farms/Sacaton Ranch Irrigation Project, and the Fort McDowell Irrigation Rehabilitation Project.

**Object Classification** (in thousands of dollars)

Identification code	14-2301-5-1-452	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent		-394	
11.3	Other than full-time permanent		-11	
11.5	Other personnel compensation		-35	
11.9	Total personnel compensation		-440	
12.1	Personnel benefits		-55	
21.0	Travel and transportation of persons		-22	
22.0	Transportation of things		-7	
23.2	Rental payments to others		-169	
24.0	Printing and reproduction		-6	
25.0	Other services		-11,042	
26.0	Supplies and materials		-16	
31.0	Equipment		-11	
32.0	Land and structures		-11,043	
99.9	Total obligations		-22,811	

**Personnel Summary**

ALLOCATION TO BUREAU OF RECLAMATION				
Total number of full-time permanent positions			-10	
Total compensable workyears: Full-time equivalent employment			-10	

**TERRITORIAL AND INTERNATIONAL AFFAIRS**

**ADMINISTRATION OF TERRITORIES**  
(Rescission proposal)

**Program and Financing** (in thousands of dollars)

Identification code	14-0412-5-1-806	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>				
10.0	Technical assistance (total obligations) (object class 41.0)		-2,500	

**ADMINISTRATION OF TERRITORIES—Continued**  
**Program and Financing (in thousands of dollars)—Continued**

Identification code 14-0412-5-1-806	1986 actual	1987 est.	1988 est.
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-61)		-2,500	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		-2,500	
72.40 Obligated balance, start of year			-500
74.40 Obligated balance, end of year		500	
90.00 Outlays		-2,000	-500

This proposal would rescind technical assistance funding added to the Budget request in 1987. Low priority assistance can be postponed without adverse effects on the territories.

**Department of Justice**

**IMMIGRATION AND NATURALIZATION SERVICE**

**SALARIES AND EXPENSES**  
**(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 15-1217-5-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Enforcement		-14,598	
00.03 Immigration support		-10,000	
10.00 Total obligations		-24,598	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-62)		-24,598	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		-24,598	
72.40 Obligated balance, start of year			-1,845
74.40 Obligated balance, end of year		1,845	
90.00 Outlays		-22,753	-1,845

This proposal would rescind those funds equal to the resources for those programs that will now be funded through the Immigration user fee account. The 1987 Continuing Resolution (Public Law 99-500) provided for the establishment of a \$5 per individual user fee for certain passengers traveling into the United States. These fees will be used to fund a variety of activities including immigration inspection and pre-inspection for commercial aircraft and vessels which are currently paid for from the Salaries and Expenses appropriation.

**Object Classification (in thousands of dollars)**

Identification code 15-1217-5-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent		-11,432	
11.5 Other personnel compensation		-208	
11.9 Total personnel compensation		-11,640	

12.1 Personnel benefits: Civilian		-2,958	
25.0 Other services		-10,000	
99.9 Total obligations		-24,598	

**Personnel Summary**

Total number of full-time permanent positions		-557	
Total compensable workyears: Full-time equivalent employment		-437	

**Department of Labor**  
**EMPLOYMENT AND TRAINING**  
**ADMINISTRATION**

**TRAINING AND EMPLOYMENT SERVICES**  
**(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 16-0174-5-1-504	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Block grant		-57,000	
00.02 Summer youth employment and training			-100,000
00.03 Dislocated worker assistance		-134,977	-40,023
10.00 Total obligations (object class 41.0)		-191,977	-140,023
<b>Financing:</b>			
21.40 Unobligated balance available, start of year			140,023
24.40 Unobligated balance available, end of year		-140,023	
40.00 Budget authority (appropriation rescission proposal R87-63)		-332,000	
Relation of obligations to outlays:			
71.00 Obligations incurred, net		-191,977	-140,023
72.40 Obligated balance, start of year			-188,021
74.40 Obligated balance, end of year		188,021	130,594
90.00 Outlays		-3,956	-197,450

This rescission proposal affects the three major grant programs authorized under the Job Training Partnership Act (JTPA): the block grant to States for training, the summer youth employment and training program, and the title III dislocated worker assistance program. This rescission of JTPA grants resources returns the financing levels for the block grant and summer youth employment programs to approximately their 1986 post Gramm-Rudman-Hollings levels, and reduces the dislocated worker assistance program to \$25 million. These reductions are proposed because of large unexpended balances in all three programs and because program changes proposed for the summer youth employment and dislocated worker assistance programs will permit more efficient targeting of resources to those most in need of assistance. The amount remaining for the dislocated worker assistance program, which is sufficient to finance services from July 1, 1987 through September 30, 1987 preparatory to the implementation of a replacement program, will be allocated at the Secretary of Labor's discretion.

**Department of the Treasury  
FEDERAL LAW ENFORCEMENT TRAINING  
CENTER**

**SALARIES AND EXPENSES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 20-0104-5-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Law enforcement training (total obligations)		-8,450	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-64)		-8,450	
<b>Relation of obligation to outlays:</b>			
71.00 Obligations incurred, net		-8,450	
90.00 Outlays		-8,450	

This rescission proposal would reduce funding for the costs of basic training activities at the Center.

**Object Classification (in thousands of dollars)**

Identification code 20-0104-5-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent		-264	
11.3 Other than full-time permanent		-828	
11.5 Other personnel compensation		-11	
11.9 Total personnel compensation		-1,103	
12.1 Personnel benefits: Civilian		-59	
21.0 Travel and transportation of persons		-422	
23.3 Communications, utilities, and miscellaneous charges		-482	
24.0 Printing and reproduction		-60	
25.0 Other services		-2,246	
26.0 Supplies and materials		-1,009	
31.0 Equipment		-1,319	
32.0 Lands and structures		-1,750	
99.9 Total obligations		-8,450	

**BUREAU OF ALCOHOL, TOBACCO, AND  
FIREARMS**

**SALARIES AND EXPENSES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 20-1000-5-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Compliance operations: Alcohol		-4,825	
<b>Law Enforcement:</b>			
01.02 Tobacco		-4,469	
01.03 Firearms		-5,706	
01.91 Total, law enforcement		-10,175	
10.00 Total obligations		-15,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-65)		-15,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-15,000	
90.00 Outlays		-15,000	

This rescission proposal would reduce funding for certain compliance activities, interstate cigarette tax evasion investigations and firearms enforcement activities.

**Object Classification (in thousands of dollars)**

Identification code 20-1000-5-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent		-14,024	
11.3 Other than full-time permanent		-691	
11.5 Other personnel compensation		-1,240	
11.9 Total personnel compensation		-15,955	
12.1 Personnel benefits: Civilian		955	
99.9 Total obligations		-15,000	

**UNITED STATES CUSTOMS SERVICE**

**SALARIES AND EXPENSES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 20-0602-5-1-751	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
00.01 Inspection and control		-44,962	
00.02 Tariff and trade		3,625	
00.03 Tactical interdiction		1,205	
00.04 Investigations		1,187	
10.00 Total obligations		-38,945	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-66)		-38,945	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net		-38,945	
72.40 Obligated balance, start of year			-799
74.40 Obligated balance, end of year		779	
90.00 Outlays		-38,166	-779

This proposal would reduce 1987 budget authority to be used for increasing Customs Service staffing levels. With the acquisition of high-technology equipment and other automated procedures, current Customs personnel can maintain highly selective inspection, examination, and enforcement practices that encourage both efficiency and effectiveness, thereby negating the need for additional staffing increases.

**Object Classification (in thousands of dollars)**

Identification code 20-0602-5-1-751	1986 actual	1987 est.	1988 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent		-11,758	
11.3 Other than full-time permanent		-3,229	
11.5 Other personnel compensation		831	
11.8 Special personal services payments		1,272	
11.9 Total personnel compensation		-12,884	
12.0 Civilian personnel benefits		7,189	
13.0 Benefits to former personnel		-13	
21.0 Travel and transportation of persons		-7,269	
22.0 Transportation of things		-2,543	
23.1 Standard level user charges		-755	
23.3 Communications, utilities, and miscellaneous charges		3,356	
24.0 Printing and reproduction		-338	
25.0 Other services		-17,610	
26.0 Supplies and materials		-4,896	
31.0 Equipment		-3,107	
42.0 Insurance claims		-75	
99.9 Total obligations		-38,945	

**Environmental Protection Agency**

ABATEMENT, CONTROL AND COMPLIANCE  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
68-0108-5-1-304			
<b>Program by activities:</b>			
10.00 Total obligations (object class 41.0)		-47,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-67)		-47,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-47,500		
72.40 Obligated balance, start of year		-32,775	
74.40 Obligated balance, end of year	32,775	9,025	
90.00 Outlays	-14,725	-23,750	
<b>Status of Direct Loans (in thousands of dollars)</b>			
<b>Position with respect to appropriation act limitation on obligations:</b>			
1111 Limitation on direct loans to the public			
1131 Obligations exempt from limitation: Direct loans to the public		-35,851	
1150 Total direct loan obligations		-35,851	
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year			-11,114
1231 Disbursements: Disbursements for direct loans		-11,114	-17,925
1290 Outstanding, end of year		-11,114	-29,039

The rescission is proposed for asbestos-in-schools grants/loans. Funds were not requested because prior year appropriations have already greatly reduced the problem. Further, many States already have their own programs and sufficient means to complete their actions and will act now rather than wait for Federal funding.

**BUILDINGS AND FACILITIES**  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
68-0110-5-1-304			
<b>Program by activities:</b>			
10.00 Total obligations (object class 32.0)		-2,500	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-68)		-2,500	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-2,500		
72.40 Obligated balance, start of year		-2,275	
74.40 Obligated balance, end of year	2,275	1,420	
90.00 Outlays	-225	-855	

This proposal would rescind funds for a new lab at the University of Las Vegas which would have no subsequent purpose relating to the Environmental Protection Agency; and to remodel a low priority facility at Edison, NJ.

**National Aeronautics and Space Administration**

RESEARCH AND DEVELOPMENT  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
80-0108-5-1-999			
<b>Program by activities:</b>			
10.00 Total obligations (object class 25.0)		-25,796	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R86-69)		-25,796	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net	-25,796		
72.40 Obligated balance, start of year		-13,796	
74.40 Obligated balance, end of year	13,796	2,796	
90.00 Outlays	-12,000	-11,000	

This proposal would rescind funds for the Advanced Communications Technology Satellite flight demonstration of advanced communications technology. This is part of the administration's effort to avoid possible competition with the private sector and to minimize Government subsidies for activities more appropriately and effectively undertaken by the private sector.

**Veterans Administration**

MEDICAL CARE  
(Rescission proposal)

Program and Financing (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0160-5-1-703			
<b>Program by activities:</b>			
<b>Operating Expense:</b>			
<b>Maintenance and operation of VA facilities:</b>			
00.01 VA hospital care		-50,932	
00.02 Nursing home care		-4,429	
00.04 Outpatient care		-15,994	
00.11 Contract care: Community nursing home care		-3,645	
10.00 Total obligations		-75,000	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-70)		-75,000	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred net	-75,000		
72.40 Obligated balance, start of year		-945	
74.40 Obligated balance, end of year		945	
90.00 Outlays	-74,055	-945	

This rescission is proposed to eliminate funding that would otherwise be used during the last five months of 1987 for the care of higher income veterans who do not have a service disability and who have sufficient resources to provide for their own health care.

Object Classification (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
36-0160-5-1-703			
11.1 Personnel compensation: Full-time permanent		-37,374	
12.1 Personnel benefits: Civilian		-5,046	
25.0 Other services		-5,000	
25.0 Community nursing homes		-3,645	

26.0	Supplies and materials .....	- 23,935	.....
99.9	Total obligations .....	- 75,000	.....

**Personnel Summary**

Total number of full-time permanent positions .....	- 1,400	.....
Total compensable workyears: Full-time equivalent employment .....	- 1,400	.....

**Other Independent Agencies  
APPALACHIAN REGIONAL COMMISSION**

**APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 46-0200-5-1-452	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
01.01 Appalachian development highway system .....	- 3,475	.....	
01.02 Jobs and private investment program .....	- 21,848	.....	
01.03 Distressed counties program .....	- 4,505	.....	
01.05 Local development district and technical assistance program .....	- 1,231	.....	
10.00 Total obligations .....	- 31,059	.....	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-71) .....	- 31,059	.....	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	- 31,059	.....	
72.40 Obligated balance, start of year .....	- 28,954	.....	
74.40 Obligated balance, end of year .....	28,954	19,810	
90.00 Outlays .....	- 2,105	- 9,144	

This rescission proposal is for an amount of the estimated uncommitted balances available in this account as of March 15, 1987. The proposal is consistent with the administration's policy, for the past several years, of termination of the program.

**Object Classification (in thousands of dollars)**

Identification code 46-0200-5-1-452	1986 actual	1987 est.	1988 est.
<b>APPALACHIAN REGIONAL COMMISSION</b>			
41.0 Grants, subsidies, and contributions .....	- 1,231	.....	
<b>ALLOCATION ACCOUNTS</b>			
41.0 Grants, subsidies and contributions .....	- 29,828	.....	
99.9 Total obligations .....	- 31,059	.....	

**NATIONAL ENDOWMENT FOR THE HUMANITIES**

**NATIONAL ENDOWMENT FOR THE HUMANITIES  
NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 59-0200-5-1-503	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Payments to Washington, DC organizations (total obligations) (object class 41.0) .....	- 4,000	.....	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-72) .....	- 4,000	.....	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	- 4,000	.....	
90.00 Outlays .....	- 4,000	.....	

This proposal would rescind funds for noncompetitive grants to Washington, DC cultural organizations. These organizations are eligible to compete for grants along with other U.S. cultural organizations under a variety of programs operated by the National Endowments for the Arts and the Humanities and the Institute of Museum Services. A separate program for these organizations is not justified.

**SELECTIVE SERVICE SYSTEM**

**SALARIES AND EXPENSES  
(Rescission proposal)**

**Program and Financing (in thousands of dollars)**

Identification code 90-0400-5-1-705	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
10.00 Total obligations (object class 12.2) .....	- 409	.....	
<b>Financing:</b>			
40.00 Budget authority (appropriation rescission proposal R87-73) .....	- 409	.....	
<b>Relation of obligations to outlays:</b>			
71.00 Obligations incurred, net .....	- 409	.....	
90.00 Outlays .....	- 409	.....	

Decreases in the pension accrual rates for Reserve and Active Duty military personnel will result in a significant windfall for the Selective Service System. This rescission reduces Budget authority and outlays by the amount of the windfall minus absorption of the costs of the 3 percent January 1987 pay raise and the Federal Employees Retirement System.



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PART III

**OTHER MATERIALS**

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## EXPLANATION OF OTHER MATERIALS

This section includes the following material:

(a) A list of advance appropriations, as required by the Congressional Budget Act of 1974 (31 U.S.C. 1105(17)), including those resulting from multi-year appropriations requests, a list of appropriations with advance funding provisions, and a list of appropriations with forward funding provisions.

(b) A statement of amendments and revisions to 1987

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budget authority requests that were transmitted to the Congress after the 1987 Budget but prior to the transmittal of the 1988 Budget, as required by section 601 of the Congressional Budget Act of 1974.

(c) A statement of the amounts of appropriations requested for Offices of Inspectors General, as required by section 3 of the Federal Managers' Financial Integrity Act of 1982 (Public Law 97-255).

## ADVANCE APPROPRIATIONS, ADVANCE FUNDING, AND FORWARD FUNDING FOR 1988

*I. Advance appropriations* are provided for use in a fiscal year, or more, beyond the fiscal year for which the appropriation act is passed. Advance appropriations in 1988 appropriations Acts will provide funding for programs beyond 1988. Since these appropriations are not available until after 1988, the amounts will not be included in 1988 budget totals, but will be reflected in the budget totals for the fiscal year requested. In certain cases, these amounts represent the second or a subsequent year request for appropriations on a multi-year basis.

The Congressional Budget Act of 1974 (31 U.S.C. 1105(17)) requires inclusion in the budget of "information on estimates of appropriations for the fiscal year following the fiscal year for which the budget is submitted for grants, contracts, and other payments under each program for which there is an authorization of appropriations for that following fiscal year when the appropriations are authorized to be included in an appropriation law for the fiscal year before the fiscal year in which the appropriation is to be available for obligation." In fulfillment of this requirement, the table below lists those accounts authorized to receive, in 1988, advance appropriations for 1989 and beyond and cites the authorizing statute. Also listed in Part A are accounts presented on a multi-year basis that have no specific legal authority. The listing is in two parts: Part A shows the amounts of advance appropriations included in the 1988 budget. Part B is a listing of accounts for which advance appropriations are authorized but not requested in the 1988 budget.

### A. Accounts for which advance appropriations are included in the 1988 budget:

- Funds Appropriated to the President: Assistance for the Nicaraguan democratic resistance (Public Law 99-145, sec. 1405) \$110,000 thousand for 1989.
- Department of Defense—Military: all accounts (Public Law 99-145, sec. 1405) \$317,224,603 thousand for 1989.
- Department of Defense—Civil: Payment to military retirement program (Public Law 99-145, sec. 1405) \$11,494,000 thousand for 1989.
- Department of Energy:
  - Atomic energy defense activities (Public Law 99-145, sec. 1405) \$8,500,000 thousand for 1989.
  - Clean Coal Technology, \$100,000 thousand for 1989.
- Department of Health and Human Services, except Social Security:
  - Federal subsidy for St. Elizabeths Hospital, \$24,000 thousand for 1989.
  - Retirement pay and medical benefits for Commissioned Officers, \$100,350 thousand for 1989.
  - Grants to States for Medicaid (42 U.S.C., sec. 1396) \$30,870,000 thousand for 1989 and \$8,500,000 thousand for 1990.<sup>1</sup>
  - Payments to Health Care Trust Funds, \$30,306,000 thousand for 1989.
  - Payments to Social Security Trust funds, \$93,291 thousand for 1989.
  - Special benefits for disabled coal miners (30 U.S.C., sec. 921) \$862,590 thousand for 1989 and \$220,050 thousand for 1990.<sup>1</sup>

- Supplemental security income program (42 U.S.C., sec. 1381) \$12,102,224 thousand for 1989 and \$2,684,000 thousand for 1990.<sup>1</sup>
- Family support payments to States (42 U.S.C., secs. 601 and 651) \$10,107,868 thousand for 1989 and \$2,673,942 thousand for 1990.<sup>1</sup>
- Interim assistance to States for Legalization (Public Law 99-603, sec. 204) \$930,000 thousand for 1988, \$655,000 thousand for 1989, \$744,000 thousand for 1990, and \$733,000 thousand for 1991.<sup>2</sup>
- Central Intelligence Agency: Payment to the Central Intelligence Agency retirement and disability fund (Public Law 99-145, sec. 1405) \$144,500 thousand for 1989.
- Corporation for Public Broadcasting: Public broadcasting fund, \$214,000 thousand for 1988 and \$228,000 thousand for 1989.
- Federal Emergency Management Agency:
  - Salaries and expenses; defense-related activities (Public Law 99-145, sec. 1405) \$74,217 thousand for 1989.
  - Emergency management planning and assistance; defense-related activities (Public Law 99-145, sec. 1405) \$193,197 thousand for 1989.
- Intelligence Community Staff (Public Law 99-145, sec. 1405) \$25,123 thousand for 1989.
- Railroad Retirement Board: Federal payments to the railroad retirement accounts, \$3,100 thousand for 1989.
- Selective Service System: Salaries and expenses (Public Law 99-145, sec. 1405) \$26,959 thousand for 1989.

### B. Accounts authorized to receive advance appropriations but for which none are requested in the 1988 budget:

- Department of Agriculture:
  - Food program administration (42 U.S.C., sec. 1752).
  - Food donations program (Public Law 93-29, sec. 209).
  - Child nutrition programs (42 U.S.C., sec. 1752).
- Department of Education. The following activities are authorized to receive advance appropriations (20 U.S.C. 1223 and 29 U.S.C. 703):<sup>3</sup>
  - Compensatory education for the disadvantaged.
  - Impact aid.
  - Special programs.
  - Indian education.
  - Bilingual education.
  - Immigrant education.
  - Education for the handicapped.
  - Special institutions for the handicapped.
  - Rehabilitation services and handicapped research.
  - Vocational and adult education.
  - Student financial assistance.
  - Guaranteed student loans.
  - Higher education.
  - Higher education facilities loans and insurance.
  - College housing loans.
  - Howard University.
  - Education research and statistics.
  - Libraries.
  - Education and research overseas (special foreign currency program).
- Department of Health and Human Services:
  - Family social services (Public Law 96-272).
  - Human development services (Public Law 97-35, sec. 657, Public Law 97-115, sec. 209).

<sup>1</sup> These accounts, for which advance appropriations are requested, are also requesting advance funding (see section II).

<sup>2</sup> Amounts identified for 1989 through 1991 may be adjusted based on reestimating at the time the budget is submitted for each year. However, the annual amount cannot exceed \$1 billion pursuant to Public Law 99-603.

<sup>3</sup> These statutes erroneously refer to "advance funding". Since these statutes describe and clearly intend to provide advance appropriations, the affected accounts are listed here, section I.

*II. Advance funding* is authority provided in appropriations acts to obligate and disburse funds during a fiscal year from a succeeding year's appropriation. The funds so obligated increase the budget authority for the fiscal year in which obligated and reduce the budget authority of the succeeding fiscal year. Essentially, this is a device for avoiding supplemental requests late in the fiscal year for certain entitlement programs, should the appropriations for the current year prove to be too low. The table below lists those accounts for which advance funding authority is requested in the 1988 budget.

Department of Labor:  
 Federal unemployment benefits and allowances.  
 Special benefits.  
 Black lung disability trust fund.

*III. Forward funding* is authority provided in an appropriations act to obligate funds in one fiscal year for the financing of ongoing programs of grantees during the succeeding fiscal year. The budget authority for such programs is included in the budget totals for the year in which it is appropriated. This device is often used for education programs, so that grants can be made prior to the start of the school year. The language providing forward funding for education programs will specify that amounts appropriated will not be available until some time into the year of the appropriation (e.g., July 1, 1988) and in most cases will specify that such

amounts will remain available until the end of the succeeding fiscal year. The table below lists those accounts for which forward funding exists or is requested in whole or in part in the 1988 budget.

Department of Education:  
 Compensatory education for the disadvantaged.<sup>1</sup>  
 Special programs.<sup>1</sup>  
 Education for the handicapped.  
 Vocational and adult education.

<sup>1</sup> No new authority is being requested in the 1988 budget for these accounts, for which forward funding has been enacted previously.

In the training and employment area, forward funding is provided in some accounts by providing appropriations for a program year that starts in the fiscal year of the appropriation and extends into the following fiscal year. Program years running from July 1 to June 30 are authorized for training programs under the Job Training Partnership Act, State Employment Service operations under section 6 of the Wagner-Peyser Act, and senior citizen employment programs under Title V of the Older Americans Act. The table below lists those accounts for which such forward funding is requested in the 1988 budget.

Department of Labor:  
 Training and employment services.  
 Community service employment for older Americans.  
 State Unemployment Insurance and Employment Services Operations.

## STATEMENT OF AMENDMENTS TO AND REVISIONS IN BUDGET AUTHORITY FOR 1987

(Between the Transmittal of the 1987 and 1988 Budgets)

A statement of all amendments to or revisions in budget authority requested between transmittal of the 1987 budget and the 1988 budget is presented below. This statement is being included in the budget in accordance with the Congressional Budget Act of 1974 (31 U.S.C. 1105(d)).

The modifications to requests for 1987 budget authority that were made through the course of the past year took three forms. If the Congress had not yet acted on a pending request, the President sent amendments to the budget requests transmitted in February 1986. If appropriations had been enacted, the President proposed

either supplemental budget authority or rescission of enacted appropriations.

Amendments and requests for supplemental appropriations are printed in the documents of the House of Representatives and the Senate that are identified in part A of the following listing. The President's proposals for rescissions are included in special messages to the Congress under the Impoundment Control Act of 1974 (Public Law 93-344). Both the special messages and monthly cumulative reports on the items they cover are printed in the Federal Register.

### PART A. AMENDED AND SUPPLEMENTAL REQUESTS RELATING TO 1987 BUDGET AUTHORITY

Transmitted to Congress on	Agencies affected	Printed as
Mar. 4, 1986.....	Legislative Branch .....	H. Doc. 99-159
Mar. 4, 1986.....	The Judiciary, Department of Defense—Military .....	H. Doc. 99-172
Mar. 18, 1986.....	Department of Energy, Department of Justice, The District of Columbia .....	H. Doc. 99-184
Apr. 25, 1986.....	International Security Assistance.....	S. Doc. 99-29
May 13, 1986.....	The Judiciary, International Development Assistance, Department of Health and Human Services, Department of State, Department of Transportation, International Trade Commission.	H. Doc. 99-219
May 14, 1986.....	International Development Assistance.....	H. Doc. 99-220
June 6, 1986.....	Veterans Administration.....	H. Doc. 99-232
June 24, 1986.....	Environmental Protection Agency, Federal Communications Commission, National Council on Public Works Improvement.	H. Doc. 99-239
July 28, 1986.....	Department of Labor.....	H. Doc. 99-247
Aug. 14, 1986.....	Legislative Branch, Department of Energy, Department of Housing and Urban Development, Department of Transportation, Department of the Treasury, General Services Administration, Office of Personnel Management.	H. Doc. 99-247
Aug. 15, 1986.....	Department of Health and Human Services .....	H. Doc. 99-259
Sept. 9, 1986.....	National Aeronautics and Space Administration.....	H. Doc. 99-264
Sept. 19, 1986.....	Department of Education, Department of Defense—Military, Department of Health and Human Services, Department of Justice, Department of the Treasury, ACTION.	H. Doc. 99-267
Sept. 30, 1986.....	Department of Defense—Military, Department of Energy, Veterans Administration.....	H. Doc. 99-275

**PART B. REQUESTS FOR RESCISSION OF BUDGET AUTHORITY**

There are no rescissions currently pending before the Congress. Rescission proposals associated with the 1988 budget request are shown in Part II of this appendix.

**APPROPRIATIONS REQUESTED FOR OFFICES OF INSPECTORS GENERAL**

A statement of the amounts of appropriations requested for the Offices of Inspectors General for Federal departments or establishments is provided. This statement is submitted in accordance with section 201 of the Budget and Accounting Act, 1921, as amended by section 3 of the Federal Managers' Financial Integrity Act of 1982, Public Law 97-255. The following table shows the amount of budget authority requested for 1988 for the Offices of Inspectors General.

[In millions of dollars]

Agency	1986 actual	1987 est.	1988 est.
Agriculture .....	46.5	44.5	50.4
Agency for International Development.....	20.1	21.4	22.7

Commerce.....	12.8	13.2	15.3
Defense.....	63.7	80.0	85.9
Education.....	14.6	16.4	18.6
Energy.....	18.2	21.1	20.8
Environmental Protection Agency.....	16.7	20.2	21.8
General Services Administration.....	19.3	21.1	24.6
Health and Human Services.....	70.4	70.5	78.4
Housing and Urban Development <sup>1</sup> .....	23.1	25.1	26.1
Interior.....	15.4	16.3	18.1
Labor.....	40.5	42.0	45.7
National Aeronautics and Space Administration.....	5.3	6.4	8.5
Small Business Administration.....	5.8	6.5	7.3
State.....	6.2	9.7	14.5
Transportation.....	26.4	27.2	30.1
Treasury.....	50.3	51.3	54.4
Veterans Administration.....	18.5	19.0	20.4
<b>Total.....</b>	<b>473.8</b>	<b>511.9</b>	<b>563.6</b>

<sup>1</sup> Obligational level.



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PART IV

**GOVERNMENT-SPONSORED ENTERPRISES**

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## GOVERNMENT-SPONSORED ENTERPRISES

Part IV contains detailed budgets and explanatory statements of certain Government-sponsored enterprises. All of these enterprises were established and chartered by the Federal Government and are sponsored by a Government agency, although they are privately owned and generally privately financed. These budgets are not reviewed by the President; they are presented as submitted by the enterprises. This section includes:

—The Student Loan Marketing Association (SLMA); a corporation to assist in financing college student loans. It is sponsored by the Department of Education.

—The Federal National Mortgage Association; a mortgage finance corporation supervised by the Department of Housing and Urban Development.

—The banks for cooperatives, Federal intermediate credit banks, and Federal land banks, supervised by the Farm Credit Administration.

—The Federal Home Loan Banks and the Federal Home Loan Mortgage Corporation, supervised by the Federal Home Loan Bank Board.

The Board of Governors of the Federal Reserve System provides calendar year data for its administrative budget for inclusion without further review. The Board's budget schedules and statements are provided here for information.

GOVERNMENT-SPONSORED ENTERPRISES

DEPARTMENT OF EDUCATION

STUDENT LOAN MARKETING ASSOCIATION

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
Interest expense.....	1,046,042	1,151,000	1,266,000
Administrative expenses and taxes.....	188,486	207,000	228,000
Total operating expenses.....	1,234,528	1,358,000	1,494,000
Capital investment:			
Loans, etc.....	4,237,914	4,662,000	5,128,000
Investments, dividends, and other assets.....	599,733	653,000	719,000
Total capital investment.....	4,837,647	5,315,000	5,847,000
Total obligations.....	6,072,175	6,673,000	7,341,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-3,014,012	-3,500,000	-3,700,000
<b>Authority to borrow (permanent, indefinite)...</b>	<b>3,058,163</b>	<b>3,173,000</b>	<b>3,641,000</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	3,058,163	3,173,000	3,641,000
Receivables in excess of obligations, start of year.....	-317,171	-243,237	-165,734
Receivables in excess of obligations, end of year.....	243,237	165,734	54,734
Outlays.....	2,984,229	3,095,497	3,530,000

Status of Direct Loans (in thousands of dollars)

Identification code 99-1500-0-3-502	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	4,237,914	4,662,000	5,128,000
1150 Total direct loan obligations.....	4,237,914	4,662,000	5,128,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	11,576,301	14,189,153	17,063,140
1231 Disbursements: Direct loan disbursements.....	4,237,914	4,662,000	5,128,000
1251 Repayments: Repayments and prepayments.....	-1,614,141	-1,776,000	-1,953,111
1264 Adjustments: Other adjustments, net <sup>1</sup> .....	-10,921	-12,013	-13,214
1290 Outstanding, end of year.....	14,189,153	17,063,140	20,224,815

<sup>1</sup> Amortization of discount on purchased loans.

The Student Loan Marketing Association (Sallie Mae), a shareholder-owned corporation, was created by the Education Amendments of 1972 to expand funds available for student loans by providing liquidity to lenders engaged in the guaranteed student loan program (GSLP).

Sallie Mae provides liquidity through direct purchase of insured student loans from eligible lenders and through warehousing advances, which are loans to lenders secured by insured student loans or by Government or agency securities. In capital shortage areas, Sallie Mae is authorized, at the request of appropriate State and Federal officials, to make insured loans directly to students and to advance funds to States that will provide loans to students. Sallie Mae is also authorized to provide a secondary market for noninsured loans; to serve as a guarantee agency in support of loan availability at the request of the Secretary of Education; to purchase and underwrite student loan revenue bonds; and to provide certain additional services as determined

by its board of directors to be supportive of the credit needs of students generally.

Sallie Mae is authorized by the Health Professions Educational Assistance Act of 1976 to provide a secondary market for federally insured loans to graduate health professions students.

*Operations.*—The forecast data with respect to operations are based on certain general economic and specific GSLP loan volume assumptions and should not be relied upon as an official forecast of the corporation's future business.

ANNUAL LOAN ACTIVITY

[In thousands of dollars]

	1986 actual	1987 est.	1988 est.
<b>Guaranteed student loans:</b>			
Regular:			
Purchased.....	1,922,011	2,114,000	2,325,000
Warehoused.....	2,008,347	2,210,000	2,431,000
PLUS/SL: Purchased.....	123,732	136,000	150,000
Subtotal, guaranteed student loans.....	4,054,090	4,460,000	4,906,000
Health professions loans: Purchased.....	167,100	184,000	202,000
Other.....	16,724	18,000	20,000
Total.....	4,237,914	4,662,000	5,128,000

*Financing.*—Between 1974 and early 1982, Sallie Mae borrowed through the Federal Financing Bank. The Secretary of Education was authorized by the Education Amendments of 1980 to guarantee principal and interest on such obligations issued prior to October 1, 1985. Under an agreement with the Department of the Treasury reached in early 1981, Sallie Mae began borrowing directly in the private capital markets. Its last borrowing through the FFB and its last issuance of federally guaranteed obligations occurred in January 1982. Its obligations today have certain characteristics, provided by charter, which give them "agency" status, but they are not federally insured or guaranteed.

*Management.*—At its annual meeting in May 1986, the shareholders of Sallie Mae elected a board of directors to serve until May 1987. The shareholders of Sallie Mae are entitled to elect 14 members to the board. Pursuant to the Education Amendments of 1972, seven public directors are appointed by the President, who also names the chairman from among the 21 members.

Revenue and Expense (in thousands of dollars) <sup>1</sup>

	1985 actual	1986 actual	1987 est.	1988 est.
Revenue.....	1,233,179	1,374,598		
Expense less taxes.....	-1,040,543	-1,145,440		
Gross income before taxes.....	192,636	229,158		
Federal income taxes.....	-74,914	-89,088		
Net income.....	117,722	140,070		

<sup>1</sup> The Sallie Mae Board of Directors does not consider it appropriate to forecast corporate revenue in a public document since such forecasts could be used for speculative purposes.

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Cash.....		16,630	14,966	16,000
Short-term investments.....	1,603,489	2,007,492	2,200,000	2,420,000

STUDENT LOAN MARKETING ASSOCIATION—Continued

Financial Condition (in thousands of dollars)—Continued

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Loans receivable (net):</b>				
Loans to eligible borrowers:				
Secured by insured student loans.....	5,099,884	6,343,802	7,719,728	9,045,275
Insured student loans.....	6,476,417	7,845,351	9,343,412	11,179,540
Other assets (net).....	418,854	387,892	415,860	562,185
<b>Total assets.....</b>	<b>13,615,274</b>	<b>16,599,503</b>	<b>19,695,000</b>	<b>23,225,000</b>
<b>Liabilities:</b>				
Selected liabilities: Accounts payable, accrued expenses, and Federal income taxes payable..				
	296,187	441,256	485,000	535,000
Debt issued under borrowing authority: Sallie Mae notes payable to Federal Financing Bank				
	5,000,000	4,970,000	4,940,000	4,910,000
Nonguaranteed debt obligations.....				
	7,669,799	10,556,123	13,575,000	17,015,000
<b>Total liabilities.....</b>	<b>12,965,986</b>	<b>15,967,379</b>	<b>19,000,000</b>	<b>22,460,000</b>
<b>Equity:</b>				
Stockholders' equity.....	649,288	632,124	695,000	765,000
<b>Total liabilities and stockholders' equity.....</b>	<b>13,615,274</b>	<b>16,599,503</b>	<b>19,695,000</b>	<b>23,225,000</b>

Object Classification (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Personnel compensation: Full-time permanent.....	20,949	23,044	25,348
Personnel benefits: Civilian.....	3,838	4,222	4,644
Travel and transportation of persons.....	1,477	1,625	1,787
Communications, utilities, and miscellaneous charges.....	4,315	4,747	5,221
Other services.....	67,789	74,568	82,025
Equipment.....	1,030	1,133	1,246
Loans.....	4,237,914	4,662,000	5,128,000
Interest, dividends, and taxes.....	1,734,863	1,901,661	2,092,729
<b>Total obligations.....</b>	<b>6,072,175</b>	<b>6,673,000</b>	<b>7,341,000</b>

Personnel Summary

NON-FEDERAL EMPLOYEES

Total number of full-time permanent positions.....	911	1,000	1,100
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STUDENT LOAN MARKETING ASSOCIATION

(Proposed legislation)

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Total obligations (object class, other services).....			5,713
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....			-5,713
<b>Authority to borrow (permanent, indefinite).....</b>			
Relation of obligations to outlays:			
Obligations incurred, net.....			
Outlays.....			

The 1988 Budget proposes legislation that would impose a fee on new securities issued after September 30, 1987. The purpose of this fee is to reimburse the Federal Government for the borrowing advantage this enterprise enjoys as a result of its special relationship with the Government. Sallie Mae would be charged a fee on net new securities issuances, defined as:

- any increase above the level of Sallie Mae securities outstanding on September 30, 1987, plus
- the lesser of:
  - Sallie Mae debt issued prior to 1988 rolling over in 1988 and beyond, or

—repayments and prepayments of direct loans made prior to 1988.

This fee will begin at .10 percent (10 basis points) in 1988, rising to .125 percent (12.5 basis points) in 1989, and .15 percent (15 basis points) in 1990 and beyond.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FEDERAL NATIONAL MORTGAGE ASSOCIATION

PORTFOLIO PROGRAMS

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
Mortgage servicing fees.....	186,000	173,000	189,000
Interest on borrowings from the public.....	9,881,000	9,341,000	9,345,000
Other costs.....	708,000	751,000	743,000
<b>Total operating expenses.....</b>	<b>10,775,000</b>	<b>10,265,000</b>	<b>10,277,000</b>
Capital investment:			
Mortgage purchases and loans.....	27,211,000	28,904,000	25,605,000
Less purchase discounts.....	-128,000	-76,000	-73,000
<b>Total capital investment.....</b>	<b>27,083,000</b>	<b>28,828,000</b>	<b>25,532,000</b>
Changes in selected resources (undelivered orders).....	13,954,000	-4,167,000	203,000
<b>Total obligations.....</b>	<b>51,812,000</b>	<b>34,926,000</b>	<b>36,012,000</b>
<b>Financing:</b>			
Offsetting collections from:			
Federal funds.....	35,000	34,000	33,000
Non-Federal sources.....	36,638,000	34,554,000	33,133,000
Unobligated balance available, start of year: Corporate borrowing authority.....	-23,441,000	-27,827,000	-44,779,000
Unobligated balance available, end of year: Corporate borrowing authority.....	27,827,000	44,779,000	67,494,000
<b>Net increase in limited borrowing authorities.....</b>	<b>19,622,000</b>	<b>17,433,000</b>	<b>25,591,000</b>
<b>Net increase or decrease in unlimited borrowing authorities.....</b>	<b>-97,000</b>	<b>-143,000</b>	<b>-30,000</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	15,139,000	338,000	2,846,000
Obligated balance, start of year:			
Corporate borrowing authority.....	4,806,000	19,910,000	15,812,000
Fund balance.....	1,264,000	748,000	550,000
Obligated balance, end of year:			
Corporate borrowing authority.....	-19,910,000	-15,812,000	-16,169,000
Fund balance.....	-748,000	-550,000	-550,000
<b>Outlays.....</b>	<b>551,000</b>	<b>4,634,000</b>	<b>2,489,000</b>

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
99-2500-0-3-371			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitations: Direct loans to the public.....	32,102,000	27,386,000	28,575,000
1150 Total direct loan obligations.....	32,102,000	27,386,000	28,575,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	96,769,000	97,717,000	102,036,000
Disbursements:			
1231 Direct loan disbursements.....	26,806,000	28,804,000	25,505,000
1233 Purchases of loan assets from the public.....	405,000	100,000	100,000
1251 Repayments: Repayments and prepayments.....	-26,071,000	-24,435,000	-22,901,000
1264 Adjustments: Other liquidations.....	-192,000	-150,000	-100,000
1290 Outstanding, end of year.....	97,717,000	102,036,000	104,640,000

The Federal National Mortgage Association (Fannie Mae) is a Government-sponsored private corporation. Its purpose is to provide supplementary assistance to the secondary market for home mortgages by supplying a degree of liquidity for mortgage investments, thereby improving the distribution of investment capital available for home mortgage financing.

Fannie Mae purchases mortgages at market prices pursuant to commitments issued to sellers through a variety of programs. It finances these purchases through the issuance of debt securities. Fannie Mae's debt instruments are characterized as "Agency Issues" in the securities market, but not in the Federal Government's budget.

The common stock of the Corporation is owned by the public, is fully transferable and is listed on major stock exchanges.

The forecast data contained in this material has been developed based on certain general economic assumptions prevalent in November 1986 and should not be construed as an official forecast of the Corporation's position.

The Corporation has three separate authorities to borrow money from private sources. It may issue subordinated obligations. It may, in addition, borrow amounts not in excess of the sum of net equity and subordinated obligations outstanding multiplied by a factor established by the Secretary of Housing and Urban Development. This factor is currently set at 30. These borrowings usually take the form of debentures and short-term discount notes. Finally, Fannie Mae may issue securities guaranteed by the Government National Mortgage Association which are fully backed by pools of mortgages. There is no statutory limitation on the amount of those obligations that may be outstanding.

Income and retained earnings for the years ended September 30, 1985 and 1986 follow (in thousands of dollars):

	1985 actual	1986 actual
Gross revenue	10,026,000	10,634,000
Gross expenses	10,055,000	10,354,000
Income before Federal income tax	-29,000	280,000
Federal income tax	-14,000	127,000
Net income	-15,000	153,000
Retained earnings, beginning of year	520,000	494,000
Dividends on common stock	-11,000	-12,000
Retained earnings, end of year	494,000	635,000

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Cash	9,000	16,000	5,000	5,000
U.S. securities (par)	1,256,000	732,000	545,000	545,000
Accounts receivable (net)	2,221,000	2,177,000	2,158,000	2,195,000
Deferred charges	94,000	119,000	116,000	116,000
Loans receivable (net)	93,311,000	94,677,000	99,309,000	102,198,000
Fixed assets (net)	53,000	64,000	70,000	77,000
Total assets	96,944,000	97,785,000	102,203,000	105,136,000
<b>Liabilities:</b>				
Selected liabilities: Current liabilities	3,926,000	4,614,000	4,609,000	4,830,000

Marketable securities issued	91,693,000	91,629,000	95,859,000	98,287,000
Total liabilities	95,619,000	96,243,000	100,468,000	103,117,000
<b>Equity:</b>				
Selected equities:				
Unexpended authority:				
Undelivered orders	3,974,000	17,928,000	13,761,000	13,964,000
Unobligated balance	23,441,000	27,827,000	44,779,000	67,494,000
Total unexpended balance	27,415,000	45,755,000	58,540,000	81,458,000
Unfinanced authority: Borrowing authority	-27,856,000	-47,444,000	-60,441,000	-83,543,000
Invested capital and earnings	1,765,000	3,231,000	3,636,000	4,104,000
Total equity	1,324,000	1,542,000	1,735,000	2,019,000

**Object Classification (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Personnel compensation	77,000	89,000	91,000
Personnel benefits	24,000	28,000	28,000
Travel and transportation of persons	5,000	6,000	6,000
Communications, utilities, and miscellaneous charges	7,000	8,000	8,000
Printing and reproduction	2,000	2,000	2,000
Supplies and materials	6,000	7,000	7,000
Building and equipment costs	25,000	29,000	29,000
Other services	20,000	23,000	24,000
Interest on borrowing from the public	9,881,000	9,341,000	9,345,000
Investments and loans	27,083,000	28,828,000	25,532,000
Mortgage servicing fees	186,000	173,000	189,000
Other costs	542,000	559,000	548,000
Change in resources (undelivered orders)	13,954,000	-4,167,000	203,000
Total obligations	51,812,000	34,926,000	36,012,000

**Personnel Summary**

Total number of full-time permanent positions	2,317	2,450	2,590
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**MORTGAGE-BACKED SECURITIES**

**Program and Financing (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Capital investment: Commitments to issue MBS	61,824,000	55,600,000	58,600,000
Expired commitments	3,819,000	5,560,000	5,860,000
Total obligations	58,005,000	50,040,000	52,740,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources	14,373,000	14,854,000	13,400,000
Corporate borrowing authority	43,632,000	35,186,000	39,340,000
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net	43,632,000	35,186,000	39,340,000
Obligated balance, start of year: Corporate borrowing authority	8,168,000	14,210,000	17,518,000
Obligated balance, end of year: Corporate borrowing authority	-14,210,000	-17,518,000	-21,002,000
Outlays	37,590,000	31,878,000	35,856,000

**Status of Direct Loans (in thousands of dollars)**

Identification code	1986 actual	1987 est.	1988 est.
99-2501-0-3-371			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitations on direct loans to the public			
1131 Obligations exempt from limitations: Direct loans to the public	61,824,000	55,600,000	58,600,000
1150 Total direct loan obligations	61,824,000	55,600,000	58,600,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	48,769,000	86,359,000	118,237,000
1231 Disbursements: Direct loan disbursements	51,963,000	46,732,000	49,256,000

FEDERAL NATIONAL MORTGAGE ASSOCIATION—Continued  
MORTGAGE-BACKED SECURITIES—Continued

Status of Direct Loans (in thousands of dollars)—Continued

Identification code	99-2501-0-3-371	1986 actual	1987 est.	1988 est.
1251	Repayments: Repayments and prepayments.....	-14,373,000	-14,854,000	-13,400,000
1290	Outstanding, end of year.....	86,359,000	118,237,000	154,093,000

According to accounting practices for private corporations, the mortgages in the pools of loans supporting the mortgage-backed securities are considered to be owned by the holders of these securities. Consequently, on the books of the Federal National Mortgage Association (Fannie Mae), these mortgages are not considered assets and the securities outstanding are not considered liabilities. However, the concepts of the budget of the U.S. Government consider these mortgages and mortgage-backed securities to be assets and liabilities, respectively, of Fannie Mae. For the purposes of this document, therefore, they are presented as assets and liabilities in the accompanying schedules. On the schedule of Status of direct loans for mortgage-backed securities, the items labeled "New loans" and "Recoveries: Repayments and prepayments" are budgetary terms. However, from the Corporation's perspective, these items are "Amounts issued" and "Amounts passed through to the holders of securities", respectively.

The forecast data contained in this material has been developed based on certain general economic assumptions prevalent in November 1986 and should not be construed as an official forecast of the Corporation's position.

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Underlying mortgages.....	48,769,000	86,359,000	118,237,000	154,093,000
<b>Liabilities:</b>				
MBS outstanding.....	48,769,000	86,359,000	118,237,000	154,093,000

*Administration-proposed legislation.*—The Administration believes that because of Fannie Mae's government-sponsored status, its securities enjoy an interest rate advantage in the credit markets. This gives Fannie Mae a significant competitive advantage relative to private mortgage conduits. In 1982, the President's Housing Commission concluded that Fannie Mae and other Federal and government-sponsored housing agencies impeded the growth of private mortgage conduits and recommended that the Administration seek to privatize them. In 1983, the President's Private Sector Survey on Cost Control (Grace Commission) reached the same conclusion and made a similar recommendation. The Administration supports the privatization of the Fannie Mae and is studying ways of transitioning Fannie Mae to completely private status. Privatization of Fannie Mae (and Freddie Mac) would eliminate the major hurdle private mortgage conduits face in playing a significant role in the nation's housing credit markets.

While Fannie Mae continues to enjoy its Federal agency status, private mortgage conduits will continue to have difficulty competing with it. In order to mitigate the effects of this unfair competition, the Adminis-

tration is proposing legislation to prohibit Fannie Mae and Freddie Mac from purchasing mortgages in the top quartile of the home price distribution in any housing market (but not to exceed \$153,100—an amount that would not be indexed). This will limit Fannie Mae's continued encroachment on the market served by private mortgage conduits for as long as Fannie Mae maintains its association with the Federal government. As long as Fannie Mae maintains its ties to the Federal government, the Administration will continue to evaluate the competitive effects of Fannie Mae's high leveraging ratio on private mortgage conduits.

FARM CREDIT ADMINISTRATION

BANKS FOR COOPERATIVES

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
1. Operating costs.....	60,877	54,810	56,639
2. Interest on borrowings.....	758,331	570,563	585,804
Total operating expenses.....	819,208	625,373	642,443
<b>Capital investment:</b>			
1. Loans made.....	28,987,894	39,564,803	39,276,997
2. Purchase of fixed assets.....	264,488		
Total capital investment.....	29,252,382	39,564,803	39,276,997
<b>Other expenses:</b>			
1. Federal and other income taxes.....	-784	1,875	2,489
2. Borrowers' equities retired.....	386,739	369,406	377,984
3. Patronage refunds paid in cash.....	29,516	26,320	28,799
Total other expenses.....	415,471	397,601	409,272
Total obligations.....	30,487,061	40,587,777	40,328,712
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-29,582,167	-40,260,675	-37,889,579
Unobligated balance available, start of year: Fund balance.....	-1,207,497	-1,102,561	-1,166,997
Unobligated balance available, end of year: Fund balance.....	1,102,561	1,166,997	1,146,745
<b>Authority to borrow (permanent).....</b>	<b>799,958</b>	<b>391,538</b>	<b>2,418,881</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	904,894	327,102	2,439,133
Receivables in excess of obligations, start of year.....	-1,207,497	-1,102,561	-1,166,997
Receivables in excess of obligations, end of year.....	1,102,561	1,166,997	1,146,745
Outlays.....	799,958	391,538	2,418,881

Note.—Estimated years exclude St. Paul District data.

Status of Direct Loans (in thousands of dollars)

Identification code	99-4120-0-3-351	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriation act limitation on obligations:</b>				
1111 Limitation on direct loans to the public.....				
1131 Obligations exempt from limitation: Direct loans to the public.....		28,987,894	39,564,803	39,276,997
1150 Total direct loan obligations.....		28,987,894	39,564,803	39,276,997
<b>Cumulative balance of direct loans outstanding:</b>				
1210 Outstanding, start of year.....		7,533,166	7,176,857	7,162,869
1231 Disbursements: Direct loan disbursements.....		28,987,894	39,561,404	39,276,997

1251	Repayments: Repayments and prepayments.....	-28,814,430	-39,575,392	-37,399,086
1264	Adjustments: Other adjustments, net <sup>1</sup> .....	-529,773		
1290	Outstanding, end of year.....	7,176,857	7,162,869	9,040,780

Note.—Direct loan balances exclude nonaccrual loans and sales contracts.

<sup>1</sup> Estimated years exclude St. Paul District data. An adjustment is made in 1986 to account for the lack of data in other years.

The 13 banks for cooperatives are under the general supervision of the Farm Credit Administration. They finance the operations of farmers' cooperatives. The funds to finance these loans are obtained primarily from sales of bonds to the public and from their own capital funds. The bonds issued by the banks are not guaranteed by the U.S. Government either as to principal or interest. All of their expenses are paid from their own income and are not included in the budget of the United States. Included in these expenses is the banks' share of the costs of the Farm Credit Administration.

The Farm Credit Act of 1955 provided for eventual ownership of the banks by farmers' cooperatives and the retirement of the U.S. Government's investment. This was accomplished on December 31, 1968, when the remainder of the U.S. Government capital was retired.

The banks for cooperatives presently operate under authorities contained in title III of the Farm Credit Act of 1971, Public Law 92-180, as amended.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	909,991	719,255	743,879
Expense.....	819,208	625,373	642,443
Net operating income, total.....	90,783	93,882	101,436
Nonoperating loss:			
Other gains or losses.....	-98,511	-14,172	-9,406
Federal and other income taxes.....	784	-1,875	-2,489
Net nonoperating loss.....	-97,727	-16,047	-11,895
Net income for the year.....	-6,944	77,835	89,541

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Cash.....	19,904	7,395	10,814	11,011
U.S. securities (par).....	48,754	118,350	81,192	86,250
Other securities.....	1,451,212	2,057,489	1,824,872	1,608,859
Accounts and notes receivable (net).....	208,125	271,110	191,448	194,468
Selected assets:				
Deferred charges.....	6,551	5,507	2,273	2,420
Other assets.....	22,084	22,340	251,627	256,665
Loans to cooperatives.....	7,758,006	7,417,972	6,696,963	6,518,611
Assets acquired (net).....	6,328	17,495	13,661	11,009
Fixed assets (net).....	43,699	40,568	45,025	43,332
Total assets.....	9,564,663	9,958,226	9,117,875	8,732,625
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	168,034	227,831	204,435	205,908
Provision for losses.....	122,383	138,601	115,380	121,786
Bonds and notes payable (net).....	8,066,749	8,489,234	7,631,063	7,258,186
Total liabilities.....	8,357,166	8,855,666	7,950,878	7,585,880
<b>Net equity</b> .....	<b>1,207,497</b>	<b>1,102,560</b>	<b>1,166,997</b>	<b>1,146,745</b>
Total liabilities and net equity.....	9,564,663	9,958,226	9,117,875	8,732,625

Analysis of changes in net equity:

Paid-in capital:			
Opening balance.....	832,378	788,635	864,956

Transactions: Acquisitions, net.....	-43,744	76,321	-30,676
Closing balance.....	788,635	864,956	834,280
Retained income:			
Opening balance.....	375,119	313,926	302,041
Net operating income.....	-6,944	77,835	89,541
Patronage refunds.....	-27,925	11,620	13,869
Surplus other.....	-24,413	7,936	13,773
Allocated surplus revolved into capital stock and paid in cash.....	-1,911	-109,276	-106,759
Closing balance.....	313,926	302,041	312,465
Total net equity (end of year).....	1,102,560	1,166,997	1,146,745

NOTES

Estimated years exclude St. Paul District data.

Loans to cooperatives include nonaccrual loans and sales contracts.

Object Classification (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Personnel compensation: Full-time permanent.....	26,614	23,939	24,475
Personnel benefits: Civilian.....	6,483	5,339	5,501
Travel and transportation of persons.....	2,657	2,530	2,629
Communications, utilities, and miscellaneous charges.....	5,617	5,065	5,221
Printing and reproduction.....	918	922	946
Other services.....	15,512	-54,974	-56,639
Equipment.....	3,078	3,493	3,511
Lands and structures.....	203,609	13,604	14,356
Investments and loans.....	28,987,894	39,564,803	39,276,997
Interest and dividends.....	758,331	570,563	585,804
Undistributed:			
Operating expenses.....	60,877	54,892	56,639
Federal and other income taxes.....	-784	1,875	2,489
Borrowers' equities retired.....	386,739	369,406	377,984
Patronage refunds paid in cash.....	29,516	26,320	28,799
Total obligations.....	30,487,061	40,587,777	40,328,712

Note.—Estimated years excluded St. Paul District data.

FEDERAL INTERMEDIATE CREDIT BANKS

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
1. Operating costs.....	106,297	89,388	87,508
2. Interest on borrowings.....	1,150,258	730,826	684,710
Total operating expenses.....	1,256,555	820,214	772,218
Capital investment:			
1. Loans made.....	12,716,416	6,563,207	7,399,648
2. Purchase of fixed and other assets.....	929,529		371,222
Total capital investment.....	13,645,945	6,563,207	7,770,870
Other expenses: Patronage refunds.....	-26,325	-57,054	-37,521
Total obligations.....	14,876,175	7,326,367	8,505,567
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-16,277,496	-6,946,533	-8,367,403
Unobligated balance available, start of year: Fund balance.....	-1,975,690	-1,837,725	-1,603,587
Unobligated balance available, end of year: Fund balance.....	1,837,725	1,603,587	1,645,570
Redemption of debt.....	1,539,286		
<b>Authority to borrow (permanent)</b> .....		<b>145,696</b>	<b>180,147</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	-1,401,321	379,834	138,164
Receivables in excess of obligations, start of year.....	-1,975,690	-1,837,725	-1,603,587
Receivables in excess of obligations, end of year.....	1,837,725	1,603,587	1,645,570
Outlays.....	-1,539,286	145,696	180,147

Note.—Estimated years exclude St. Paul District data.

FEDERAL INTERMEDIATE CREDIT BANKS—Continued

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
99-4140-0-3-351			
<b>Positions with respect to appropriation act limitations on obligations:</b>			
1111			
1131			
1150			
<b>Cumulative balance of direct loans outstanding:</b>			
1210			
1231			
1251			
1264			
1290			

<sup>1</sup> Estimated years exclude St. Paul District data. An adjustment is made in 1986 to account for the lack of data in other years.

The 12 Federal intermediate credit banks are under the general supervision of the Farm Credit Administration. They serve as banks of discount for agriculture, discounting agricultural and livestock paper for, and making loans to local financing institutions such as production credit associations, agricultural credit corporations, livestock loan companies, and commercial banks. They also provide the production credit associations with necessary supervision and services.

The banks' lending funds are obtained primarily from the sale of bonds to the public and from their own capital funds. The bonds are not guaranteed by the U.S. Government either as to principal or interest. All of their expenses are paid from their own income and are not included in the budget of the United States. Included in these expenses is the credit banks' share of the costs of the Farm Credit Administration.

The banks were originally wholly owned Government corporations set up exclusively as banks of discount; however, pursuant to the Farm Credit Act of 1956, the banks become mixed-ownership corporations and were made responsible for supervising the production credit associations and assisting them to make sound credit available to farmers.

All of the capital stock of the Federal intermediate credit banks, from organization in 1923 to December 31, 1956, was held by the U.S. Government. The 1956 act provided a long-range plan for the eventual ownership of the credit banks by the production credit associations and the gradual retirement of the Government's investment in the banks. This retirement was accomplished in full on December 31, 1968.

The Federal intermediate credit banks presently operate under authorities contained in title II of the Farm Credit Act of 1971, Public Law 92-181, as amended.

Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Operating income or loss:			
Revenue	1,365,352	933,922	882,148
Expense	1,256,555	820,214	772,218
Net operating income, total	108,797	113,708	109,930
Nonoperating income or loss: Other gains or losses (-)	-218,575	-42,509	-35,769
Net income for the year	-109,778	71,199	74,161

Note.—Estimated years exclude St. Paul District data.

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Cash	58,468	42,584	31,577	31,800
U.S. securities (par)	225,290	182,196	51,921	70,028
Other securities	1,449,274	2,625,143	1,976,033	1,916,189
Accounts and notes receivable (net)	486,979	341,758	223,261	212,485
<b>Selected assets:</b>				
Deferred charges	26,848	24,817	7,263	6,652
Other assets	46,808	32,048	99,545	102,874
Loans and discounts	15,711,997	12,056,773	9,112,746	8,941,250
Fixed assets (net)	77,671	85,899	63,637	57,950
Total assets	18,083,335	15,391,218	11,565,983	11,339,228
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	534,257	507,732	222,797	208,761
Provision for losses	51,007	84,585	93,596	95,701
Bonds and notes payable (net)	15,522,381	12,961,176	9,646,003	9,389,196
Total liabilities	16,107,645	13,553,493	9,962,396	9,693,658
Net equity	1,975,690	1,837,725	1,603,587	1,645,570
Total liabilities and net equity	18,083,335	15,391,218	11,565,983	11,339,228
<b>Analysis of changes in net equity:</b>				
<b>Paid-in capital:</b>				
Opening balance		1,412,649	1,410,787	1,162,504
Transactions: Acquisitions, net		-1,862	-248,283	5,343
Closing balance		1,410,787	1,162,504	1,167,847
<b>Retained income:</b>				
Opening balance		563,041	426,938	441,083
<b>Transactions:</b>				
Net operating income		-109,778	71,199	74,161
Patronage refunds		-26,325	-57,054	-37,521
Closing balance		426,938	441,083	477,723
Total net equity (end of year)		1,837,725	1,603,587	1,645,570

Note.—Loans and discounts include nonaccrual loans and sales contracts.

Object Classification (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Personnel compensation: Full-time permanent	51,538	47,726	41,650
Personnel benefits: Civilian	13,518	8,504	8,254
Travel and transportation of persons	3,811	3,282	3,256
Communications, utilities, and other rent	9,711	6,280	6,252
Printing and reproduction	2,377	2,084	1,997
Other services	16,102	8,816	18,479
Equipment	8,988	7,696	7,620
Land and structures	929,781	5,000	281,568
Investments and loans	12,716,416	6,563,207	7,399,648
Interest and dividends	1,150,258	730,826	684,710
Undistributed: Operating expenses; patronage refunds	-26,325	-57,054	52,133
Total obligations	14,876,175	7,326,367	8,505,567

Note.—Estimated years exclude St. Paul District data.

FEDERAL LAND BANKS

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
1. Operating cost	512,593	293,804	267,128
2. Interest on borrowings	4,986,067	3,592,516	5,390,028
Total operating expenses	5,498,660	3,886,320	5,657,156
<b>Capital investment:</b>			
1. Loans made	1,660,374	1,238,991	1,453,587
2. Purchase of fixed and other assets	225,414	72,770	158,834
Total capital investment	1,885,788	1,311,761	1,612,421

Other expenses: Provision for losses.....	2,590,629	2,058,720	1,730,886
Total obligations .....	9,975,077	7,256,801	9,000,463
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-6,534,421	-7,628,420	-9,107,219
Unobligated balance available, start of year: Fund balance.....	-5,359,648	-2,478,127	-1,687,029
Unobligated balance available, end of year: Fund balance.....	2,478,127	1,687,029	1,352,041
<b>Authority to borrow (permanent) .....</b>	<b>559,135</b>	<b>-1,162,717</b>	<b>-441,744</b>
Relation of obligations to outlays:			
Obligations incurred, net.....	3,440,656	-371,619	-106,756
Receivables in excess of obligations, start of year.....	-5,359,648	-2,478,127	-1,687,029
Receivables in excess of obligations, end of year.....	2,478,127	1,687,029	1,352,041
Outlays.....	559,135	-1,162,717	-441,744

**Status of Direct Loans (in thousands of dollars)**

Identification code 99-4160-0-3-371	1986 actual	1987 est.	1988 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitations on direct loans to the public .....			
1131 Obligations exempt from limitation: Direct loans to the public .....	1,660,374	1,238,991	1,453,587
1150 Total direct loan obligations.....	1,660,374	1,238,991	1,453,587
<b>Cumulative balance of direct loans outstanding:<sup>1</sup></b>			
1210 Outstanding, start of year .....	45,935,469	27,357,945	24,117,125
1231 Disbursements: Direct loan disbursements.....	1,660,374	1,876,156	1,876,156
1251 Repayments: Repayments and prepayments.....	4,126,304	-5,116,976	-5,116,976
1264 Adjustments: Other adjustments net.....	-16,111,594		
1290 Outstanding, end of year.....	27,357,945	24,117,125	20,876,305

Note.—Loans outstanding at end of year do not include nonaccrual loans and sales contracts.  
<sup>1</sup> Estimated years exclude St. Paul District data. An adjustment is made in 1986 to account for the lack of data in other years.

The Federal land banks, through the 438 Federal land bank associations, which are located at the local level, make long-term real estate loans to farmers and ranchers. These banks and associations are under the general supervision of the Farm Credit Administration. The funds to finance these loans are obtained primarily from the sale of the banks' bonds to the public and from their own capital funds. These bonds are not guaranteed by the U.S. Government either as to principal or interest. All of their expenses are paid from their income and are not included in the budget of the United States. Included in these expenses is the land banks' share of the costs of the Farm Credit Administration.

The last of the Government capital that had been invested in the banks was repaid in 1947.

The Federal land banks presently operate under authorities contained in title I of the Farm Credit Act of 1971, Public Law 92-181, as amended.

**Revenue and Expense (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Operating income or loss (-):			
Revenue.....	5,128,672	4,082,052	5,939,639
Expense.....	5,498,660	3,886,320	5,657,156
Net operating income, total.....	-369,988	195,732	282,483
Nonoperating income: Other gains.....	-2,384,198	-640,355	-774,373
Net income for the year.....	-2,754,186	-444,623	491,890

**Financial Condition (in thousands of dollars)**

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Cash.....	54,345	49,737	84,892	76,610
U.S. securities (par).....	310,475	194,566	83,928	111,736
Other securities.....	1,676,608	3,813,701	2,890,070	2,847,839
Accounts and notes receivable (net).....	2,882,805	2,476,671	2,208,024	2,095,765
Selected assets:				
Deferred charges.....	76,517	5,236	21,957	31,750
Other assets.....	23,860	43,310	933,729	1,279,556
Mortgage loans.....	48,679,562	41,936,617	31,442,447	29,231,984
Delinquent installments, etc.....	575,306	181,060	254,034	225,018
Fixed assets (net).....	803,383	1,028,797	956,027	1,010,691
Total assets.....	55,082,861	49,729,515	38,875,108	36,910,949
<b>Liabilities:</b>				
Accounts payable and accrued liabilities.....	2,558,238	2,006,853	1,697,366	1,600,256
Provision for losses.....	915,640	2,590,629	2,058,720	1,730,886
Bonds and notes payable.....	46,249,343	42,653,906	33,431,993	32,227,766
Total liabilities.....	49,723,221	47,251,388	37,188,079	35,558,908
<b>Net equity.....</b>	<b>5,359,648</b>	<b>2,478,127</b>	<b>1,687,029</b>	<b>1,352,041</b>
Total liabilities and net equity.....	55,082,869	49,729,515	38,875,108	36,910,949
<b>Analysis of changes in net equity:</b>				
Paid-in capital and participation certificates:				
Opening balance.....	2,671,140	2,334,783	1,756,678	
Transactions: Acquisitions, net.....	-336,357	-578,105	-73,885	
Closing balance.....	2,334,783	1,756,678	1,682,793	
Retained income:				
Opening balance.....	2,688,508	143,344	-69,649	
Transactions: Transfer from provision for losses.....	209,022	231,630	230,787	
Net operating income.....	-2,754,186	-444,623	-491,890	
Dividends.....				
Closing balance.....	143,344	-69,649	-330,752	
Total net equity (end of year).....	2,478,127	1,687,029	1,352,041	

Note.—Mortgage loans includes nonaccrual loans and sales contracts.

**Object Classification (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
Personnel compensation: Full-time permanent.....	55,217	44,051	43,991
Personnel benefits: Civilian.....	14,192	10,646	10,452
Travel and transportation of persons.....	4,034	3,469	3,518
Communications, utilities, and other rent.....	11,815	8,626	8,468
Printing and reproduction.....	2,965	2,269	2,262
Other services.....	28,227	30,137	34,594
Equipment.....	10,950	8,510	8,528
Lands and structures.....	3,027,469	2,150,524	1,903,136
Investments and loans.....	1,660,374	1,238,991	1,453,587
Interest and dividends.....	4,986,067	3,607,622	5,390,028
Undistributed operating expenses.....	173,767	151,956	141,899
Total obligations.....	9,975,077	7,256,801	9,000,463

Note.—Estimated years exclude St. Paul District data.

**FEDERAL HOME LOAN BANK BOARD**

**FEDERAL HOME LOAN BANKS**

**Program and Financing (in thousands of dollars)**

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
Administrative expenses.....	316,880	376,640	433,000
Interest on consolidated obligations.....	7,734,723	8,873,000	10,400,000
Interest on members' deposits.....	1,640,374	2,500,000	3,400,000
Interest on interbank borrowing.....	130,664	150,000	150,000
Interest—other.....	37,940	40,360	50,000
Dividends on capital stock.....	885,708	940,000	1,000,000

## FEDERAL HOME LOAN BANKS—Continued

## Program and Financing (in thousands of dollars)—Continued

	1986 actual	1987 est.	1988 est.
Federal Home Loan Bank Board assessments .....	9,814	13,000	15,000
Total expenses .....	10,756,103	12,893,000	15,448,000
Capital investment:			
Investment in bank premises.....	39,030	50,000	60,000
Advances to members .....	165,574,065	165,000,000	170,000,000
Repurchase of capital stock .....	288,887	250,000	300,000
Net decrease in deposit.....			
Total capital investment.....	165,901,982	165,300,000	170,360,000
Changes in selected resources.....	-72,294	-60,000	-48,000
Total obligations .....	176,585,791	178,133,000	185,760,000
Financing:			
Offsetting collections from:			
Federal funds .....	-2,197,259	-2,500,000	-2,700,000
Non-Federal sources .....	-169,960,753	-164,395,034	-180,095,000
Unobligated balance available, start of year .....	-13,854,639	-23,927,966	-19,600,000
Unobligated balance available, end of year .....	23,927,966	19,600,000	25,625,000
Net borrowing .....	14,501,106	6,910,000	8,990,000
Relation of obligations to outlays:			
Obligations incurred, net.....	4,427,779	11,237,966	2,965,000
Obligated balance, start of year.....		180,158	400,000
Receivables in excess of obligations, start of year .....	-85,036		
Obligated balance, end of year .....	-180,158	-400,000	-575,000
Receivables in excess of obligations, end of year .....			
Outlays .....	4,162,585	11,018,124	2,790,000

## Status of Direct Loans (in thousands of dollars)

Identification code 99-4200-0-3-371	1986 actual	1987 est.	1988 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	165,574,065	165,000,000	170,000,000
1150 Total direct loan obligations.....	165,574,065	165,000,000	170,000,000
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year.....	87,015,065	100,063,518	106,775,000
1231 Disbursements: Direct loan disbursements.....	165,574,065	165,000,000	170,000,000
1251 Repayments: Repayments and prepayments.....	-152,525,612	-158,288,518	-160,003,000
1290 Outstanding, end of year .....	100,063,518	106,775,000	116,772,000

The 12 Federal Home Loan Banks are chartered and supervised by the Federal Home Loan Bank Board under the authority of the Federal Home Loan Bank Act of 1932. The banks are financial institutions whose main function is to supply their members—principally savings and loan-type institutions and savings banks—with credit to smooth their operations and enhance their service to the public as savings media and home-mortgage lenders. Each bank operates in a geographic district designated by the Board and together the banks cover all of the United States as well as Puerto Rico, the Virgin Islands, and Guam. In 1986, the banks extended credits of \$165.6 billion and received repayments of \$152.3 billion. Advances outstanding on September 30, 1986, totaled \$99 billion.

The principal source of funds for the lending operation is the sale of consolidated obligations of the banks to the public. On September 30, 1986, \$88.1 billion of these obligations were outstanding. The consolidated obligations are not guaranteed by the U.S. Government as to principal or interest. Other sources of lendable funds include a portion of members' deposits as determined

by Board policy (total deposits were at \$25.9 billion on September 30, 1986) and funds paid for the purchase of capital stock by member institutions, amounting to \$9.2 billion at the end of 1985. Funds not immediately used for advances to members are invested until such times as needed.

The capital stock of the Federal home loan banks is owned entirely by the members. Initially the U.S. Government purchased stock of the banks in the amount of \$125 million. The banks had repurchased the Government's investment in full by mid-1951.

The entire operating expenses of the banks are paid from their own income and are not included in the budget of the United States. Included in these expenses is the assessment by the Federal Home Loan Bank Board to cover a portion of the Board's administrative and other costs.

## Revenue and Expense (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Revenue .....	11,195,580	13,000,000	14,200,000
Expense .....	9,878,597	11,400,000	12,400,000
Net income for the year .....	1,316,983	1,600,000	1,800,000

## Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
Assets:				
Cash on hand and in banks .....	948,022	1,551,731	1,000,000	1,000,000
U.S. securities (par) .....	789,650	609,000	1,000,000	1,200,000
Other securities (par) .....	12,081,931	21,947,393	18,000,000	24,000,000
FHL Mortgage Corporation stock.....	100,000	100,000	100,000	100,000
Accounts receivable (net) .....	617,683	658,507	700,000	725,000
Loan to AID .....	79,680	77,927	75,000	72,000
Advances to FHL Mortgage Corporation.....	1,190,000	950,000	700,000	700,000
Loans to other FHL banks.....	1,419,000	856,000	1,000,000	1,000,000
Loans to FSLIC.....	900,000	900,000	3,000,000	3,000,000
Advances outstanding .....	85,745,385	99,035,591	106,000,000	116,000,000
Deferred charges.....	181,835	254,129	200,000	190,000
Real property and equipment (net) .....	46,373	76,715	85,500	100,600
Total assets .....	104,099,559	127,016,993	131,860,500	148,087,600
Liabilities:				
Accounts payable and accrued liabilities .....	1,631,397	1,883,779	2,000,000	2,100,000
Deferred credits .....	-1,098,750	-1,045,114	-900,000	-800,000
Deposits .....	18,754,962	25,909,511	21,447,495	26,274,595
Loans from other FHL banks.....	1,419,000	856,000	1,000,000	1,000,000
Consolidated obligations .....	73,573,831	88,083,129	95,000,000	104,000,000
Total liabilities.....	94,280,440	115,687,305	118,547,495	132,574,595
Government equity:				
Unobligated balance .....	13,854,639	23,927,966	19,600,000	25,625,000
Invested capital:				
Long-term assets.....	89,712,273	102,250,362	111,160,500	121,162,600
Long-term liabilities .....	-93,747,793	-114,848,640	-117,447,495	-131,274,595
Total equity .....	9,819,119	11,329,688	13,313,005	15,513,005

## Analysis of changes in equity:

Paid-in capital:				
Opening balance.....		8,097,388	9,176,683	10,500,000
Transaction: Paid in capital stock .....		1,079,295	1,323,317	1,400,000
Closing balance.....		9,176,683	10,500,000	11,900,000
Retained income:				
Opening balance.....		1,721,731	2,153,005	2,813,005
Transaction:				
Net income for the year .....		1,316,982	1,600,000	1,800,000
Dividends declared.....		-885,708	-940,000	-1,000,000
End of year:				
Legal reserves.....		1,620,567	1,940,567	2,300,567

Dividend stabilization.....	329,862	520,000	700,000
Undivided profits.....	202,576	352,438	612,438
Closing balance.....	2,153,005	2,813,005	3,613,005
Total equity (end of year).....	11,329,688	13,313,005	15,513,005

**Object Classification** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Personnel compensation: Full-time permanent.....	145,260	192,300	225,000
Personnel benefits: Civilian.....	43,578	57,700	67,000
Travel and transportation of persons.....	17,510	20,000	25,000
Communications, utilities, and other rent.....	69,560	69,640	75,000
Printing and reproduction.....	18,097	20,000	21,000
Other services.....	32,689	30,000	35,000
Lands and structures.....	39,030	50,000	60,000
Investments and loans.....	165,574,065	165,000,000	170,000,000
Interest and dividends.....	10,429,409	12,503,360	15,000,000
Undistributed: Repurchase of capital stock.....	288,887	250,000	300,000
Other.....	-72,294	-60,000	-48,000
Total obligations.....	176,585,791	178,133,000	185,760,000

**Personnel Summary**

**NON-FEDERAL EMPLOYEES**

Total number of full-time permanent positions.....	6,039	6,540	6,928
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**FEDERAL HOME LOAN MORTGAGE CORPORATION  
PORTFOLIO PROGRAMS**

**Program and Financing** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Operating expenses:			
Interest expense and provision for loan loss.....	1,465,000	1,553,000	1,935,000
Administration.....	96,000	147,000	166,000
Total operating expenses.....	1,561,000	1,700,000	2,101,000
Capital investment:			
Mortgage purchases for portfolio.....	5,054,000	5,275,000	5,375,000
Total obligations.....	6,615,000	6,975,000	7,476,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources.....	-6,767,000	-5,994,000	-4,633,000
Unobligated balance available, start of year.....	-1,295,000	-1,130,000	-3,490,000
Unobligated balance available, end of year.....	1,130,000	3,490,000	3,569,000
Redemption of debt.....	1,133,000	1,435,000	
<b>Net change in borrowing authorities.....</b>	<b>816,000</b>	<b>4,776,000</b>	<b>2,922,000</b>
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net.....	-152,000	981,000	2,843,000
Obligated balance, start of year.....	1,942,000	5,236,000	3,660,000
Obligated balance, end of year.....	-5,236,000	-3,660,000	-3,681,000
Outlays.....	-3,446,000	2,557,000	2,822,000

**Status of Direct Loans** (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Identification code 99-4420-0-3-371			
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans to the public.....			
1131 Obligations exempt from limitation: Direct loans to the public.....	5,054,000	5,275,000	5,375,000
1150 Total direct loan obligations.....	5,054,000	5,275,000	5,375,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year.....	13,088,000	13,359,000	15,198,000
1231 Disbursements: Direct loan disbursements.....	5,054,000	5,275,000	5,375,000
1251 Repayments: Repayments and prepayments.....	-4,783,000	-3,436,000	-1,614,000
1290 Outstanding, end of year (retained portfolio).....	13,359,000	15,198,000	18,959,000

The Federal Home Loan Mortgage Corporation (Freddie Mac) was created under the Emergency Home Finance Act of 1970. Congress chartered Freddie Mac to provide mortgage lenders with an organized national secondary market in which to sell conventional mortgages and obtain additional funds to meet new demands for mortgages. Freddie Mac serves as a conduit to facilitate the flow of investment dollars from capital market investors to mortgage lenders, and ultimately to homebuyers in the form of more affordable mortgage credit.

Freddie Mac is a publicly-chartered corporation whose preferred stock is owned by savings institutions across the Nation. Freddie Mac is managed by a Board of Directors, the same members of the Federal Home Loan Bank Board, that are appointed by the President with the consent of the Senate. All of Freddie Mac's expenses are paid from its own income.

After purchasing mortgage loans from individual mortgage lenders, Freddie Mac groups the mortgages into pools, which are then sold in the form of mortgage pass-through securities, called Mortgage Participation Certificates (PCs). A PC represents an undivided ownership interest in a pool of residential mortgage loans as purchased by Freddie Mac. The timely payment of interest and full return of principal on the mortgages underlying the PCs is guaranteed solely by Freddie Mac. This guarantee is backed by corporate reserves to cover default losses on individual mortgages and not by the Federal Home Loan Bank System or the full faith and credit of the U.S. Government.

Freddie Mac offers lenders the opportunity to either sell their mortgages for cash or "swap" them for PCs. "Swap" PCs enable lenders to restructure their portfolios by offering these PCs directly to investors, using them as collateral for borrowings or retaining them for sale later. This provides lenders with greater liquidity when the need for more mortgage credit arises. Since the beginning, Freddie Mac has been recognized as a pathfinder for the mortgage finance industry, committing its resources to identifying the needs of the industry and developing quality mortgage programs to meet those needs. Both the conventional mortgage PC and the Collateralized Mortgage Obligation (CMO), introduced by Freddie Mac in 1983, demonstrate Freddie Mac's commitment early on to pioneering improvements in the mortgage finance industry. The CMO is a bond-like security with several maturity classes secured by a pool of mortgages. The CMO has been successfully replicated by others in the marketplace and, as a result, has provided another restructuring tool for lenders as well as attracted new investors and capital to mortgage finance.

When the 15-year single family mortgage became increasingly more popular with borrowers, Freddie Mac pioneered the first mortgage pass-through security backed by these mortgages to ensure their continued affordability. Freddie Mac has sold over \$22.3 billion of this new security since its introduction in 1984.

In 1985, Freddie Mac also introduced the first pass-through security exclusively backed by newly originated multifamily mortgages. The multifamily PC represents Freddie Mac's on-going commitment to providing additional financing for multifamily housing through

FEDERAL HOME LOAN MORTGAGE CORPORATION—Continued  
PORTFOLIO PROGRAMS—Continued

the sale of multifamily mortgage pass-through securities. This was also the first time a mortgage pass-through security was sold exclusively to international investors.

Freddie Mac continued to pioneer the international markets throughout 1985 and into 1986 by targeting the CMOs to the special investment needs of foreign investors. With both the multifamily PC and the CMOs, Freddie Mac has successfully tapped \$734 million in additional funds internationally in order to provide affordable mortgage credit to American homebuyers.

In 1986, Freddie Mac responded to another mortgage finance industry need when it introduced a mortgage pass-through security backed by adjustable rate mortgage ("ARMs"). The ARM security, along with Freddie Mac's ARMs purchase programs, provides lenders with greater flexibility in originating and selling ARMs into the secondary market.

The forecast data contained in this material have been developed on the basis of certain economic assumptions that are reviewed and revised periodically. The estimates are subject to forecast error and will normally differ from actual data when these become available. These estimates should not be construed as an official forecast of the corporation's future position.

Revenue and Expenses

[In thousands of dollars]

	1985 actual	1986 actual	1987 est.	1988 est.
Gross revenue	1,734,000	1,983,000		
Gross expenses	-1,390,000	-1,561,000		
Income before Federal income tax	344,000	422,000		
Federal income tax	-121,000	-179,000		
Net income	223,000	243,000		

Financial Condition (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Selected assets:				
Cash with banks	107,000	104,000	100,000	100,000
U.S. securities (par)	25,000	82,000	25,000	25,000
Other securities	3,105,000	6,180,000	7,025,000	7,125,000
Accounts receivable (net)	572,000	244,000	948,000	838,000
Loans receivable (net)	12,617,000	12,820,000	15,198,000	18,959,000
Other assets (net)	649,000	1,586,000	1,212,000	1,212,000
Total assets	17,075,000	21,016,000	24,508,000	28,259,000
<b>Liabilities:</b>				
Selected liabilities:				
Accounts payable and accrued liabilities	2,514,000	5,211,000	4,608,000	4,519,000
Borrowings from the public:				
FHLB consolidated obligations (par)	1,190,000	950,000	700,000	700,000
FHLB consolidated obligations, net	1,190,000	950,000	700,000	700,000
Mortgage-backed bonds	4,684,000	6,431,000	9,259,000	13,173,000
FHLMC debt	6,711,000	5,944,000	6,007,000	5,034,000
Securities sold under Agreement to Repurchase	35,000			
Subordinated debentures	978,000	1,301,000	2,424,000	2,883,000
Other	228,000	270,000	400,000	547,000
Total liabilities	16,340,000	20,107,000	23,398,000	26,856,000
<b>Equity:</b>				
Selected equities:				
Unexpended authority:				
Unobligated balance	1,295,000	1,130,000	3,490,000	3,569,000

Unfinanced authority	-3,130,000	-5,982,000	-7,050,000	-7,150,000
Invested capital	2,570,000	5,761,000	4,670,000	4,984,000
Total equity	735,000	909,000	1,110,000	1,403,000

Object Classification (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
Personnel compensation: Full-time permanent	41,000	54,000	62,000
Personnel benefits: Civilian	12,000	17,000	19,000
Travel and transportation of persons	4,000	6,000	7,000
Communications, utilities, and other rent	8,000	12,000	14,000
Printing and reproduction	6,000	9,000	10,000
Other services	24,000	46,000	50,000
Supplies and materials	1,000	2,000	2,000
Interest and provision for loan losses	1,465,000	1,553,000	1,935,000
Mortgage purchases for portfolio	5,054,000	5,275,000	5,375,000
Total obligations	6,615,000	6,974,000	7,474,000

Personnel Summary

NON-FEDERAL EMPLOYEES			
Total number of full-time permanent positions	1,383	1,650	1,815

MORTGAGE-BACKED SECURITIES

Program and Financing (in thousands of dollars)

	1986 actual	1987 est.	1988 est.
<b>Program by activities:</b>			
Capital investment: Issue (sales) of participation certificates (total obligations) (object class 33.0)	78,867,000	81,653,000	70,025,000
<b>Financing:</b>			
Offsetting collections from: Non-Federal sources (mortgage loan repayments)	-23,985,000	-26,388,000	-22,880,000
Corporate borrowing authority (net PC pool change)	54,882,000	55,265,000	47,145,000
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net (sale of PCs)	54,882,000	55,265,000	47,145,000
Outlays (sale of PCs)	54,882,000	55,265,000	47,145,000

Status of Direct Loans (in thousands of dollars)

Identification code	1986 actual	1987 est.	1988 est.
99-4440-0-3-371			
<b>Positions with respect to appropriations act limitations on obligations:</b>			
1111 Limitations on direct loans to the public			
1131 Obligations exempt from limitation: Direct loans to the public (sale of PCs)	78,867,000	81,653,000	70,025,000
1150 Total direct loan obligations (sale of PCs)	78,867,000	81,653,000	70,025,000
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	91,989,000	146,871,000	202,136,000
1231 Disbursements: Direct loan disbursements (sale of PCs)	78,867,000	81,653,000	70,025,000
1251 Repayments: Repayments and prepayments	-23,985,000	-26,388,000	-22,880,000
1290 Outstanding, end of year	146,871,000	202,136,000	249,281,000

According to accounting practices for private corporations, the mortgages in the pools of loans supporting PCs are considered to be owned by the holders of these securities. Consequently, on the books of Freddie Mac, these mortgages are not shown as assets. However, the budget philosophy of the United States Government includes these mortgages and mortgage pass-through securities as assets and liabilities, respectively, of Freddie Mac. For the purposes of this document, therefore, they

are presented as assets and liabilities in the accompanying schedules. On the Status of Direct Loans schedule for mortgage pass-through securities, the items labeled "New loans" and "Recoveries: Repayments and prepayments" are budgetary terms. However, from Freddie Mac's perspective, these amounts represent "Sales of PCs" and "Amounts passed through to PC holders," respectively.

**Financial Condition** (in thousands of dollars)

	1985 actual	1986 actual	1987 est.	1988 est.
<b>Assets:</b>				
Underlying mortgages	91,989,000	146,871,000	202,136,000	249,281,000
<b>Liabilities:</b>				
PC's and GMC's outstanding	91,989,000	146,871,000	202,136,000	249,281,000

*Administration-proposed legislation.*—The Administration believes that because of Freddie Mac's government-sponsored status, its securities enjoy an interest rate advantage in the credit markets. This gives Freddie Mac a significant competitive advantage relative to private mortgage conduits. In 1982, the President's Housing Commission concluded that Freddie Mac and other Federal and government-sponsored housing agencies impeded the growth of private mortgage conduits and recommended that the Administration seek to privatize them. In 1983, the President's Private Sector Survey on Cost Control (Grace Commission) reached the same conclusion and made a similar recommendation. The Administration supports the privatization of Freddie Mac and is studying ways of transitioning Freddie Mac to completely private status. Privatization of Freddie Mac (and Fannie Mae) would eliminate the major hurdle private mortgage conduits face in playing a significant role in the nation's housing credit markets.

However, while Freddie Mac continues to enjoy its Federal agency status, private mortgage conduits will continue to have difficulty competing with it. In order to mitigate the effects of this unfair competition, the Administration is proposing legislation to prohibit Freddie Mac (and Fannie Mae) from purchasing mortgages in the top quartile of the home price distribution in any housing market (but not to exceed \$153,100—an amount that would not be indexed). This will limit Freddie Mac's continued encroachment on the market served by private mortgage conduits for as long as Freddie Mac maintains its association with the Federal government.

**BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM**

**Program and Financing** (in thousands of dollars)

	Calendar year		
	1985 actual	1986 est.	1987 est.
<b>Program by activities:</b>			
<b>Operating expenses:</b>			
Monetary and economic policy	43,715	43,634	44,858
Services to financial institutions and the public	2,556	2,454	2,151
Supervision and regulation of financial institutions	20,916	20,892	21,586
System policy direction and oversight	16,095	17,630	17,850
Total operating expenses	83,282	84,610	86,445
Capital investment: Computer acquisition	915	15,208	900
Total program costs	84,197	99,818	87,345

Changes in selected resources	-81	-6	
Total obligations	84,116	99,812	87,345
<b>Financing:</b>			
Offsetting collections from:			
Federal funds	-121	-121	-120
Non-Federal sources	-79,779	-100,780	-83,977
Unobligated balance available, start of year	176	4,392	3,303
Unobligated balance available, end of year	-4,392	-3,303	-6,551
<b>Budget authority</b>			
<b>Relation of obligations to outlays:</b>			
Obligations incurred, net	4,216	-1,089	3,248
Obligated balance, start of year	10,474	12,537	9,546
Obligated balance, end of year	-12,537	-9,546	-8,792
<b>Outlays</b>	2,153	1,902	4,002

The Federal Reserve System operates under the provisions of the Federal Reserve Act of 1913, as amended, and other acts of Congress.

*Program.*—To carry out its responsibilities under the act, the Board determines general monetary, credit, and operating policies for the System as a whole and formulates the rules and regulations necessary to carry out the purposes of the Federal Reserve Act. The Board's principal duties consist of exerting an influence over credit conditions and supervising the Federal Reserve banks and member banks.

*Financing.*—Under the provisions of section 10 of the Federal Reserve Act, the Board of Governors levies upon the Federal Reserve banks, in proportion to their capital and surplus, an assessment sufficient to pay its estimated expenses. The Board, under the act, determines and prescribes the manner in which its obligations are incurred and its expenses paid. Funds derived from assessments are deposited in the Federal Reserve Bank of Richmond, and the Act provides that such funds "shall not be construed to be Government funds or appropriated moneys." No Government appropriation is required to support operations of the Board.

The information presented pertains to Board operations only. This information has been prepared in accordance with OMB guidelines; accordingly it may differ from other financial material published by the Board of Governors. Expenditures made on behalf of the Federal Reserve banks for production, issuance, retirement, and shipment of Federal Reserve notes are not included, since they are reimbursed in full by the Federal Reserve banks.

**Revenue and Expense** (in thousands of dollars)

	Calendar year		
	1985 actual	1986 est.	1987 est.
<b>Board's operating income or loss:</b>			
Revenue	79,900	100,901	84,097
<b>Expense:</b>			
Operating program	83,282	84,610	86,445
Capital outlay	915	15,208	900
Net operating income or loss (-)	-4,297	1,083	-3,248

**Financial Condition** (in thousands of dollars)

<b>Assets:</b>			
Selected assets:			
Cash in bank	8,145	6,243	2,241
Accounts receivable	1,243	2,131	1,381
Stockroom and cafeteria inventories, at cost	290	284	284

Financial Condition (in thousands of dollars)—Continued				Object Classification (in thousands of dollars)			
Land and improvements, at cost .....	1,301	1,301	1,301	Personnel compensation:			
Buildings, at cost .....	61,852	62,437	63,172	Full-time permanent .....	51,466	52,207	51,777
Furniture and equipment, at cost .....	24,800	32,338	36,241	Other than full-time permanent .....	1,116	1,133	1,123
				Other personnel compensation .....	586	593	588
Total assets .....	97,631	104,734	104,620	Special personal services payments .....	143	125	100
				Total personnel compensation .....	53,311	54,058	53,588
<b>Liabilities:</b>				Personnel benefits: Civilian .....	5,089	5,333	5,523
Selected liabilities: Accounts payable and accrued liabilities .....	13,780	11,677	10,173	Benefits for former personnel .....	963	124	268
				Travel and transportation of persons .....	2,075	2,561	2,671
<b>Equity:</b>				Transportation of things .....	192	134	133
Selected equities:				Communications, utilities, and miscellaneous .....	6,995	7,335	6,363
Unobligated balance .....	-4,392	-3,303	-6,551	Printing and reproduction .....	2,172	2,061	2,172
Invested capital and earnings .....	88,243	96,360	100,998	Other services .....	7,019	8,709	9,801
Total equity .....	83,851	93,057	94,447	Supplies and materials .....	1,476	1,871	2,135
				Equipment .....	4,882	17,566	4,620
				Insurance claims and indemnities .....	23	66	71
<b>Analysis of changes in equity:</b>				Total costs .....	84,197	99,818	87,345
Non-interest-bearing capital:				Change in selected resources .....	-81	-6	
Start of year .....	87,914	87,953	96,076	Total obligations .....	84,116	99,812	87,345
Additions to property investments .....	39	8,123	4,638				
End of year .....	87,953	96,076	100,714				
Retained earnings:							
Start of year .....	195	-4,102	-3,019				
Net income for the year .....	-4,297	1,083	-3,248				
End of year .....	-4,102	-3,019	-6,267				
Total equity (end of year) .....	83,851	93,057	94,447				

Personnel Summary			
Total number of full-time permanent positions .....	1,573	1,529	1,529
Total compensable workyears:			
Full-time equivalent employment .....	1,496	1,454	1,454
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