

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

Federal Funds

General and special funds:

OFFICE OF THE SECRETARY (INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed \$75,000 for employment under 5 U.S.C. 3109, [\$15,436,000, of which, \$12,600,000, to remain available until expended, shall be available only for the development and implementation of a common computing environment] \$3,314,000: *Provided*, That not to exceed \$11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: [*Provided further*, That the funds made available for the development and implementation of a common computing environment shall only be available upon approval of the Committees on Appropriations and Agriculture of the House of Representatives and the Senate of a plan for the development and implementation of a common computing environment:] *Provided further*, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104-127: *Provided further*, That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104-127.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, [\$613,000] \$629,000.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS (INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, [\$3,568,000] \$3,778,000: *Provided*, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: *Provided further*, That not less than [\$2,241,000] \$2,312,000 shall be transferred to agencies funded by this Act to maintain personnel at the agency level.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, [\$540,000] \$1,356,000.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, [\$618,000] \$635,000.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, [\$446,000] \$560,000.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, [\$572,000] \$589,000.

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, [\$693,000] \$711,000.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, [\$588,000] \$605,000.

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, [\$554,000] \$570,000. (7 U.S.C. 2201-2202; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-9913-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Office of the Secretary	23	3	3
00.02 Under/Assistant Secretaries	5	6	7
00.03 Service center implementation/common computing environment	3	13	.....
10.00 Total new obligations	31	22	10
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	2	2
22.00 New budget authority (gross)	31	24	12
23.90 Total budgetary resources available for obligation	32	26	14
23.95 Total new obligations	-31	-22	-10
24.40 Unobligated balance available, end of year	2	2	5
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	31	24	12
41.00 Transferred to other accounts .....	.....	.....	-30
43.00 Appropriation (total discretionary)	31	24	-18
55.00 Advance appropriation .....	.....	.....	30
70.00 Total new budget authority (gross)	31	24	12
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	24	9
73.10 Total new obligations	31	22	10
73.20 Total outlays (gross)	-9	-37	-18
74.40 Unpaid obligations, end of year: Obligated balance, end of year	24	9	1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	8	16	9
86.93 Outlays from discretionary balances	1	23	8
87.00 Total outlays (gross)	9	37	18

General and special funds—Continued**OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND
CONSUMER SERVICES—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 12-9913-0-1-352	1999 actual	2000 est.	2001 est.
Net budget authority and outlays:			
89.00 Budget authority	31	24	12
90.00 Outlays	9	37	18

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.

Object Classification (in millions of dollars)

Identification code 12-9913-0-1-352	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	1	2
25.2 Other services	4	14	2
41.0 Grants, subsidies, and contributions	20		
99.0 Subtotal, direct obligations	31	21	10
99.5 Below reporting threshold		1	
99.9 Total new obligations	31	22	10

Personnel Summary

Identification code 12-9913-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	63	82	82

FUND FOR RURAL AMERICA**Program and Financing (in millions of dollars)**

Identification code 12-0012-0-1-999	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Rural development activities		40	30
00.02 Research, extension and education grants	2	20	30
10.00 Total new obligations (object class 41.0)	2	60	60
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	12		
22.00 New budget authority (gross)		60	60
23.90 Total budgetary resources available for obligation	12	60	60
23.95 Total new obligations	-2	-60	-60
23.98 Unobligated balance expiring or withdrawn	-10		
New budget authority (gross), detail:			
Discretionary:			
40.35 Appropriation deferred			-60
Mandatory:			
60.00 Appropriation	60	120	120
60.35 Appropriation deferred	-60	-60	
62.50 Appropriation (total mandatory)		60	120
70.00 Total new budget authority (gross)		60	60
Change in unpaid obligations:			
74.40 Unpaid obligations, start of year: Obligated balance, start of year	28	20	60
73.10 Total new obligations	2	60	60
73.20 Total outlays (gross)	-10	-20	-60

74.40 Unpaid obligations, end of year: Obligated balance, end of year	20	60	60
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-31
86.97 Outlays from new mandatory authority		9	63
86.98 Outlays from mandatory balances	10	11	28
87.00 Total outlays (gross)	10	20	60
Net budget authority and outlays:			
89.00 Budget authority		60	60
90.00 Outlays	10	20	60

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-0012-0-1-999	1999 actual	2000 est.	2001 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Guaranteed Business and Industry Loans		42	
2159 Total loan guarantee levels		42	
Guaranteed loan subsidy (in percent):			
2320 Guaranteed Business and Industry Loans		3.11	
2329 Weighted average subsidy rate		3.11	
Guaranteed loan subsidy budget authority:			
2330 Guaranteed Business and Industry Loans		1	
2339 Total subsidy budget authority		1	
Guaranteed loan subsidy outlays:			
2340 Guaranteed Business and Industry Loans		1	
2349 Total subsidy outlays		1	

The Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) established the Fund for Rural America to provide support to rural communities across the United States. The 1996 Act provided that \$100 million be made available on January 1, 1997 for use by the Fund. The 1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters (P.L. 105-18) limited the available funding for the Fund to \$80 million. As authorized by the 1996 Act, the Secretary of Agriculture allocated the available funding between rural development and research activities. The Act specifies that at least one-third of the funds be allocated to rural development activities and one-third to research activities. No more than two-thirds of the available funds may be made available for rural development activities.

In 1997, the Secretary allocated \$44 million of the available funding to support ongoing rural development activities. Another \$36 million was provided for research, extension, and education grants.

The 1996 Farm Bill authorized \$100 million for the Fund in each of 1997, 1999, and 2000. The Department's 1998 budget included a proposal to shift the \$100 million available in 2000 to 1998 in order to facilitate more consistent and efficient program delivery. Since this proposal was not accepted, no funding was authorized for the Fund in 1998.

The Agricultural Research, Extension, and Education Reform Act of 1998, P.L. 105-185 extended authorization for the Fund for Rural America through October 1, 2002, but reduced the amount to be available annually for the Fund to \$60 million beginning in 1999. These funds are available for two years. The 1999 appropriations language blocked the use of 1999 funds in 1999. However, these carryover funds are available for use in 2000. The Secretary allocated \$40 million of the available \$60 million funding in 2000 to support outreach for socially disadvantaged producers, water and waste grants and loans, farm labor housing grants, and other ongoing rural development activities. Another \$20 million was provided for center grants for research focused on minority land and community security, food entrepreneurship, manure and animal waste management, site-specific resource management, and people in forest communities. The 2000 appropria-

tions language blocks the use of the 2000 appropriation in 2000. The 2001 budget allows the use of the second year's availability of the 2000 funds, but disallows the expenditure of the authorized \$60 million for 2001.

Trust Funds

GIFTS AND BEQUESTS

Unavailable Collections (in millions of dollars)

Identification code 12-8203-0-7-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Gifts and bequests	1	1	1
Appropriation:			
05.01 Gifts and bequests	-1	-1	-1
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8203-0-7-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 99.5)	1	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	2	2	2
22.00 New budget authority (gross)	1	1	1
23.90 Total budgetary resources available for obligation	3	3	3
23.95 Total new obligations	-1	-1	-1
24.40 Unobligated balance available, end of year	2	2	2
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	1	1	1
Change in unpaid obligations:			
73.10 Total new obligations	1	1	1
73.20 Total outlays (gross)	-1	-1	-1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	1	1
Net budget authority and outlays:			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

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).

EXECUTIVE OPERATIONS

Federal Funds

General and special funds:

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and 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 \$5,000 is for employment under 5 U.S.C. 3109, **[\$6,411,000]** \$8,612,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, 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 \$25,000 is for employment under 5 U.S.C. 3109, **[\$11,718,000]** \$12,610,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, 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 \$5,000 is for employment under 5 U.S.C. 3109, **[\$6,583,000]** \$6,765,000. (7 U.S.C. 2201, 2202; 42 U.S.C. 2000d; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0705-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Chief Economist	6	6	9
00.03 National Appeals Division	12	12	12
00.04 Budget and program analysis	6	7	7
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	25	26	29
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	25	26	29
23.95 Total new obligations	-25	-26	-29
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	23	25	28
42.00 Transferred from other accounts	1		
43.00 Appropriation (total discretionary)	24	25	28
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	25	26	29
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	4	4	4
73.10 Total new obligations	25	26	29
73.20 Total outlays (gross)	-24	-24	-28
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	4	4
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	22	23	26
86.93 Outlays from discretionary balances	2		3
87.00 Total outlays (gross)	24	24	28
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	24	25	28
90.00 Outlays	23	24	27

Executive Operations provides support for USDA policy officials and selected Departmentwide services.

The Office of the Chief Economist advises the Secretary of Agriculture on the economic implications of Department policies and programs and proposed legislation. The Office serves as the single focal point for the Nation's economic intelligence and analysis, risk assessment, and cost-benefit analysis related to domestic and international food and agriculture, provides policy direction for biofuels and new uses, and is responsible for coordination and clearance review of all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department.

WORKLOAD INDICATORS

	1999 actual	2000 est.	2001 est.
World Agricultural Supply and Demand Estimates Reports issued	12	12	12
Weekly Weather and Crop Bulletin issued	52	52	52

General and special funds—Continued

OFFICE OF BUDGET AND PROGRAM ANALYSIS—Continued

The Federal Agriculture Improvement and Reform (FAIR) Act of 1996 authorized the Commission on the 21st Century Production Agriculture to (1) conduct comprehensive review and assessment of the success of production flexibility contracts in supporting the viability of U.S. farming, and (2) review the future of production agriculture and the appropriate role of the Federal government in it.

The National Appeals Division conducts administrative hearings and reviews of adverse program decisions made by the Farm Service Agency, the Risk Management Agency, the Natural Resources Conservation Service, and the Rural Development mission area.

WORKLOAD INDICATORS

	1999 actual	2000 est.	2001 est.
Regional or National Training	3	1	3
Percent of Hearing Officer determinations upheld on review	76.3	78.3	78.3

The Office of Budget and Program Analysis provides overall direction and administration of the Department's budgetary functions including: development, presentation, and execution of the budget; review of program and legislative proposals for programs and budget implications; and analysis of program issues and alternatives and preparation of summaries of pertinent data to aid Departmental policy officials and agency program managers in the decisionmaking process.

Object Classification (in millions of dollars)

Identification code 12-0705-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	16	17	18
12.1 Civilian personnel benefits	4	4	6
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	1	1	1
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	24	25	28
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	25	26	29

Personnel Summary

Identification code 12-0705-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	239	260	266

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, 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, **[\$4,783,000] \$6,465,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0014-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	4	5	6
09.01 Reimbursable program	2	2	2
10.00 Total new obligations	6	7	8
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	6	7	8
23.95 Total new obligations	-6	-7	-8

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	4	5	6
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	1	2	2
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	1		
68.90 Spending authority from offsetting collections (total discretionary)	2	2	2
70.00 Total new budget authority (gross)	6	7	8

Change in unpaid obligations:

72.95 Unpaid obligations, start of year: From Federal sources: Receivables and unpaid, unfilled orders		1	1
73.10 Total new obligations	6	7	8
73.20 Total outlays (gross)	-6	-7	-8
74.95 Unpaid obligations, end of year: From Federal sources: Receivables and unpaid, unfilled orders	1	1	1

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	6	7	8
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Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-2	-2
Against gross budget authority only:			
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	-1		

Net budget authority and outlays:

89.00 Budget authority	4	5	6
90.00 Outlays	4	5	6

The Office of the Chief Financial Officer (OCFO) supports the Chief Financial Officer in carrying out the dual roles of chief financial management policy officer and chief financial management advisor to the Secretary and mission area heads. OCFO provides leadership for all financial management, accounting, travel, Federal assistance, and performance measurement activities within the Department. It is responsible for the management and operation of the National Finance Center and the Departmental Working Capital Fund, and provides budget, accounting, and fiscal services to the Office of the Secretary, Departmental Staff Offices, Office of Communications, Office of the Chief Information Officer and Executive Operations.

PERFORMANCE MEASURES

	1999 actual	2000 est.	2001 est.
Percent of audits where corrective action is proceeding as scheduled	60%	70%	75%
Percent of material FMFIA internal control deficiencies where corrective action is proceeding as scheduled	70%	90%	90%
Decrease the percentage of collectible delinquencies to the total receivables	1.5%	1.0%	1.0%
Issue management accountability report by March 31, 2000	Project planning	Performance report on time	Accountability report issued

Object Classification (in millions of dollars)

Identification code 12-0014-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	3	4	5
12.1 Civilian personnel benefits	1	1	1
99.0 Subtotal, direct obligations	4	5	6
99.0 Reimbursable obligations	2	2	2
99.9 Total new obligations	6	7	8

Personnel Summary

Identification code 12-0014-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	48	69	69

Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	15	19	19

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, 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, **[\$6,051,000] \$14,680,000.** (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0013-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Office of the Chief Information Officer	6	6	15
00.02 Year 2000 remediation	46	4	
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	53	11	16
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		7	7
22.00 New budget authority (gross)	60	11	16
23.90 Total budgetary resources available for obligation	60	18	23
23.95 Total new obligations	-53	-11	-16
24.40 Unobligated balance available, end of year	7	7	7
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	6	6	15
42.00 Transferred from other accounts	53	4	
43.00 Appropriation (total discretionary)	59	10	15
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	60	11	16
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	1	34	
72.95 From Federal sources: Receivables and unpaid, unfilled orders	6	6	6
72.99 Total unpaid obligations, start of year	7	40	6
73.10 Total new obligations	53	11	16
73.20 Total outlays (gross)	-20	-45	-16
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	34		
74.95 From Federal sources: Receivables and unpaid, unfilled orders	6	6	6
74.99 Total unpaid obligations, end of year	40	6	6
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	17	11	16
86.93 Outlays from discretionary balances	3	34	
87.00 Total outlays (gross)	20	45	16
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	59	10	15
90.00 Outlays	19	44	15

The Clinger-Cohen Act of 1996 required the establishment of a Chief Information Officer (CIO) for major Federal agencies. To meet the intent of the law and to provide a Departmental focus for information resources management issues, Secretary's Memorandum 1030-30, dated August 8, 1996, established the Office of the Chief Information Officer (OCIO). OCIO provides Departmentwide policy guidance, leadership, coordination and direction to the Department's information

management and information technology investment activities in support of USDA program delivery. The Office provides information security for long-range planning guidance, implements measures to ensure that technology investments are economical and effective, and implements standards and oversight to promote information exchange and technical interoperability.

This office also provides telecommunications and ADP services to USDA agencies throughout the National Information Technology Center with locations in Ft. Collins, Colorado, and Kansas City, Missouri. Direct ADP operational services are also provided to the Office of the Secretary, Office of the General Counsel, Office of Communications, the Office of Chief Financial Officer, and Executive Operations.

Public Law 105-277 appropriated funds to be available beginning in fiscal year 1999 through 2001, for Year 2000 remediation activities. The Year 2000 Program office provides oversight and guidance to ensure the uninterrupted delivery of USDA programs and services. 2000 reflects a transfer of \$4.4 million of these funds to USDA for a total of \$57 million.

Performance Measures for 1998-2000

	1999 actual	2000 est.	2001 est.
Number of USDA agencies using CPIC in the selection, evaluation, and control of their IT investment portfolio	27	27	27
Number of agency IT management reviews performed	2	6	6
Number of Service Center Oversight Implementation Independent Validations and Verifications conducted	9	3	3
Ensure all USDA agency critical information systems are Year 2000 compliant and operational (%)	100	N.A.	N.A.
Percent of agencies identifying critical assets and assessing them for vulnerability	10	26	30
Percent of agencies using information system technology architecture	25	35	50

Object Classification (in millions of dollars)

Identification code 12-0013-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	4	4	5
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	21	2	5
25.3 Purchases of goods and services from Government accounts	2	2	3
26.0 Supplies and materials	3		
31.0 Equipment	20	1	
41.0 Grants, subsidies, and contributions	1		
99.0 Subtotal, direct obligations	52	10	14
99.0 Reimbursable obligations	1	1	1
99.5 Below reporting threshold			1
99.9 Total new obligations	53	11	16

Personnel Summary

Identification code 12-0013-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	50	69	81
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	5	7	7

COMMON COMPUTING ENVIRONMENT

For necessary expenses to acquire a Common Computing Environment for the Natural Resources Conservation Service, and the Farm and Foreign Agricultural Service and Rural Development Mission Areas, \$75,000,000, to remain available until expended, for the capital asset acquisition of shared information technology systems, including services as authorized by 7 U.S.C. 6915-16 and 40 U.S.C. 1421-28: Provided, That obligation of these funds shall be consistent with the Department of Agriculture Service Center Modernization Plan of the county-based Agencies, and shall be with the concurrence of the Department's Chief Information Officer.

General and special funds—Continued**COMMON COMPUTING ENVIRONMENT—Continued****Program and Financing (in millions of dollars)**

Identification code 12-3900-0-4-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 31.0)			75
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			75
23.95 Total new obligations			-75
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			75
Change in unpaid obligations:			
73.10 Total new obligations			75
73.20 Total outlays (gross)			-63
74.40 Unpaid obligations, end of year: Obligated balance, end of year			12
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			63
Net budget authority and outlays:			
89.00 Budget authority			75
90.00 Outlays			63

The Department of Agriculture Reorganization Act of 1994 requires the Secretary of Agriculture to procure and use computer systems in a manner that enhances efficiency, productivity, and client services, and that promotes computer information sharing among agencies of the Department. In addition, the Clinger Cohen Act of 1996 requires USDA to maximize the value of information technology acquisitions to improve the efficiency and effectiveness of USDA programs. Congress has also expressed a strong desire for and is considering additional legislation, that would require these county-based agencies to make more services available to the public electronically. Since its beginning in 1996, the USDA Service Center modernization initiative has been working to restructure county field offices, modernize and integrate business approaches and replace the current stove-pipe and aging information systems with a modern Common Computing Environment (CCE) that optimizes information sharing, customer service, and staff efficiencies. The funds requested under this account would fund essential capital investments needed to achieve the goal of a fully operational CCE in 2002 as set forth in the modernization plan. Economies of scale in the procurement and management of information technology systems present compelling arguments for coordinating information technology investments. Without these investments, the Department's ability to provide timely and efficient services will continue to erode and the costs of maintaining the separate, aging systems will increase. Additional funds in the individual agency budgets will support the reengineering of business processes and data acquisition needed to maximize the benefits of this technology.

Intragovernmental funds:**WORKING CAPITAL FUND****Program and Financing (in millions of dollars)**

Identification code 12-4609-0-4-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating expenses:			
09.01 Administration	22	23	23
09.02 Communications	5	5	5
09.03 Finance and management	162	180	196
09.04 Information technology	58	57	57

09.05 Executive secretariat	1	1	1
09.09 Subtotal, operating expenses	248	266	282
Purchase of equipment:			
09.11 Administration	1		1
09.12 Finance and management	10	15	9
09.13 Information technology	11	10	8
09.19 Subtotal, purchase of equipment	22	25	18
10.00 Total new obligations	270	291	300

Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	25	23	23
22.00 New budget authority (gross)	267	291	300
22.10 Resources available from recoveries of prior year obligations	3		
23.90 Total budgetary resources available for obligation	295	314	323
23.95 Total new obligations	-270	-291	-300
24.40 Unobligated balance available, end of year	23	23	23

New budget authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	267	291	300

Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	12	18	18
73.10 Total new obligations	270	291	300
73.20 Total outlays (gross)	-263	-291	-300
73.45 Adjustments in unexpired accounts	-3		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	18	18	18

Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	263	291	300

Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-267	-291	-300

Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-4		

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 services, supply, centralized accounting systems, centralized automated data processing systems for payroll, personnel, and related services, voucher payments services, and ADP systems. The National Finance Center's expenses are also funded through this fund. The capital consists of \$400 thousand appropriated (7 U.S.C. 2235), and subsequent appropriations of \$32 million as of September 30, 1999. 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.

Object Classification (in millions of dollars)

Identification code 12-4609-0-4-352	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	86	101	107
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	5	4	4
11.9 Total personnel compensation	93	107	113
12.1 Civilian personnel benefits	17	20	21
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	5	5	5
23.2 Rental payments to others	2	2	2
23.3 Communications, utilities, and miscellaneous charges	26	21	22
24.0 Printing and reproduction	2	2	2
25.2 Other services	90	97	106
26.0 Supplies and materials	7	6	6
31.0 Equipment	25	28	20
99.9 Total new obligations	270	291	300

Personnel Summary

Identification code 12-4609-0-4-352	1999 actual	2000 est.	2001 est.
2001 Total compensable workyears: Full-time equivalent employment	2,052	2,089	2,089

DEPARTMENTAL ADMINISTRATION

Federal Funds

General and special funds:

DEPARTMENTAL ADMINISTRATION
(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, [\$34,738,000] \$40,740,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, 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. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0120-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.08 Direct program	32	35	41
09.01 Reimbursable program	29	13	14
10.00 Total new obligations	61	48	55
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	36	48	55
23.95 Total new obligations	-61	-48	-55
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	32	35	41
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	21	13	14
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-8	-32	
68.15 From Federal sources: Adjustments to receivables and unpaid, unfilled orders	-9	32	
68.90 Spending authority from offsetting collections (total discretionary)	4	13	14
70.00 Total new budget authority (gross)	36	48	55
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	-28	-6	28
72.95 From Federal sources: Receivables and unpaid, unfilled orders	40	32	
72.99 Total unpaid obligations, start of year	12	26	28
73.10 Total new obligations	61	48	55
73.20 Total outlays (gross)	-42	-46	-53
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	-6	28	30
74.95 From Federal sources: Receivables and unpaid, unfilled orders	32		
74.99 Total unpaid obligations, end of year	26	28	30
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	34	46	51
86.93 Outlays from discretionary balances	13		2
87.00 Total outlays (gross)	42	46	53

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-21	-13	-14
Against gross budget authority only:			
88.95 From Federal sources: Change in receivables and unpaid, unfilled orders	8	32	
88.96 From Federal sources: Adjustment to receivables and unpaid, unfilled orders	9	-32	
Net budget authority and outlays:			
89.00 Budget authority	32	35	41
90.00 Outlays	26	33	39

Departmental Administration is comprised of activities that provide staff support to top policy officials and overall direction and coordination of the Department. These activities include Department-wide programs for human resource management, ethics, management improvement, occupational safety and health management, real and personal property management, procurement, contracting, motor vehicle and aircraft management, supply management, civil rights and equal opportunity, participation of small and disadvantaged businesses, and socially disadvantaged farmers and ranchers in the Department's program activities, emergency preparedness, and the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges, Judicial Officer, and Board of Contract Appeals.

Departmental Administration is also responsible for representing USDA in the development of government-wide policies and initiatives; analyzing the impact of government-wide trends and developing appropriate USDA principles, policies, and standards. In addition, Departmental Administration engages in strategic planning and evaluating programs to ensure USDA-wide compliance with applicable laws, rules, and regulations pertaining to administrative matters for the Secretary and general officers of the Department.

DEPARTMENTAL ADMINISTRATION WORKLOAD INDICATORS

	1999 actual	2000 est.	2001 est.
Subcontracting plans reviewed	46	40	40
Small businesses counseled	6,800	6,800	6,800
Small business procurement conferences conducted or sponsored by USDA/OSDBU	8	6	6
Number of outreach conferences attended by OSDBU staff	18	15	15
Procurement assistance reviews conducted	0	1	1
Training conferences conducted	4	4	4

Object Classification (in millions of dollars)

Identification code 12-0120-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	19	25	28
12.1 Civilian personnel benefits	4	5	6
23.3 Communications, utilities, and miscellaneous charges	1	1	
25.2 Other services	3	1	3
25.3 Purchases of goods and services from Government accounts	3	2	2
31.0 Equipment	2	1	1
99.0 Subtotal, direct obligations	32	35	40
99.0 Reimbursable obligations	29	13	14
99.5 Below reporting threshold			1
99.9 Total new obligations	61	48	55

Personnel Summary

Identification code 12-0120-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	312	374	392
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	62	77	75

General and special funds—Continued

HAZARDOUS [WASTE] MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. [9607(g)] 9601, et seq., and [section 6001 of] the Resource Conservation and Recovery Act, 42 U.S.C. [6961] 9601, et seq., [\$15,700,000] \$30,073,000, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous [Waste] Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands. (42 U.S.C. 6961, et seq., 42 U.S.C. 9601, et seq.; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0500-0-1-304	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	15	16	30
09.00 Reimbursable program	1		
10.00 Total new obligations	16	16	30
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
22.00 New budget authority (gross)	16	16	30
23.90 Total budgetary resources available for obligation	17	17	31
23.95 Total new obligations	-16	-16	-30
24.40 Unobligated balance available, end of year	1	1	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	16	16	30
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	17	16	30
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	21	18	19
73.10 Total new obligations	16	16	30
73.20 Total outlays (gross)	-19	-15	-30
74.40 Unpaid obligations, end of year: Obligated balance, end of year	18	19	19
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	14	27
86.93 Outlays from discretionary balances	10	1	3
87.00 Total outlays (gross)	19	15	30
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1		
Net budget authority and outlays:			
89.00 Budget authority	15	16	30
90.00 Outlays	18	15	30

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 for storage and disposition of hazardous wastes as private businesses. Since the Department has substantial commitments under these Acts, a central fund has been established so that resources may be allocated to the Department's agencies. Allocations are made according to objective criteria.

PERFORMANCE INDICATORS

	1999 actual	2000 est.	2001 est.
Number of sites assessed/characterized on need for cleanup	53	78	27

Number of removal and remediation plans completed ¹	9	17	12
Number of removal and remedial actions completed ²	42	61	22
Number of mine cleanups completed ³	6	12	7
Number of cleanup/restoration agreements with potentially responsible parties (PRP's) ⁴	7	10	10
Estimated value of cleanup/restoration work performed by PRP's (\$ millions) ⁴	\$34	\$35	\$35
Number of UST cleanups completed	6	N.A.	N.A.

¹ Until 1999, site assessment and cleanup planning were combined.
² Includes response actions under CERCLA, RCRA corrective action, and UST removals and cleanups.
³ New performance indicator for priority activities under the Clean Water Initiative.
⁴ Prior to 1998, PRP and USDA cleanups were combined. The number of agreements and estimated value of cleanup work performed by PRPs will vary from year to year. Enforceable agreements are always executed when the PRP agrees to perform cleanup work.

Object Classification (in millions of dollars)

Identification code 12-0500-0-1-304	1999 actual	2000 est.	2001 est.
25.2 Direct obligations: Other services	14	15	29
99.0 Reimbursable obligations: Subtotal, reimbursable obligations	1		
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	16	16	30

Personnel Summary

Identification code 12-0500-0-1-304	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	4	6	6

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, *improvement*, and repair of Agriculture buildings, [\$140,364,000] \$182,747,000, to remain available until expended: *Provided*, That in the event an agency within the Department 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 5 percent of the funds made available for space rental and related costs to or from this account. (7 U.S.C. 2201, 2202, 2208; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0117-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Rental payments to GSA: Non-recurring repairs	106	118	126
00.02 Building operations and maintenance	24	32	31
00.04 Strategic space plan	7	1	26
09.02 Reimbursable program	7	6	1
10.00 Total new obligations	144	157	184
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	11	7	
22.00 New budget authority (gross)	141	150	184
23.90 Total budgetary resources available for obligation	152	157	184
23.95 Total new obligations	-144	-157	-184
24.40 Unobligated balance available, end of year	7		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	137	140	183
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	4	10	1
70.00 Total new budget authority (gross)	141	150	184

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	33	21	10
73.10	Total new obligations	144	157	184
73.20	Total outlays (gross)	-157	-169	-184
74.40	Unpaid obligations, end of year: Obligated balance, end of year	21	10	10
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	124	148	182
86.93	Outlays from discretionary balances	33	21	2
87.00	Total outlays (gross)	157	169	184
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-4	-10	-1
Net budget authority and outlays:				
89.00	Budget authority	137	140	183
90.00	Outlays	153	159	183

This 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 four buildings in the Headquarters area.

Beginning in 1995, the account included funds for USDA's strategic space plan. Since then, funds were made available for the construction and occupancy of an office facility at the Beltsville Agricultural Research Center and the design and implementation of a long-term program to renovate and modernize the South Building.

WORKLOAD INDICATORS

	1999 actual	2000 est.	2001 est.
Maintenance and Repairs:			
Minor repairs (number)	389	350	350
Maintenance (thousands of hours)	13	13	13
Service calls (thousands)	11	11	11

Object Classification (in millions of dollars)

Identification code 12-0117-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	5	5	5
12.1 Civilian personnel benefits	1	1	1
23.1 Rental payments to GSA	106	118	126
23.3 Communications, utilities, and miscellaneous charges	5	5	5
25.2 Other services	20	22	46
99.0 Subtotal, direct obligations	137	151	183
99.0 Reimbursable obligations	7	6	1
99.9 Total new obligations	144	157	184

Personnel Summary

Identification code 12-0117-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	77	86	88

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), [\$3,000,000] \$10,000,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0601-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	3	3	10

09.00	Reimbursable program	1	1	.....
10.00	Total new obligations	4	4	10
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	4	4	10
23.95	Total new obligations	-4	-4	-10

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation	3	3	10
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	2	.....	.....
68.10	From Federal sources: Change in receivables and unpaid, unfilled orders	-1	.....	.....
68.90	Spending authority from offsetting collections (total discretionary)	1	.....	.....
70.00	Total new budget authority (gross)	4	3	10

Change in unpaid obligations:

Unpaid obligations, start of year:				
72.40	Obligated balance, start of year	3	2	.....
72.95	From Federal sources: Receivables and unpaid, unfilled orders	3	2	2
72.99	Total unpaid obligations, start of year	6	4	2
73.10	Total new obligations	4	4	10
73.20	Total outlays (gross)	-6	-6	-10
Unpaid obligations, end of year:				
74.40	Obligated balance, end of year	2	.....	.....
74.95	From Federal sources: Receivables and unpaid, unfilled orders	2	2	2
74.99	Total unpaid obligations, end of year	4	2	2

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	1	3	10
86.93	Outlays from discretionary balances	5	2	.....
87.00	Total outlays (gross)	6	6	10

Offsets:

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-2	.....	.....
Against gross budget authority only:				
88.95	From Federal sources: Change in receivables and unpaid, unfilled orders	1	.....	.....

Net budget authority and outlays:

89.00	Budget authority	3	3	10
90.00	Outlays	4	3	10

Farm Outreach and Assistance Grants.—This program is authorized under section 2501 of Title XXV of the Food, Agriculture, Conservation, and Trade Act of 1990. Section 2501 requires the Secretary of Agriculture to provide outreach and technical assistance to encourage and assist socially disadvantaged farmers and ranchers to own and operate farms and ranches and to participate in agricultural programs.

The Secretary may make grants to and enter into contracts and other agreements with eligible community-based organizations, 1890/1862/1994 Land-Grant Institutions, Tuskegee University, Native American Community Colleges and Hispanic Servicing Institutions with demonstrated experience in providing education or other agriculture-related services to socially disadvantaged farmers and ranchers.

The USDA through partnership agreements will provide outreach, training, technical assistance, and sound farm management and production to small farmers and ranchers by providing assistance in custom farm plans, production, crop diversification, marketing practices, farm accounting, and recordkeeping. The overall objective of the program is to enhance the ability of small and minority producers to operate a farming or ranching enterprise independently and produce income to service an adequate standard of living. Services are provided by non-federal employees who are employed by the entities.

General and special funds—Continued

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS—Continued

GRANT OBLIGATIONS

	1999 actual	2000 est.	2001 est.
Number of grants	26	26	26
Amount of grants (in millions of dollars)	3	3	10

Object Classification (in millions of dollars)

Identification code 12-0601-0-1-351	1999 actual	2000 est.	2001 est.
41.0 Direct obligations: Grants, subsidies, and contributions	3	3	10
99.0 Reimbursable obligations: Subtotal, reimbursable obligations	1	1	
99.9 Total new obligations	4	4	10

OFFICE OF COMMUNICATIONS

Federal Funds

General and special funds:

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, **[\$8,138,000] \$9,031,000**, 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 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0150-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Public affairs	8	8	9
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	9	9	10
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	9	10	11
23.95 Total new obligations	-9	-9	-10
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	8	8	9
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	1	1	1
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders		1	1
68.90 Spending authority from offsetting collections (total discretionary)	1	2	2
70.00 Total new budget authority (gross)	9	10	11
Change in unpaid obligations:			
72.95 Unpaid obligations, start of year: From Federal sources: Receivables and unpaid, unfilled orders			1
73.10 Total new obligations	9	9	10
73.20 Total outlays (gross)	-9	-8	-11
74.95 Unpaid obligations, end of year: From Federal sources: Receivables and unpaid, unfilled orders		1	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	9	10
86.93 Outlays from discretionary balances			1
87.00 Total outlays (gross)	9	8	11
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1

Against gross budget authority only:			
88.95	From Federal sources: Change in receivables and unpaid, unfilled orders	-1	-1

Net budget authority and outlays:

89.00	Budget authority	8	8	9
90.00	Outlays	8	7	9

Public affairs.—This office 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, administrative 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.

PERFORMANCE MEASURES

	1999 actual	2000 est.	2001 est.
Random surveys of selected communications initiatives reveal that intended audience received the material or information distributed	90%	95%	98%

Object Classification (in millions of dollars)

Identification code 12-0150-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	7
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	1	1	1
99.0 Subtotal, direct obligations	8	8	9
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	9	9	10

Personnel Summary

Identification code 12-0150-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	89	95	95

OFFICE OF THE INSPECTOR GENERAL

Federal Funds

General and special funds:

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

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), and the Inspector General Act of 1978, **[\$65,128,000] \$70,214,000**, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including not to exceed \$125,000 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; Public Law 100-504; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0900-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	65	65	70
09.01 Reimbursable program	3	3	3
10.00 Total new obligations	68	68	73
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	68	68	73

23.95	Total new obligations	-68	-68	-73
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	65	65	70
68.00	Spending authority from offsetting collections: Offset- ting collections (cash)	3	3	3
70.00	Total new budget authority (gross)	68	68	73
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	3	6	6
73.10	Total new obligations	68	68	73
73.20	Total outlays (gross)	-65	-68	-73
74.40	Unpaid obligations, end of year: Obligated balance, end of year	6	6	6
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	62	62	67
86.93	Outlays from discretionary balances	3	6	6
87.00	Total outlays (gross)	65	68	73
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-3	-3	-3
Net budget authority and outlays:				
89.00	Budget authority	65	65	70
90.00	Outlays	62	65	70

The Office keeps the Secretary and Congress informed about fraud, other serious problems, mismanagement, 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 mismanagement 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 mismanagement; and (c) identify and prosecute people involved in fraud or mismanagement.

Object Classification (in millions of dollars)

Identification code 12-0900-0-1-352	1999 actual	2000 est.	2001 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	38	40	42
11.5	Other personnel compensation	4	4	4
11.9	Total personnel compensation	42	44	46
12.1	Civilian personnel benefits	12	12	13
21.0	Travel and transportation of persons	4	5	5
23.3	Communications, utilities, and miscellaneous charges	1	1	1
25.2	Other services	1	1	1
25.3	Purchases of goods and services from Government accounts	1	1	1
31.0	Equipment	1	1	1
99.0	Subtotal, direct obligations	62	64	68
99.0	Reimbursable obligations	3	3	3
99.5	Below reporting threshold	3	1	2
99.9	Total new obligations	68	68	73

Personnel Summary

Identification code 12-0900-0-1-352	1999 actual	2000 est.	2001 est.	
1001	Total compensable workyears: Full-time equivalent employment	701	753	760

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, **[\$29,194,000] \$32,881,000.** (7 U.S.C. 2201; 2202, 2214a; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-2300-0-1-352	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
00.01	Direct program	29	29	33
09.00	Reimbursable program	1	2	2
10.00	Total new obligations	30	31	35
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	30	31	35
23.95	Total new obligations	-30	-31	-35
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	29	29	33
68.00	Spending authority from offsetting collections: Offset- ting collections (cash)	1	2	2
70.00	Total new budget authority (gross)	30	31	35
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	1	1	2
73.10	Total new obligations	30	31	35
73.20	Total outlays (gross)	-30	-31	-35
74.40	Unpaid obligations, end of year: Obligated balance, end of year	1	2	2
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	29	29	33
86.93	Outlays from discretionary balances	1	2	2
87.00	Total outlays (gross)	30	31	35
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-1	-2	-2
Net budget authority and outlays:				
89.00	Budget authority	29	29	33
90.00	Outlays	28	29	33

The Office of the General Counsel of the Department of Agriculture provides all legal advice, counsel, and services to the Secretary and to all agencies, offices, and corporations of the Department on all aspects of their operations. It represents the Department in administrative proceedings; non-litigation 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 millions of dollars)

Identification code 12-2300-0-1-352	1999 actual	2000 est.	2001 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	23	24	26
12.1	Civilian personnel benefits	5	5	6
23.3	Communications, utilities, and miscellaneous charges	1	1	1
99.0	Subtotal, direct obligations	29	29	33
99.0	Reimbursable obligations	1	2	2

General and special funds—Continued

OFFICE OF THE GENERAL COUNSEL—Continued

Object Classification (in millions of dollars)—Continued

Identification code	1999 actual	2000 est.	2001 est.
12-2300-0-1-352			
99.9 Total new obligations	30	31	35

Personnel Summary

Identification code	1999 actual	2000 est.	2001 est.
12-2300-0-1-352			
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	333	343	363
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	6	7	7

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 analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, **[\$65,419,000]** *\$55,424,000*. *Provided, [That \$1,000,000 shall be transferred to and merged with the appropriation for "Food and Nutrition Service, Food Program Administration" for studies and evaluations: *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). (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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)*

Program and Financing (in millions of dollars)

Identification code	1999 actual	2000 est.	2001 est.
12-1701-0-1-352			
Obligations by program activity:			
00.01 Direct program	62	64	55
09.00 Reimbursable program	3	4	4
10.00 Total new obligations	65	68	59

Budgetary resources available for obligation:

22.00 New budget authority (gross)	66	68	59
23.95 Total new obligations	-65	-68	-59

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	66	65	55
41.00 Transferred to other accounts	-3	-1	
43.00 Appropriation (total discretionary)	63	64	55
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	3	4	4
70.00 Total new budget authority (gross)	66	68	59

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	24	28	38
73.10 Total new obligations	65	68	59
73.20 Total outlays (gross)	-61	-60	-60
74.40 Unpaid obligations, end of year: Obligated balance, end of year	28	38	35

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	45	60	52
86.93 Outlays from discretionary balances	16		8
87.00 Total outlays (gross)	61	60	60

Offsets:

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-3	-4	-4

Net budget authority and outlays:

89.00 Budget authority	63	64	55
90.00 Outlays	58	56	56

The Economic Research Service provides economic and other social science research and analysis for public and private decisions on agriculture, food, natural resources, and rural America.

Miscellaneous funds received from States, local organizations, and others are available for support of economic research and analysis (7 U.S.C. 450b, 450h, 3318b).

The 2001 request includes funding for three new initiatives: an initiative on structural change, coordination and concentration in food and agriculture; an initiative on global research, statistics, and outreach; and an initiative, concerning the economic incentives for carbon sequestration and trace gas emissions control in agriculture. The 2000 appropriation included funds for certain evaluation activities of the USDA Food and Nutrition Service, which are proposed to be funded through that account in 2001.

Object Classification (in millions of dollars)

Identification code	1999 actual	2000 est.	2001 est.
12-1701-0-1-352			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	32	32	32
11.3 Other than full-time permanent	2	2	2
11.9 Total personnel compensation	34	34	34
12.1 Civilian personnel benefits	6	6	6
21.0 Travel and transportation of persons	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	4	2	2
25.3 Purchases of goods and services from Government accounts	4	6	5
25.5 Research and development contracts	8	10	4
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
41.0 Grants, subsidies, and contributions	2	2	
99.0 Subtotal, direct obligations	62	64	55
99.0 Reimbursable obligations	3	4	4
99.9 Total new obligations	65	68	59

Personnel Summary

Identification code	1999 actual	2000 est.	2001 est.
12-1701-0-1-352			
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	506	506	517
Reimbursable:			
2001 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, marketing surveys, and the Census of Agriculture, as authorized by 7 U.S.C. 1621-1627, Public Law 105-113, and other laws, **[\$99,405,000]** *\$100,615,000*, of which up to **[\$16,490,000]** *\$15,000,000* shall be available until expended for the Census of Agriculture: *Provided, That this appropriation shall be available for em-*

ployment 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, 1621-27, 2201, 2202, 2204, 2225, 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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-1801-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Agricultural estimates	76	79	82
00.02 Statistical research and service	4	4	4
00.03 Census of Agriculture	23	16	15
09.01 Reimbursable program	10	10	10
10.00 Total new obligations	113	109	111
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	114	109	111
23.95 Total new obligations	-113	-109	-111
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	104	99	101
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	10	10	10
70.00 Total new budget authority (gross)	114	109	111
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	9	13	11
73.10 Total new obligations	113	109	111
73.20 Total outlays (gross)	-116	-110	-110
73.40 Adjustments in expired accounts (net)	7		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	13	11	11
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	114	98	100
86.93 Outlays from discretionary balances	1	12	11
87.00 Total outlays (gross)	116	110	110
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-8	-8	-8
88.40 Non-Federal sources	-2	-2	-2
88.90 Total, offsetting collections (cash)	-10	-10	-10
Net budget authority and outlays:			
89.00 Budget authority	104	99	101
90.00 Outlays	106	100	100

Agricultural 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 nearly 400 reports issued each year. Detailed data are also collected on agricultural chemical use, labor, and expenditures. In addition, the Census of Agriculture is conducted every five years which provides comprehensive data on the Nation's agricultural industry down to the county level.

The work under this activity is conducted through 45 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. The 2001 program includes increases for development of NASS Computer Security Architecture, implementation of a hog survey, expansion of the environmental statistics program, and a reduction in lower priority programs.

Statistical research and service.—This activity is designed to improve the statistical methods and related technologies

by improving sample survey designs and procedures and by testing new forecasting and estimating techniques, such as the use of remote sensing and geographic information systems.

Census of Agriculture.—The Census of Agriculture is conducted every five years. In 2001, a decrease reflects removal of the Agricultural Economics and Land Ownership Survey. An increase is requested to fund cyclical activities associated with preparations for the 2002 Census of Agriculture.

Miscellaneous funds received from local organizations, commodity groups, and others are available for dissemination of reports and for survey work conducted under cooperative agreements (7 U.S.C. 450b, 450h, 3318b).

PERFORMANCE MEASURES AND INDICATORS

Performance Measures	Indicators		
	1999 actual	2000 est.	2001 est.
Percentage of total national agricultural production included in the NASS program	94	95	95
Percentage of reports issued that meet scheduled release date and contain no data errors	96	99	99

Object Classification (in millions of dollars)

Identification code 12-1801-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	50	52	54
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	52	54	56
12.1 Civilian personnel benefits	12	12	13
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	3	4	3
24.0 Printing and reproduction	1	1	1
25.2 Other services	21	15	15
25.3 Purchases of goods and services from Government accounts	7	6	6
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	1	1	1
31.0 Equipment	3	3	3
99.0 Subtotal, direct obligations	103	99	101
99.0 Reimbursable obligations	9	9	9
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	113	109	111

Personnel Summary

Identification code 12-1801-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	1,030	1,030	1,028
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	107	107	107

AGRICULTURAL RESEARCH SERVICE

Federal Funds

General and special funds:

AGRICULTURAL RESEARCH SERVICE

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 including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, [S834,322,000] \$894,258,000. Provided,

General and special funds—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

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 available for employment under 5 U.S.C. 3109: *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 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 [\$250,000] \$375,000, except for headhouses or greenhouses which shall each be limited to [\$1,000,000] \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed [\$500,000] \$750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or [\$250,000] \$375,000, whichever is greater: *Provided further*, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further*, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: *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 foregoing limitations on purchase of land shall not apply to the purchase of land at Corvallis, Oregon; Parlier, California and Florence, South Carolina: *Provided further*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In fiscal year [2000] 2001, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account and shall remain available until expended for authorized purposes. (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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12–1400–0–1–352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01	82	89	110
00.02	295	296	301
00.03	119	133	141
00.04	156	172	184
00.05	67	72	89
00.06	29	31	30
00.07	18	18	18
00.08	1		
00.09	2		
00.10	20	19	21
09.00	48	60	60
10.00	837	890	954
Budgetary resources available for obligation:			
21.40	1	1	
22.00	842	890	954
23.90	843	891	954
23.95	–837	–890	–954
23.98	–3		
24.40	1		

New budget authority (gross), detail:			
Discretionary:			
40.00	786	834	894
40.15	23		
40.35	–22		
40.76		–4	
42.00	7		
43.00	794	830	894
68.00	48	60	60
70.00	842	890	954
Change in unpaid obligations:			
72.40	205	234	241
73.10	837	890	954
73.20	–809	–885	–942
73.40	1		
74.40	234	241	253
Outlays (gross), detail:			
86.90	655	724	775
86.93	154	160	166
87.00	809	885	942
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	–44	–55	–55
88.40	–4	–5	–5
88.90	–48	–60	–60
Net budget authority and outlays:			
89.00	794	830	894
90.00	761	825	882

Funding for the Agricultural Research Service is proposed as part of the Research Fund for America. This proposal highlights the Administration's priority to providing needed and sustained investments in important Federal research programs on a deficit neutral basis. A discussion of the Research Fund for America, and two other funds for the environment and transportation, can be found in Section II of the *Budget* volume.

The Agricultural Research Service conducts research to provide the means for a safer, more economical supply of agricultural products for the Nation and to provide producers with technologies to competitively supply these products. Technology needs of regulatory, technical assistance and education agencies of USDA and other Federal agencies are supported through ARS research. The Service uses coordinated, interdisciplinary approaches to perform basic and applied research on soil and water conservation, plant and animal sciences, commodity conversion and delivery, human nutrition, and integrated agricultural systems. In 2001, the Service proposes increased emphases for critical research needs in agriculture, such as: Emerging and exotic diseases, Invasive species, biobased products and new uses, the President's Food Safety Initiative, Human Nutrition, Agricultural genomics and genetics, Pest Management requirements of the Food Quality Protection Act, Integrated sciences for ecological challenges, Air quality, Global climate change, and Agricultural information and library services. The Service expects to submit 70 new patent applications, participate in 90 new Cooperative research and development agreements (CRADAs), license 30 new products, and develop 70 new plant varieties to release to industry for further development and marketing in 2000.

Research on soil, water, and air sciences.—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 science.—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.

Research on animal science.—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.

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 means to ensure 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 such 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.

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 ensure 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.

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.

Collaborative Research Program.—Funds from the U.S. Agency for International Development (AID), allows USDA to provide short-term scientific exchanges to the New Independent States of the former Soviet Union (NIS), in developing a market-based agricultural system necessary to meet the food needs of their populations and to develop and strengthen trade linkages between their countries and related agribusiness and agricultural enterprise in the U.S.

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 millions of dollars)				
Identification code 12-1400-0-1-352	1999 actual	2000 est.	2001 est.	
Direct obligations:				
Personnel compensation:				
11.1 Full-time permanent	315	337	355	
11.3 Other than full-time permanent	21	23	24	
11.5 Other personnel compensation	15	15	15	
11.9 Total personnel compensation	351	375	394	

12.1 Civilian personnel benefits	81	88	92	
21.0 Travel and transportation of persons	16	17	18	
22.0 Transportation of things	2	2	2	
23.2 Rental payments to others	1	2	2	
23.3 Communications, utilities, and miscellaneous charges	31	31	35	
24.0 Printing and reproduction	1	1	2	
25.2 Other services	3	9	12	
25.3 Purchases of goods and services from Government accounts	5	4	5	
25.4 Operation and maintenance of facilities	26	27	30	
25.5 Research and development contracts	119	125	141	
25.7 Operation and maintenance of equipment	6	6	7	
25.8 Subsistence and support of persons	1	1	1	
26.0 Supplies and materials	71	72	75	
31.0 Equipment	45	47	51	
32.0 Land and structures	6	6	6	
41.0 Grants, subsidies, and contributions	24	17	21	
99.0 Subtotal, direct obligations	789	830	894	
99.0 Reimbursable obligations	48	60	60	
99.9 Total new obligations	837	890	954	

Personnel Summary

Identification code 12-1400-0-1-352	1999 actual	2000 est.	2001 est.	
Direct:				
1001 Total compensable workyears: Full-time equivalent employment	7,301	7,518	7,518	
Reimbursable:				
2001 Total compensable workyears: Full-time equivalent employment	138	138	138	

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, **[\$52,500,000]** \$39,300,000, to remain available until expended (7 U.S.C. 2209b): *Provided*, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-1401-0-1-352	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
10.00 Total new obligations	73	65	59	
Budgetary resources available for obligation:				
21.40 Unobligated balance available, start of year	102	86	73	
22.00 New budget authority (gross)	56	53	39	
23.90 Total budgetary resources available for obligation	158	139	112	
23.95 Total new obligations	-73	-65	-59	
24.40 Unobligated balance available, end of year	86	73	53	
New budget authority (gross), detail:				
Discretionary:				
40.00 Appropriation	56	53	39	
Change in unpaid obligations:				
72.40 Unpaid obligations, start of year: Obligated balance, start of year	68	72	72	
73.10 Total new obligations	73	65	59	
73.20 Total outlays (gross)	-68	-65	-65	
73.40 Adjustments in expired accounts (net)	-1			
74.40 Unpaid obligations, end of year: Obligated balance, end of year	72	72	66	
Outlays (gross), detail:				
86.90 Outlays from new discretionary authority	3	6	5	
86.93 Outlays from discretionary balances	65	59	60	
87.00 Total outlays (gross)	68	65	65	
Net budget authority and outlays:				
89.00 Budget authority	56	53	39	

General and special funds—Continued

BUILDINGS AND FACILITIES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1401-0-1-352	1999 actual	2000 est.	2001 est.
90.00 Outlays	68	65	65

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 2001 request provides the continuing modernization of the Beltsville Agricultural Research Center, Beltsville, MD; the modernizing of ARS and APHIS facilities at the National Animal Disease Center (NADC) at Ames, IA; ongoing upgrades to existing facilities at Plum Island; and Albany, CA; and other high priority projects.

Object Classification (in millions of dollars)

Identification code 12-1401-0-1-352	1999 actual	2000 est.	2001 est.
25.2 Other services	53	25	22
32.0 Land and structures	19	40	37
41.0 Grants, subsidies, and contributions	1		
99.9 Total new obligations	73	65	59

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-8214-0-7-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Science and education contributed funds	22	23	23
Appropriation:			
05.01 Miscellaneous contributed funds	-22	-23	-23
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8214-0-7-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	20	23	23
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	12	14	13
22.00 New budget authority (gross)	22	23	23
23.90 Total budgetary resources available for obligation	34	37	36
23.95 Total new obligations	-20	-23	-23
24.40 Unobligated balance available, end of year	14	13	13
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	22	23	23
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	5	8	6
73.10 Total new obligations	20	23	23
73.20 Total outlays (gross)	-18	-23	-23
74.40 Unpaid obligations, end of year: Obligated balance, end of year	8	6	6
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	6	7	7
86.98 Outlays from mandatory balances	12	16	16
87.00 Total outlays (gross)	18	23	23

Net budget authority and outlays:			
89.00 Budget authority	22	23	23
90.00 Outlays	18	23	23

Miscellaneous contributed funds received from States, local organizations, individuals, and others are available for work under cooperative agreements on research activities.

Object Classification (in millions of dollars)

Identification code 12-8214-0-7-352	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	5	5	5
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	10	13	13
26.0 Supplies and materials	3	3	3
31.0 Equipment	1	1	1
99.9 Total new obligations	20	23	23

Personnel Summary

Identification code 12-8214-0-7-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	106	106	106

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

Federal Funds

General and special funds:

INTEGRATED ACTIVITIES

【For the integrated research, education, and extension competitive grants programs, including necessary administrative expenses, \$89,541,000 as follows: payments for the water quality program, \$18,000,000; payments for the food safety program, \$15,000,000; payments for the national agriculture pesticide impact assessment program, \$4,541,000; payments for the Food Quality Protection Act risk mitigation program for major food crop systems, \$4,000,000; payments for crops affected by the Food Quality Protection Act implementation, \$1,000,000; and payments for the methyl bromide transition program, \$2,000,000, as authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626).】

For the integrated research, education, and extension competitive grants programs, including necessary administrative expenses, \$76,194,000: (1) for payments as authorized under section 406 of the Agricultural Research, Extension and Education Reform Act of 1998 (7 U.S.C. 7626), for the small farms initiative, \$4,000,000; for the water quality program, \$16,204,000; for the food safety program, \$15,000,000; for the national agriculture pesticide impact assessment program, \$4,640,000; for the Food Quality Protection Act risk mitigation program for major food crop systems, \$10,000,000; for the crops affected by FQPA implementation, \$3,000,000; for the methyl bromide transition program, \$5,000,000; for the invasive species program, \$1,500,000; for the biobased products program, \$9,600,000; for the organic transition program, \$1,000,000; (2) payments for the international research, extension, and teaching activities for grants under section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291), as amended, to remain available until expended, \$1,000,000; and (3) payments for anti-hunger and food security grants program under the same terms and conditions as those found in subsections (c), (d), (f), and (g) of section 25 of the Food Stamp Act of 1977, \$5,250,000.

Program and Financing (in millions of dollars)

Identification code 12-1502-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.10 Small farms initiative			4
00.20 Water quality		13	16
00.30 Food safety		15	15
00.40 Pesticide impact assessment		5	5
00.50 Crops at risk		1	3

00.60	Food Quality Protection Act risk mitigation program	4	10
00.70	Methyl bromide transition program	2	5
00.80	Anti-hunger and food security grants	5	5
00.85	International science and education grants	1	1
00.86	Biobased products program	10	10
00.87	Invasive species	1	1
00.88	Organic transition-risk assessment	1	1
10.00	Total new obligations	40	76
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	40	76
23.95	Total new obligations	-40	-76
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	40	76
Change in unpaid obligations:			
72.40	Unpaid obligations, start of year: Obligated balance, start of year		38
73.10	Total new obligations	40	76
73.20	Total outlays (gross)	-2	-17
74.40	Unpaid obligations, end of year: Obligated balance, end of year	38	97
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority	2	4
86.93	Outlays from discretionary balances		14
87.00	Total outlays (gross)	2	17
Net budget authority and outlays:			
89.00	Budget authority	40	76
90.00	Outlays	2	17

Note.—2000 and 2001 estimates includes water quality grants, food safety and pesticide impact assessments, activities previously financed from the USDA Cooperative State Research, Education, and Extension Service Research and Education Activities and Extension Activities accounts.

Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 authorized integrated research, education, and extension competitive grants to provide funding for integrated, multifunctional agricultural research, extension, and education activities. A 100% non-Federal match is required for commodity or location-specific activities. Programs proposed for funding under this account are:

Small farms initiative.—In 2001, a small farms initiative, to be implemented through the Department's Land-Grant partners, is proposed in support of the Secretary's Civil Rights Initiative to strengthen USDA's research and educational assistance to the socially disadvantaged.

Water quality.—This funding will enable CSREES and the State Agricultural Experiment Stations and the Cooperative Extension system to become viable partners with other state and federal agencies in addressing water quality issues of national importance. Funds will be awarded based upon peer review of competitive proposals for projects that have components for research and extension.

Food safety.—Funding will support research, education and extension programs to improve safety of food products and create a more informed public about food safety issues.

National agricultural pesticide impact assessment.—Funding will provide management and coordination for USDA and State activities that support informed regulatory decisions concerning pesticides that significantly benefit U.S. food production without causing adverse effects on the environment.

Crops at risk from FQPA implementation.—Funding will support the development of new multi-tactic IPM strategies. Grant opportunities will be available to state Land-Grant and federal scientists, non-Land-Grant institutions, and grower commodity group partnerships with these groups.

FQPA Risk mitigation program for major food crop systems.—Funds are proposed to support a program to address risk mitigation that will have a food production system focus, integrating food safety and water quality considerations as impacted by FQPA. Emphasis will be placed on development and implementation of new innovative pest management systems

designed to maintain crop productivity and profitability while meeting or exceeding environmental quality and human health standards.

Methyl bromide transition program.—This is a competitive grants program designed to support the discovery and implementation of practical pest management alternatives for commodities affected by the methyl bromide phase-out in 2005.

Anti-Hunger and Food Security grants program.—Funds are proposed to establish an anti-hunger and food security program which will support competitively-awarded projects. This program will provide funds to non-profit entities for projects that reduce hunger, improve nutrition, bolster community food security, and help families move from poverty to self-sufficiency.

Invasive species program.—This program will support a new competitive grant program that supports integrated research, extension, and education activities in collaboration with representative individuals, groups and agencies at a local level to address invasive species issues on an ecoregional basis.

Biobased products program.—This funding will enable CSREES to work with other agencies to increase economic opportunities for U.S. farmers by developing and expanding markets through research, development, and commercialization of new, economically competitive and environmentally preferable products from biobased resources.

Organic transition program.—This program supports the development and implementation of biologically based pest management practices that mitigate the ecological, agronomic, and economic risks associated with the transition from conventional to organic agricultural production systems.

International science and education grants.—This program supports the globalization of colleges and universities to strengthen U.S. economic competitiveness and to promote international market development for U.S. agriculture.

Object Classification (in millions of dollars)

Identification code 12-1502-0-1-352	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent		1	1
25.2 Other services			1
25.3 Purchases of goods and services from Government accounts		1	1
41.0 Grants, subsidies, and contributions		38	73
99.9 Total new obligations		40	76

Personnel Summary

Identification code 12-1502-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment		8	10

INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS

Program and Financing (in millions of dollars)

Identification code 12-1503-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations		120	120
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		120	120
23.95 Total new obligations		-120	-120
New budget authority (gross), detail:			
Discretionary:			
40.35 Appropriation deferred			-120
Mandatory:			
60.00 Appropriation	120	240	240
60.35 Appropriation deferred	-120	-120	
62.50 Appropriation (total mandatory)		120	240

General and special funds—Continued

INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1503-0-1-352	1999 actual	2000 est.	2001 est.
70.00 Total new budget authority (gross)		120	120
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year			114
73.10 Total new obligations		120	120
73.20 Total outlays (gross)		-6	-48
74.40 Unpaid obligations, end of year: Obligated balance, end of year		114	186
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-6
86.97 Outlays from new mandatory authority		6	12
86.98 Outlays from mandatory balances			42
87.00 Total outlays (gross)		6	48
Net budget authority and outlays:			
89.00 Budget authority		120	120
90.00 Outlays		6	48

1998 Research Act.—The Agricultural Research, Extension, and Education Reform Act of 1998 authorized the annual appropriation of \$120 million for high priority research, extension, and education. These funds are available for two years. The 1999 appropriations language blocked the use of 1999 funds in 1999. However, these funds are available in 2000. The 2000 appropriations language blocked the use of 2000 funds in 2000. The 2001 budget allows the use of the second year's availability of the 2000 funds, but disallows the expenditure of the authorized \$120 million for 2001.

Object Classification (in millions of dollars)

Identification code 12-1503-0-1-352	1999 actual	2000 est.	2001 est.
11.3 Personnel compensation: Other than full-time permanent		1	1
25.2 Other services		1	1
41.0 Grants, subsidies, and contributions		118	118
99.9 Total new obligations		120	120

Personnel Summary

Identification code 12-1503-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment		10	20

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including \$180,545,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a-i); \$21,932,000 for grants for cooperative forestry research (16 U.S.C. 582a-a7); \$30,676,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222), of which \$1,000,000 shall be made available to West Virginia State College in Institute, West Virginia, which for fiscal year [2000] 2001 and thereafter shall be designated as an eligible institution under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222); [\$63,238,000] \$6,394,000 for special grants for agricultural research (7 U.S.C. 450i(c)); [\$13,721,000] \$18,369,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); [\$119,300,000] \$150,000,000 for competitive research grants (7 U.S.C. 450i(b)); \$5,109,000 for the support of animal health and disease programs (7 U.S.C. 3195); [\$750,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); \$650,000 for grants for research pur-

suant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended; \$500,000] \$1,000,000 for the 1994 research program (7 U.S.C. 301 note), to remain available until expended; [\$3,000,000] \$5,000,000 for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); [\$4,350,000] \$6,000,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); [\$1,000,000] \$2,000,000 for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); [\$2,850,000] \$3,500,000 for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); \$500,000 for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(h)); \$4,000,000 for aquaculture grants (7 U.S.C. 3322); [\$8,000,000] \$10,500,000 for sustainable agriculture research and education (7 U.S.C. 5811); [\$9,200,000] \$9,500,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); \$1,552,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382; and [\$14,825,000] \$4,288,000 for necessary expenses of Research and Education Activities, of which not to exceed \$100,000 shall be for employment under 5 U.S.C. 3109; in all, [\$485,698,000] \$460,865,000.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 103-382 (7 U.S.C. 301 note), [\$4,600,000] \$7,100,000: *Provided, That hereafter, any distribution of the adjusted income from the Native American institutions endowment fund is authorized to be used for facility renovation, repair, construction, and maintenance, in addition to other authorized purposes. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)*

Unavailable Collections (in millions of dollars)

Identification code 12-1500-0-1-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	14	19	24
Receipts:			
02.01 Federal payment, Native American Institutions Endowment Fund	5	5	7
02.02 Earnings on investments		1	2
02.99 Total receipts	5	6	9
04.00 Total: Balances and collections	19	25	33
Appropriation:			
05.01 Cooperative state research activities		-1	-1
07.99 Total balance, end of year	19	24	32

Program and Financing (in millions of dollars)

Identification code 12-1500-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Payments under the Hatch Act	181	181	181
00.02 Cooperative forestry research	22	22	22
00.03 Payments to 1890 colleges and Tuskegee University	30	31	31
00.04 Special research grants	92	91	40
00.05 National research initiative competitive grants	118	163	150
00.06 Animal health and disease research	5	5	5
00.07 Federal administration	10	15	4
00.08 Higher education	20	25	28
00.09 Native American Institutions Endowment Fund	6	6	8
00.00 Reimbursable program	17	16	16
10.00 Total new obligations	501	555	485
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	63	66	15
22.00 New budget authority (gross)	504	504	485
23.90 Total budgetary resources available for obligation	567	570	500
23.95 Total new obligations	-501	-555	-485

24.40	Unobligated balance available, end of year	66	15	15
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	486	490	468
40.25	Appropriation (special fund, indefinite)		1	1
40.76	Reduction pursuant to P.L. 106-113		-4	
43.00	Appropriation (total discretionary)	486	487	469
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	17	16	16
70.00	Total new budget authority (gross)	503	503	485
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	373	428	497
73.10	Total new obligations	501	555	485
73.20	Total outlays (gross)	-446	-486	-497
74.40	Unpaid obligations, end of year: Obligated balance, end of year	428	497	485
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	234	256	256
86.93	Outlays from discretionary balances	212	230	240
87.00	Total outlays (gross)	446	486	497
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-17	-16	-16
Net budget authority and outlays:				
89.00	Budget authority	487	488	469
90.00	Outlays	429	470	481
Memorandum (non-add) entries:				
92.01	Total investments, start of year: U.S. securities: Par value	14	18	23
92.02	Total investments, end of year: U.S. securities: Par value	18	23	30

Note.—In 2000 and 2001 funding for water quality grants, food safety and pesticide impact assessments is included in the account for integrated activities.

Cooperative State Research, Education, and Extension Service participates in a nationwide system of agricultural research and education program planning and coordination between 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, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands.

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 allocated on a formula basis support agricultural research and broaden the curricula at the seventeen 1890 land-grant colleges, including Tuskegee University.

Special research grants.—This program addresses research areas of national interest. Increased funding is proposed for grant programs in IR-4 minor crop pest management, pest management alternatives, and sustainable agriculture. Funding is also proposed for integrated pest management. Advances in these areas will provide producers with safe, alternative pest control methods resulting in more farmers increasing the number of acres on which Integrated Pest Management (IPM) methods are used. The program goal is the imple-

mentation of IPM methods on 75 percent of crop acreage by the year 2000, with an outcome of creating an agricultural system that is highly competitive in the global economy. Funding proposed for IR-4 minor crop pest management and minor use animal drugs will address the growing need for registration of safe pesticides and drugs for minor crops and animals and lead to reduced levels of chemical and drug residues in food products by half. These pest management programs will be coordinated to address Food Quality and Protection Act issues. A \$2 million grant program for global change is proposed for research at universities as part of a coordinated Federal initiative. Funding is also proposed for the National Biological Impact Assessment Program, rural development centers, and aquaculture centers.

National research initiative competitive grants.—Increased funding is being proposed for the National Research Initiative (NRI). Research scientists throughout the U.S. scientific community compete for funding under this program. The performance goal has been to attract the widest possible involvement of U.S. scientists in agricultural research to increase the knowledge base related to U.S. agriculture, food, and the environment and maintain world leadership in agricultural science and engineering. NRI funding has resulted in increased participation by universities which are not traditionally considered agricultural schools and of highly skilled researchers in projects addressing agricultural issues. The outcomes include the efficient communication of research results to scientific, engineering, and community user groups. These grants support research in plants and animals; natural resources and the environment; nutrition, food safety, and health; markets, trade, and rural development; and processing for adding value or developing new products. This initiative includes funding for a plant genome mapping program for which the Agricultural Research Service serves as the lead agency. Global change research being carried out through the NRI is part of a government-wide program. In 2001 the proposed increase to \$150 million will provide resources needed for the program to enhance and develop scientific areas that are critical such as: agricultural genomics, food safety, environment and natural resource management and competitiveness and profitability of agriculture.

Animal health and disease research.—Funds, distributed by formula, support livestock and poultry disease research in sixty-seven colleges of veterinary medicine and in eligible agricultural experiment stations.

1994 Institutions Research.—Funding is proposed to continue the competitive research grants program to build the research capacity at the thirty 1994 institutions by supporting agricultural research activities that address tribal, national and multistate priorities.

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 and education 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.

Higher education.—Increased funding is proposed for graduate fellowships grants, competitive challenge grants, Hispanic-serving institutions education grants program, and a multicultural scholars program. Funding is also proposed for a Native American institutions program. Proposed funding for these higher education programs would support approximately 150 grants. These programs will enable universities to broaden their curricula; increase faculty development; student research projects; and the number of new scholars recruited in the food and agricultural sciences. In addition, an increased number of graduate students, including minority graduate students, will be enrolled in the agricultural

General and special funds—Continued

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND—Continued

sciences. Funding is also proposed for a capacity building program at the 1890 institutions as part of the USDA initiative to strengthen these institutions through a broadening of curricula, increased faculty development and student research projects. Proposed funding would support approximately 49 teaching and research grants.

Reimbursable program.—Funds support basic and applied agriculture research and activities performed for other USDA, Federal, and non-Federal agencies.

Native American Institutions Endowment Fund.—This program provides for an endowment for the 1994 land-grant institutions (30 Tribally controlled colleges) to strengthen the infrastructure of these institutions and develop Indian expertise for the food and agricultural sciences and businesses and their own communities. At the termination of each fiscal year, the Secretary shall withdraw the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the fund, distribute the adjusted income on a formula basis to the 1994 land-grant institutions.

Object Classification (in millions of dollars)

Identification code 12-1500-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	11	12	13
12.1 Civilian personnel benefits	2	2	2
21.0 Travel and transportation of persons	1	1	1
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	1	1	1
25.2 Other services	2	3	1
25.3 Purchases of goods and services from Government accounts	1	2	1
41.0 Grants, subsidies, and contributions	465	517	449
99.0 Subtotal, direct obligations	484	539	469
99.0 Reimbursable obligations	17	16	16
99.9 Total new obligations	501	555	485

Personnel Summary

Identification code 12-1500-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	187	202	207
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	9	9	9

BUILDINGS AND FACILITIES

Program and Financing (in millions of dollars)

Identification code 12-1501-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	1	3	.....
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	3	.....
23.95 Total new obligations	-1	-3	.....
24.40 Unobligated balance available, end of year	3	.....	.....
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	139	99	77
73.10 Total new obligations	1	3	.....
73.20 Total outlays (gross)	-41	-25	-33
74.40 Unpaid obligations, end of year: Obligated balance, end of year	99	77	44
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	41	25	33

Net budget authority and outlays:

89.00 Budget authority .....	.....	.....	.....
90.00 Outlays	41	25	33

Funds provide grants to States and other eligible recipients for the acquisition of land, construction, repair, improvement, extension, alteration and purchase of fixed equipment or facilities to carry out agricultural research, extension, and teaching programs. No funding is proposed in 2001.

Personnel Summary

Identification code 12-1501-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	1	1	.....

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, \$276,548,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), **[\$3,060,000] \$3,500,000**; payments for the nutrition and family education program for low-income areas under section 3[(a)] (d) of the Act, **[\$58,695,000] \$61,043,000**; payments for the pest management program under section 3(d) of the Act, **[\$10,783,000]**; payments for the farm safety program under section 3(d) of the Act, **[\$4,000,000] \$12,269,000**; payments for pesticide applicator training under section 3(d) of the Act, **\$1,500,000**; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University, as authorized by section 1447 of Public Law 95-113 (7 U.S.C. 3222b), \$12,000,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, \$908,000; payments for youth-at-risk programs under section 3(d) of the Act, **[\$9,000,000] \$10,000,000**; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, **\$5,000,000**; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, \$3,192,000; payments for Indian reservation agents under section 3(d) of the Act, **[\$1,714,000] \$5,000,000**; payments for sustainable agriculture programs under section 3(d) of the Act, **[\$3,309,000]**; payments for rural health and safety education as authorized by section 2390 of Public Law 101-624 (7 U.S.C. 2661 note, 2662), **\$2,628,000] \$4,500,000**; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326 and 328) and Tuskegee University, \$26,843,000, of which \$1,000,000 shall be made available to West Virginia State College in Institute, West Virginia, which for fiscal year **[2000] 2001** and thereafter shall be designated as an eligible institution under section 1444 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221); and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341-349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, **[\$12,242,000] \$5,933,000**; in all, **[\$424,922,000] \$428,236,000**. *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, shall not be paid to any State, the District of Columbia, 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. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0502-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Smith-Lever Act, 3(b) and 3(c)	276	276	276
00.02 Youth at risk	9	9	10
00.03 Water quality	10		
00.04 Expanded food and nutrition education program (EFNEP)	59	59	61
00.05 Pest management	11	11	12
00.06 Farm safety	3	4	
00.07 Pesticide impact assessment	3		
00.08 Pesticide applicator training			2
00.09 Indian reservation extension agents	2	2	5
00.11 Food safety	7		
00.12 Rural development	1	1	1
00.13 Payments to 1890 colleges and Tuskegee University	26	27	27
00.15 Renewable resources extension act	3	3	3
00.16 Federal administration	12	12	6
00.18 Rural health and safety education	3	3	
00.19 1890 facilities (section 1447)	7	14	12
00.21 Sustainable agriculture	3	3	4
00.22 1994 institutions activities	2	3	4
00.23 Youth farm safety pilot program			5
09.00 Reimbursable program	18	25	25
10.00 Total new obligations	455	452	453
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	2	
22.00 New budget authority (gross)	455	449	453
23.90 Total budgetary resources available for obligation	459	451	453
23.95 Total new obligations	-455	-452	-453
24.40 Unobligated balance available, end of year	2		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	437	425	428
40.76 Reduction pursuant to P.L. 106-113		-1	
43.00 Appropriation (total discretionary)	437	424	428
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	18	25	25
70.00 Total new budget authority (gross)	455	449	453
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	221	251	226
73.10 Total new obligations	455	452	453
73.20 Total outlays (gross)	-425	-477	-446
74.40 Unpaid obligations, end of year: Obligated balance, end of year	251	226	233
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	265	279	281
86.93 Outlays from discretionary balances	160	197	164
87.00 Total outlays (gross)	425	477	446
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-18	-25	-25
Net budget authority and outlays:			
89.00 Budget authority	437	424	428
90.00 Outlays	407	452	421

Note.—In 2000 and 2001 funding for water quality grants, food safety and pesticide impact assessments is included in the account for integrated activities.

The Cooperative Extension System, a national educational network, is a dynamic organization pledged to meeting the country's needs for research-based educational programs that will enable people to make practical decisions to improve their lives. To accomplish its mission, the Cooperative Extension System adjusts programs to meet the shifting needs and priorities of the people it serves.

The nonformal educational network combines the expertise and resources of federal, state, and local partners. The partners in this unique System are: (a) The Cooperative State

Research, Education, and Extension Service at the U.S. Department of Agriculture; (b) Extension professionals at land-grant universities throughout the United States and its territories; and (c) Extension professionals in nearly all of the Nation's 3,150 counties. Thousands of paraprofessionals and nearly 3 million volunteers support this partnership and magnify its impact. Strong linkages with both public and private external groups are also crucial to the Cooperative Extension System's strength and vitality.

Base programs, funded by the Smith-Lever 3(b) and (c) legislated formula funds, are the major educational efforts central to the mission of the System and common to most Extension units. They are the ongoing priority efforts of the System, involving many discipline-based and multi-disciplinary programs. The System's base programs are the foundation of the Extension organization and partnership that are intended to increase the number of community-based projects, families, and individuals reached to disseminate research findings as widely and quickly as possible. The use of electronic mail, satellite transmission of courses, and computer-assisted instruction are encouraged to communicate ideas.

Extension resources are provided to the States by these formula funds and competitively-awarded programs such as sustainable agriculture. Smith-Lever 3(b) and (c) funds and payments to the 1890 colleges and Tuskegee University provide funds to support the Extension infrastructure.

Funds for designated programs, funded by Smith-Lever 3(d) such as youth-at-risk and expanded food and nutrition education program (EFNEP), provide support for the Cooperative Extension System to address identified priority issues.

National initiatives funded by legislative formulas, administratively determined distribution, Congressional and Executive intent, and competitively-awarded projects, are the System's commitment to respond to important problems of broad national concern with additional resources and significantly increased effort to achieve a major impact on national priorities. They are the most current significant and complex issues on which the Extension System has the potential to make a difference—usually in cooperation with other agencies, groups, and units of government. The goal is to inform and educate these extension agriculture professionals and volunteers who, in turn, educate the professional farmers and end-users regarding these critical initiatives and concerns.

In 2001 increases have been requested for: the Expanded Food and Nutrition Education Program, pest management, children, youth and families at risk, a youth farm safety education and certification pilot project, extension services on Indian reservations, sustainable agriculture, pesticide applicator training, and 1994 (Native American) institutions.

Object Classification (in millions of dollars)

Identification code 12-0502-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	9	10	10
12.1 Civilian personnel benefits	2	2	2
21.0 Travel and transportation of persons	1	2	2
23.3 Communications, utilities, and miscellaneous charges	1		1
24.0 Printing and reproduction	1		1
25.2 Other services	2	1	1
25.3 Purchases of goods and services from Government accounts	2	1	
41.0 Grants, subsidies, and contributions	419	411	411
99.0 Subtotal, direct obligations	437	427	428
99.0 Reimbursable obligations	18	25	25
99.9 Total new obligations	455	452	453

General and special funds—Continued

EXTENSION ACTIVITIES—Continued

Personnel Summary

Identification code 12-0502-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	193	210	205

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 (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, **[\$441,263,000] \$512,044,000**, of which \$4,105,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided*, 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 percent: *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 four, of which two 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 may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the [next] preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year **[2000] 2001**, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year **[2000] 2001**, \$87,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account. (10 U.S.C. 2306; 15 U.S.C. 69e, 1821-31; 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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Unavailable Collections (in millions of dollars)

Identification code 12-1600-0-1-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	105	117	130
Receipts:			
02.01 Agricultural quarantine inspection fees	172	188	215
04.00 Total: Balances and collections	277	305	345
Appropriation:			
05.01 Salaries and expenses	-160	-175	-202
05.99 Subtotal appropriation	-160	-175	-202
07.99 Total balance, end of year	117	130	143

Program and Financing (in millions of dollars)

Identification code 12-1600-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Pest and disease exclusion	264	288	352
00.02 Plant and animal health monitoring	74	79	88
00.03 Pest and disease management programs	90	91	104
00.04 Animal care	10	11	16
00.05 Scientific and technical services	54	53	54
00.06 Contingencies	5	4	4
00.07 Emergency program funding	118	84	.....
00.08 Invasive species .....	.....	.....	9
01.00 Total direct program	615	610	627
09.01 Reimbursable program	64	64	75
10.00 Total new obligations	679	674	702
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	12	35	31
22.00 New budget authority (gross)	557	586	687
22.22 Unobligated balance transferred from other accounts	146	84	.....
23.90 Total budgetary resources available for obligation	715	705	718
23.95 Total new obligations	-679	-674	-702
24.40 Unobligated balance available, end of year	35	31	16
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	338	354	425
40.20 Appropriation (special fund, definite)	88	87	87
40.76 Reduction pursuant to P.L. 106-113 .....	.....	-3	.....
41.00 Transferred to other accounts	-1	.....	.....
43.00 Appropriation (total discretionary)	425	438	512
Mandatory:			
60.25 Appropriation (special fund, indefinite)	72	88	115
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	60	60	60
70.00 Total new budget authority (gross)	557	586	687
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	68	98	75
73.10 Total new obligations	679	674	702
73.20 Total outlays (gross)	-649	-697	-683
74.40 Unpaid obligations, end of year: Obligated balance, end of year	98	75	94
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	404	476	546
86.93 Outlays from discretionary balances	173	133	22
86.97 Outlays from new mandatory authority	71	88	115
86.98 Outlays from mandatory balances	1	.....	.....
87.00 Total outlays (gross)	649	697	683
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-10	-10	-10
88.40 Non-Federal sources	-50	-50	-50
88.90 Total, offsetting collections (cash)	-60	-60	-60

Net budget authority and outlays:				
89.00	Budget authority	497	526	627
90.00	Outlays	589	637	623

Summary of Budget Authority and Outlays

(in millions of dollars)			
Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	497	526	627
Outlays	589	637	623
Legislative proposal, not subject to PAYGO:			
Budget Authority			-11
Outlays			-11
Total:			
Budget Authority	497	526	616
Outlays	589	637	612

The major objectives of the Animal and Plant Health Inspection Service (APHIS) are to protect the animal and plant resources of the Nation from destructive pests and diseases. This mission is carried out under the five major areas of activity, as follows:

Pest and disease exclusion.—The agency conducts inspection and quarantine activities at U.S. ports-of-entry to prevent the introduction of exotic animal and plant diseases and pests. APHIS develops and conducts preclearance programs to ensure that agricultural products destined for U.S. ports-of-entry do not present a risk to U.S. agriculture. APHIS engages in cooperative programs in foreign countries to control pests of imminent concern to the United States. APHIS also certifies plants and plant products for export and regulates imports and exports of designated endangered plant species. User fees have been implemented to recover the cost of certain agricultural quarantine inspection services.

Plant and animal health monitoring.—The Agency conducts programs to assess animal and plant health and to detect endemic and exotic diseases and pests. The plant and animal health monitoring programs are primarily cooperative efforts of the Federal and State governments, and industry. The Agency also carries out surveys in cooperation with the States to detect harmful plant and animal pests and diseases and to determine if there is a need for pest eradication programs.

Pest and disease management programs.—The Agency carries out programs to control and eradicate infestations and animal diseases that threaten the United States; to reduce agricultural losses caused by predatory animals, birds, and rodents; to provide technical assistance to States, counties, farmer or rancher groups, and foundations; and to ensure compliance with interstate movement and disease control regulations. Interstate shipments of plants, livestock, and related materials are monitored and regulated to prevent the spread of disease. APHIS protects agriculture from detrimental animal predators through identification, demonstration, and application of the most appropriate methods of control.

Animal care.—The Agency conducts regulatory activities which ensure the humane care and handling of animals used in research, exhibition, or the wholesale pet trade. The Agency is also responsible for administering the Horse Protection Act, which prohibits the showing, selling, or exhibition of sore horses.

Scientific and technical services.—APHIS develops methods to control animals and pests that are detrimental to agriculture, other wildlife, and public safety. The agency regulates genetic research to guard against the release of potentially harmful organisms into the environment. APHIS also conducts veterinary diagnostic laboratory activities and biologic regulatory enforcement to ensure that the products developed for combatting disease are potent, safe, and pure. It also provides and directs technology development in coordination with other groups in APHIS and Plant Protection and Quarantine (PPQ) officials to support PPQ programs of the Agency

and its cooperators at the State, national, and international levels.

Object Classification (in millions of dollars)

Identification code 12-1600-0-1-352		1999 actual	2000 est.	2001 est.
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	204	235	273
11.3	Other than full-time permanent	15	16	17
11.5	Other personnel compensation	34	36	41
11.9	Total personnel compensation	253	287	331
12.1	Civilian personnel benefits	61	71	80
13.0	Benefits for former personnel			1
21.0	Travel and transportation of persons	20	20	22
22.0	Transportation of things	8	7	5
23.2	Rental payments to others	5	6	6
23.3	Communications, utilities, and miscellaneous charges	13	15	14
24.0	Printing and reproduction	1	1	2
25.2	Other services	104	102	83
26.0	Supplies and materials	44	28	34
31.0	Equipment	22	17	16
Grants, subsidies, and contributions:				
41.0	United States-Colombia Commission to Prevent Foot-and-Mouth Disease	1	2	2
41.0	Joint Screwworm eradication programs	19	5	5
41.0	Joint Commission on the Mediterranean fruit fly	4	5	5
41.0	Other grants, subsidies, and contributions	2	11	17
Insurance claims and indemnities:				
42.0	Brucellosis	4	2	2
42.0	Pseudorabies	52	30	
42.0	Other insurance claims and indemnities	2	1	3
99.0	Subtotal, direct obligations	615	610	628
99.0	Reimbursable obligations	64	64	74
99.9	Total new obligations	679	674	702

Personnel Summary

Identification code 12-1600-0-1-352		1999 actual	2000 est.	2001 est.
Direct:				
Total compensable workyears:				
1001	Full-time equivalent employment	3,499	5,825	5,953
1011	Exempt Full-time equivalent employment	2,025		
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment	696	715	834

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1600-2-1-352		1999 actual	2000 est.	2001 est.
Obligations by program activity:				
Direct program:				
00.01	Animal welfare			-5
00.02	Biotechnology			-6
01.00	Total direct program			-11
09.01	Reimbursable program			11
10.00	Total new obligations			
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation			-11
68.00	Spending authority from offsetting collections: Offsetting collections (cash)			11
Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources			-11
Net budget authority and outlays:				
89.00	Budget authority			-11

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1600-2-1-352	1999 actual	2000 est.	2001 est.
90.00 Outlays			-11

Legislation will be proposed to establish user fees for APHIS' costs for animal welfare inspections, such as for animal research centers, humane societies, and kennels, and for activities associated with the issuance of biotechnology certificates.

This is one of several proposals in the budget to charge fees to users directly availing themselves of, or subject to, a government service, program, or activity, in order to cover the government's costs. Legislation will be proposed to authorize the fees.

Object Classification (in millions of dollars)

Identification code 12-1600-2-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent			-6
12.1 Civilian personnel benefits			-2
25.2 Other services			-1
26.0 Supplies and materials			-1
31.0 Equipment			-1
99.0 Subtotal, direct obligations			-11
99.0 Reimbursable obligations			11
99.9 Total new obligations			

Personnel Summary

Identification code 12-1600-2-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment			-123
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment			123

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, 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, \$5,200,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-1601-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 25.2)	8	6	7
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	5	5	5
22.00 New budget authority (gross)	8	5	5
23.90 Total budgetary resources available for obligation	13	10	10
23.95 Total new obligations	-8	-6	-7
24.40 Unobligated balance available, end of year	5	5	3
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	8	5	5
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	17	15	14
73.10 Total new obligations	8	6	7

73.20 Total outlays (gross)	-10	-7	-9
74.40 Unpaid obligations, end of year: Obligated balance, end of year	15	14	12
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	1	1
86.93 Outlays from discretionary balances	9	7	8
87.00 Total outlays (gross)	10	7	9
Net budget authority and outlays:			
89.00 Budget authority	8	5	5
90.00 Outlays	10	7	9

The buildings and facilities fund provides for construction, repairs, preventive maintenance, and alterations, as needed, for APHIS operated facilities, which include animal quarantine stations, border inspection stations, sterile insect rearing facilities, and laboratories.

The 2001 budget proposes \$5 million for this program, which consists of \$2 million for repairs, alterations, preventive maintenance, and renovations for currently owned APHIS facilities, and \$3 million for the modernization of the Plum Island, New York, Animal Disease Center.

Trust Funds

MISCELLANEOUS TRUST FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-9971-0-7-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.02 Miscellaneous contributed funds	13	13	13
Appropriation:			
05.01 Miscellaneous trust funds	-13	-13	-13
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9971-0-7-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	12	11	11
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	5	6	6
22.00 New budget authority (gross)	13	13	13
23.90 Total budgetary resources available for obligation	18	19	19
23.95 Total new obligations	-12	-11	-11
24.40 Unobligated balance available, end of year	6	6	6
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	13	13	13
Change in unpaid obligations:			
73.10 Total new obligations	12	11	11
73.20 Total outlays (gross)	-13	-13	-13
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	8	8	8
86.98 Outlays from mandatory balances	5	5	5
87.00 Total outlays (gross)	13	13	13
Net budget authority and outlays:			
89.00 Budget authority	13	13	13
90.00 Outlays	13	13	13

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others:

Miscellaneous contributed funds.—Funds are received from States, local organizations, individuals, and others and are

available for plant and animal quarantine inspection and co-operative plant and animal disease and pest control activities (7 U.S.C. 450b, 2220). Commencing in 1979, fees were collected for the importation of commercial birds.

Object Classification (in millions of dollars)

Identification code 12-9971-0-7-352	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	3	3	3
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	6	6	6
12.1 Civilian personnel benefits	1	1	1
21.0 Travel and transportation of persons	2	2	2
25.2 Other services	2	1	1
26.0 Supplies and materials	1	1	1
99.9 Total new obligations	12	11	11

Personnel Summary

Identification code 12-9971-0-7-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	101	101	101

FOOD SAFETY AND INSPECTION SERVICE

The following table depicts the total funding for the Food Safety and Inspection Service, which includes appropriated funds and proceeds from proposed user fees:

(In millions of dollars)

	1999 actual	2000 est.	2001 est.
Appropriations:			
Enacted/requested:			
Budget authority	617	649	688
Outlays	616	648	688
User Fee:			
Budget authority			-534
Outlays			-534
Total:			
Budget authority	617	649	154
Outlays	616	648	154

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, [\$649,411,000, of which no less than \$544,902,000 shall be available for Federal food inspection] \$687,904,000, and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102-237: *Provided*, [That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): *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 \$75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further* That in addition, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be necessary to address food safety emergencies, including outbreaks of foodborne illness, recall of adulterated products in commerce, or bioterrorist events; that these funds are available only in such emergency situations, and that any unobligated balances of funds transferred for such emergency purposes in excess of amounts needed shall be returned to the providing account: *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 percent 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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-3700-0-1-554	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	616	650	688
09.01 Reimbursable program	93	99	80
10.00 Total new obligations	709	749	768
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	2	
22.00 New budget authority (gross)	712	748	768
23.90 Total budgetary resources available for obligation	713	750	768
23.95 Total new obligations	-709	-749	-768
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance available, end of year	2		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	617	649	688
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	95	99	80
70.00 Total new budget authority (gross)	712	748	768
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	33	53	53
73.10 Total new obligations	709	749	768
73.20 Total outlays (gross)	-695	-748	-768
73.40 Adjustments in expired accounts (net)	6		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	53	53	53
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	661	717	737
86.93 Outlays from discretionary balances	34	31	31
87.00 Total outlays (gross)	695	748	768
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-95	-99	-80
Net budget authority and outlays:			
89.00 Budget authority	617	649	688
90.00 Outlays	600	649	688

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority	617	649	688
Outlays	600	649	688
Legislative proposal, not subject to PAYGO:			
Budget Authority			-534
Outlays			-534
Total:			
Budget Authority	617	649	154
Outlays	600	649	154

The primary objectives of the Food Safety and Inspection Service are to ensure that meat, poultry, shell egg, and egg products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act. Providing adequate resources for Federal food safety agencies continues to be a priority of the Administration, and the 2001 budget proposes a \$38 million increase for inspection of meat, poultry, shell egg and egg products. This increase will cover pay cost increases for Federal and

General and special funds—Continued

SALARIES AND EXPENSES—Continued

State inspection programs, and initiatives for: redeployment and enhanced capabilities of the inspection workforce; improved risk assessment and collaborative programs with States; verification of foreign and domestic inspection systems for HACCP compliance; and expanded support of Codex Alimentarius.

The meat, poultry, shell egg and egg products inspection program of the Food Safety and Inspection Service provides in-plant inspection of all domestic plants preparing meat, poultry, shell eggs, or egg products for sale or distribution; reviews foreign inspection systems and establishments that prepare meat, poultry, or egg products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs.

In 2001, the Administration is proposing a new user fee to offset the cost of Federal meat, poultry, shell egg and egg products inspection. The proposal would require industry to reimburse the government for all Federal services. This proposal would ensure that sufficient resources are available to provide the level of in-plant inspection necessary to meet the demands of the industry.

On January 25, 1997, the President announced the 1998 President's National Food Safety Initiative. The initiatives for 1998 through 2000 have laid the foundation for building a strong, scientific base for a farm-to-table food safety system that protects public health by monitoring and addressing a broad range of food safety hazards. The 2001 Food Safety Initiative builds on this foundation and will increase funding department-wide by \$28 million over the 2000 level of \$136 million. Resources are targeted to: (1) further develop a nationally integrated food safety system by expanding and strengthening the partnership between Federal, State, and local agencies; (2) continue enhancing surveillance of foodborne diseases and increasing the speed and efficiency of responses to outbreaks of foodborne illness; and (3) put greater emphasis on the control of foodborne hazards in the pre-harvest phase of the farm-to-table continuum. Continued investment is required to realize the President's goal of establishing a seamless, science-based food safety system.

In 1998 the President's Council on Food Safety was established to develop a comprehensive strategy for food safety activities, including coordinating research efforts and budget submissions among the food safety agencies.

FEDERALLY FUNDED INSPECTION ACTIVITIES

	1999 actual	2000 est.	2001 est.
Federally inspected establishments:			
Slaughter plants	262	258	255
Processing plants	4,343	4,325	4,315
Combination slaughter and processing plants	968	960	954
Talmdage-Aiken plants	254	248	245
Import establishments	129	125	120
Egg plants	75	73	71
Federally inspected and passed production (millions of pounds):			
Meat slaughter	53,114	53,000	53,000
Poultry slaughter	46,882	46,000	46,000
Egg products	3,383	3,400	3,400
Product inspected and passed under HACCP system: ^a	95,516	95,000	95,000
Import/export activity (millions of pounds):			
Meat and poultry imported	3,190	3,200	3,200
Meat and poultry exported	8,655	8,700	8,700
States and territories with cooperative programs:^b			
Intrastate inspection	26	25	27
Talmdage-Aiken inspection	9	9	9
Number of slaughter and/or processing plants (excludes exempt plants)	2,370	2,370	2,420
Pounds inspected slaughter (millions)	552	552	600
Compliance activities:			
Marketplace reviews ^c	5,600	30,000	30,000
Corrective action reviews	43,976	46,000	46,000
Corrective actions completed	941	1,200	1,400

Product Testing (samples analyzed):			
Food chemistry	12,251	8,000	5,000
Food microbiology	88,347	90,000	90,000
Chemical residues	55,285	40,000	40,000
Antibiotic residues	180,939	182,000	185,000
Pathology samples	3,997	4,000	4,000
Egg Products:			
Food microbiology	1,928	2,000	2,000
Chemical residues	1,083	1,000	1,000
Consumer Education and public outreach:			
Meat and Poultry Hotline Calls received	110,805	115,000	115,000
Epidemiological Investigations:			
Cooperative efforts with State and public health offices	30	30	30
Illnesses reported and treated ^d	7,392	8,000	8,000
Field Automation and Information Management Project:			
Number of computers to be provided to federal field inspection staff	3,539	800	900
Number of computers to be provided to state field inspection staff	565	607	203

^a Production data on meat and poultry slaughter operations reflect estimated output of establishments required to produce under HACCP systems.
^b States with cooperative agreements which are operating programs.
^c Includes marketplace sampling, testing, reviewing and evaluation.
^d Data must be collected over a number of years to chart national trends and estimate the incidence of foodborne illness and treatment.

Object Classification (in millions of dollars)

Identification code 12-3700-0-1-554	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	348	363	377
11.3 Other than full-time permanent	16	23	23
11.5 Other personnel compensation	16	17	18
11.9 Total personnel compensation	380	403	418
12.1 Civilian personnel benefits	110	116	126
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	23	23	26
22.0 Transportation of things	2	3	3
23.2 Rental payments to others	2	2	2
23.3 Communications, utilities, and miscellaneous charges	6	7	7
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	9	10	11
25.2 Other services	4	4	9
25.3 Purchases of goods and services from Government accounts	13	13	13
25.4 Operation and maintenance of facilities	2	2	2
25.8 Subsistence and support of persons	1	1	1
26.0 Supplies and materials	9	10	10
31.0 Equipment	8	8	9
41.0 Grants, subsidies, and contributions	45	45	46
99.0 Subtotal, direct obligations	615	649	685
99.0 Reimbursable obligations	92	97	81
99.5 Below reporting threshold	2	3	2
99.9 Total new obligations	709	749	768

Personnel Summary

Identification code 12-3700-0-1-554	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	9,325	9,649	9,547
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	231	231	171

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-3700-2-1-554	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program			-534
09.01 Reimbursable program			534
10.00 Total new obligations			

New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation		- 534
68.00	Spending authority from offsetting collections: Offsetting collections (cash)		534
<hr/>			
Offsets:			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources		- 534
<hr/>			
Net budget authority and outlays:			
89.00	Budget authority		- 534
90.00	Outlays		- 534

Legislation will be proposed to charge fees for the cost of all Federal inspection of meat, poultry, shell egg and egg products at all establishments inspected by the Food Safety and Inspection Service (FSIS). Currently, fees to reimburse the cost of overtime inspection are required at some FSIS-inspected establishments, but not at others. Requiring the payment of user fees for inspection services would not only result in savings to the taxpayer, but would also ensure that sufficient resources are available to provide the mandatory inspection services needed to meet increasing industry demand. These fees would result in a cost of less than one cent per pound of product to consumers, but would allow the government to maintain its level of inspection effort to ensure a safe supply of meat, poultry and egg products. The implementation of the user fee authority would be designed to be fair and equitable; promote accountability and efficiency; and minimize any impact on the competitive balance among affected industries.

This is one of several proposals in the budget to charge fees to users directly availing themselves of, or subject to, a government service, program, or activity, in order to cover the government's costs.

Object Classification (in millions of dollars)			
Identification code 12-3700-2-1-554	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1	Full-time permanent		- 314
11.3	Other than full-time permanent		- 19
11.5	Other personnel compensation		- 15
11.9	Total personnel compensation		- 348
12.1	Civilian personnel benefits		- 105
13.0	Benefits for former personnel		- 1
21.0	Travel and transportation of persons		- 22
22.0	Transportation of things		- 3
23.2	Rental payments to others		- 2
23.3	Communications, utilities, and miscellaneous charges		- 5
24.0	Printing and reproduction		- 1
25.1	Advisory and assistance services		- 9
25.2	Other services		- 8
25.3	Purchases of goods and services from Government accounts		- 11
25.4	Operation and maintenance of facilities		- 2
25.8	Subsistence and support of persons		- 1
26.0	Supplies and materials		- 9
31.0	Equipment		- 7
99.0	Subtotal, direct obligations		- 534
99.0	Reimbursable obligations		534
99.9	Total new obligations		

Personnel Summary

Identification code 12-3700-2-1-554	1999 actual	2000 est.	2001 est.
Direct:			
1001	Total compensable workyears: Full-time equivalent employment		- 7,410
Reimbursable:			
2001	Total compensable workyears: Full-time equivalent employment		7,410

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Unavailable Collections (in millions of dollars)			
Identification code 12-8137-0-7-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99	Balance, start of year		
Receipts:			
02.01	Fees for inspection and grading of farm products	4	4
Appropriation:			
05.01	Expenses and refunds, inspection and grading of farm products	- 4	- 4
07.99	Total balance, end of year		

Program and Financing (in millions of dollars)			
Identification code 12-8137-0-7-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00	Total new obligations	3	4
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	4	4
23.95	Total new obligations	- 3	- 4
New budget authority (gross), detail:			
Mandatory:			
60.27	Appropriation (trust fund, indefinite)	4	4
Change in unpaid obligations:			
73.10	Total new obligations	3	4
73.20	Total outlays (gross)	- 4	- 4
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority	4	4
Net budget authority and outlays:			
89.00	Budget authority	4	4
90.00	Outlays	4	4

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 millions of dollars)			
Identification code 12-8137-0-7-352	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1	Full-time permanent	1	2
11.5	Other personnel compensation	1	1
11.9	Total personnel compensation	2	3
12.1	Civilian personnel benefits		1
99.0	Subtotal, direct obligations	2	4
99.5	Below reporting threshold	1	
99.9	Total new obligations	3	4

Personnel Summary

Identification code 12-8137-0-7-352	1999 actual	2000 est.	2001 est.
1001	Total compensable workyears: Full-time equivalent employment	34	34

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including 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 \$25,000 for employment under 5 U.S.C. 3109, [\$26,448,000] \$33,549,000: *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 the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building. (7 U.S.C. 71, 74-79, 84-87, 181-229, 1621-27; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-2400-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Standardization	3	4	4
00.02 Compliance	5	4	5
00.03 Methods development	3	3	6
00.04 Packers and stockyards program	16	15	19
10.00 Total new obligations	27	26	34
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	27	26	34
23.95 Total new obligations	-27	-26	-34
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	27	26	34
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	4	4	4
73.10 Total new obligations	27	26	34
73.20 Total outlays (gross)	-26	-26	-34
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	4	4
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	24	23	30
86.93 Outlays from discretionary balances	2	3	3
87.00 Total outlays (gross)	26	26	34
Net budget authority and outlays:			
89.00 Budget authority	27	26	34
90.00 Outlays	26	26	34

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	27	26	34
Outlays	26	26	33
Legislative proposal, not subject to PAYGO:			
Budget Authority			-19
Outlays			-19
Total:			
Budget Authority	27	26	15
Outlays	26	26	14

The Grain Inspection, Packers and Stockyards Administration (GIPSA) establishes 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 (AMA).

Standardization activities include establishing and updating U.S. grain standards, research, and developing and improving methods to ensure the accurate and uniform application of the standards.

The compliance activities ensure the accurate and uniform application of the USGSA and applicable provisions of the AMA. The compliance program functions include: (1) evaluating alleged violations and initiating preliminary investigations; (2) initiating the implementation of corrective actions; (3) conducting management and technical reviews; (4) administering the designations and delegations of State and private agencies to perform official functions and monitoring the performance of the agencies; (5) identifying and, where appropriate, waiving and monitoring conflicts of interest; (6) licensing personnel of delegated States and designated agencies; (7) registering persons/firms engaged in the business of buying grain for sale in foreign commerce, and in the business of handling, weighing, or transporting of grain for sale in foreign commerce; (8) responding to audits of Grain Inspection programs; and (9) reviewing and, when appropriate, approving official agencies' fee schedules.

The International Monitoring Staff briefs foreign buyers, assesses foreign inspection and weighing techniques, and responds to foreign quality and quantity complaints.

An advisory committee consisting of members from the grain industry exists to advise the Agency regarding efficient and economical implementation 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.

For 2001, authorizing legislation will be submitted to permit, subject to appropriations, the collection and use of fees to cover the cost of standardization activities.

The goal of the Packers and Stockyards program is to ensure 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 livestock, meat and poultry, and from restrictions on competition which could unduly affect 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.

Authorizing legislation will be submitted that would establish a license fee that, subject to appropriations, would allow the collection and expenditure of funds for all costs associated with administering the Packers and Stockyards Act.

MAIN WORKLOAD FACTORS

	1999 actual	2000 est.	2001 est.
U.S. standards in effect at end of year	19	19	19
Standards reviews in progress	3	3	3
Standards reviews completed		3	3
Inspection techniques developed	28	2	2
On-site investigations	5	7	8
Designations renewed	17	21	21
Registration certificates issued	78	81	81
Investigations	1,218	1,800	1,800
Market agencies/dealers registered	6,434	6,350	6,300
Stockyards posted	1,287	1,285	1,280
Slaughtering and processing packers subject to the Act (estimated)	6,000	6,000	6,000
Distributors, brokers, and dealers subject to the Act (estimated)	6,800	6,800	6,800
Poultry operations subject to the Act	205	205	205

Object Classification (in millions of dollars)

Identification code 12-2400-0-1-352	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	16	16	19
12.1 Civilian personnel benefits	4	4	5
21.0 Travel and transportation of persons	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	2	2	4
26.0 Supplies and materials			1
31.0 Equipment	2	1	2
99.9 Total new obligations	27	26	34

Personnel Summary

Identification code 12-2400-0-1-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	291	312	361

SALARIES AND EXPENSES

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-2400-2-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Standardization			-4
00.04 Packers and stockyards program			-19
00.05 Start-up costs			4
09.01 Reimbursable program			23
10.00 Total new obligations			4
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			4
23.95 Total new obligations			-4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			-19
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			23
70.00 Total new budget authority (gross)			4
Change in unpaid obligations:			
73.10 Total new obligations			4
73.20 Total outlays (gross)			-4
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			4
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			-23
Net budget authority and outlays:			
89.00 Budget authority			-19
90.00 Outlays			-19

Legislation will be proposed to establish a fee for the standardization activities of the Grain Inspection, Packers and Stockyards Administration, and a licensing fee to cover the costs of administering meat packing and stockyard activities.

This is one of several proposals in the budget to charge fees to users directly availing themselves of, or subject to, a government service, program, or activity, in order to cover the government's costs. Legislation will be proposed to authorize the fees.

Object Classification (in millions of dollars)

Identification code 12-2400-2-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent			-10

12.1 Civilian personnel benefits			-2
21.0 Travel and transportation of persons			-2
23.3 Communications, utilities, and miscellaneous charges			-1
25.2 Other services			-2
26.0 Supplies and materials			-1
31.0 Equipment			-1
99.0 Subtotal, direct obligations			-19
99.0 Reimbursable obligations			23
99.9 Total new obligations			4

Personnel Summary

Identification code 12-2400-2-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment			-222
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment			222

Public enterprise funds:

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

Not to exceed \$42,557,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees. (7 U.S.C. 71, 74-79, 84-87, 1621-27; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-4050-0-3-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	35	43	43
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	6	6
22.00 New budget authority (gross)	37	43	43
23.90 Total budgetary resources available for obligation	41	49	49
23.95 Total new obligations	-35	-43	-43
24.40 Unobligated balance available, end of year	6	6	6
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	37	43	43
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	2	2
73.10 Total new obligations	35	43	43
73.20 Total outlays (gross)	-35	-43	-43
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	2	2
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	35	43	43
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-37	-43	-43
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-4		

The Grain Inspection, Packers and Stockyards Administration (GIPSA) provides a uniform system for the inspection and weighing of grain. Services provided under this system are financed through a fee supported revolving fund. This authority has been extended through September 2000.

Public enterprise funds—Continued

INSPECTION AND WEIGHING SERVICES—Continued

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES—Continued

Fee supported programs include direct services, supervision activities and administrative functions. Direct services include official grain inspection and weighing by GIPSA employees at certain export ports as well as the inspection of U.S. grain shipped through Canada. The Agency 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 51 designated State and private agencies. The Agency 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, GIPSA 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).

	1999 actual	2000 est.	2001 est.
Export grain inspected and/or weighed (million metric tons):			
By Federal personnel	85.3	80.3	89.4
By delegated States	26.1	24.5	27.3
Quantity of grain inspected (all official inspections) domestically million metric tons	127.3	129.1	123.6
Number of inspections and reinspections:			
By Federal personnel	126,753	125,000	127,000
By delegated state/official agency licenses	1,852,031	1,800,000	1,800,000
Number of appeals	3,103	3,000	3,000
Number of appeals carried to the Board of Appeals and Review	373	300	300
Quantity of rice inspected (million metric tons)	3.5	3.5	3.5
Quantity of rice exports (million metric tons)	3.1	3.1	3.1

Object Classification (in millions of dollars)

Identification code 12-4050-0-3-352	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	17	22	22
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	5	5	5
11.9 Total personnel compensation	23	28	28
12.1 Civilian personnel benefits	5	5	5
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	3	6	6
26.0 Supplies and materials	1	1	1
99.9 Total new obligations	35	43	43

Personnel Summary

Identification code 12-4050-0-3-352	1999 actual	2000 est.	2001 est.
2001 Total compensable workyears: Full-time equivalent employment	449	453	453

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, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, including 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 \$90,000 for employment under 5 U.S.C. 3109, [\$51,625,000] \$66,572,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metro-

politan 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 the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701). (7 U.S.C. 1291, 1621-27; 15 U.S.C. 714-714p; 21 U.S.C. 1031-56; 26 U.S.C. 6804, 7701.)

LIMITATION ON ADMINISTRATIVE EXPENSES LEVEL

Not to exceed \$60,730,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-2500-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Market news service	22	22	29
00.02 Inspection and standardization	6	6	6
00.03 Market protection and promotion	16	18	26
00.04 Wholesale market development	2	3	3
00.05 Transportation services	3	3	3
09.01 Reimbursable program	45	64	64
10.00 Total new obligations	94	116	131
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	40	40	40
22.00 New budget authority (gross)	94	116	131
23.90 Total budgetary resources available for obligation	134	156	171
23.95 Total new obligations	-94	-116	-131
24.40 Unobligated balance available, end of year	40	40	40
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	49	52	67
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	45	64	64
70.00 Total new budget authority (gross)	94	116	131
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	-27	-19	-15
73.10 Total new obligations	94	116	131
73.20 Total outlays (gross)	-86	-112	-129
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-19	-15	-13
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	86	110	123
86.93 Outlays from discretionary balances			6
87.00 Total outlays (gross)	86	112	129
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-45	-64	-64
Net budget authority and outlays:			
89.00 Budget authority	49	52	67
90.00 Outlays	42	48	65

Agricultural Marketing Service 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, decen-

tralization of processing, growth of interregional competition, vertical integration, and contract farming.

In 2001, \$6 million has been included as part of the Administration's Food Safety Initiative. This represents an increase of \$3 million from the \$3 million provided in 2000. These funds will be used to monitor microbiological pathogens and establish a baseline for the level of these on fruits and vegetables. In addition \$6 million is included to implement to provision of the mandatory livestock price reporting legislation enacted in 2000.

The individual Marketing Services 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 700 commodities on domestic and foreign markets.

The 2001 request includes almost \$6 million to fund the mandatory livestock reporting program enacted in 2000.

Inspection, grading 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; and encourage better preparation of uniform quality products for market. Grading services are provided for cotton and domestic and imported tobacco.

Quarterly inspection of egg handlers and hatcheries is conducted to ensure the proper disposition of shell eggs unfit for human consumption.

MARKET NEWS PROGRAM

	1999 actual	2000 est.	2001 est.
Percentage of reports released on time	90	93	93

COTTON AND TOBACCO USER FEE PROGRAM

	1999 actual	2000 est.	2001 est.
Cotton classed (samples in millions)	14.5	16.8	16.8
Tobacco graded at auction markets (million pounds)	1,417	1,848	1,848
Imported tobacco inspected at markets and ports of entry (million pounds)	233	186	186

FEDERALLY FUNDED INSPECTION AND PROCUREMENT ACTIVITIES

	1999 actual	2000 est.	2001 est.
States and Commonwealths with cooperative agreements	40	40	38
Percentage of noncomplying shell egg lots that are reprocessed or diverted	100	100	100

STANDARDIZATION ACTIVITIES

	1999 actual	2000 est.	2001 est.
International and U.S. standards in effect, end of fiscal year	538	533	521
Number of commodities covered	172	214	214

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, dairy products, potatoes, watermelons, mushrooms, soybeans, fluid milk and popcorn; (2) the Federal Seed Act; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act. The 2001 request includes an increase of over \$6 million as part of the President's Food safety initiative to initiate a scientifically-sound microbiological data program.

The pesticide recordkeeping program monitors compliance of private certified applicators with Federal regulations requiring them to keep records of restricted pesticides used in agricultural production.

The pesticide data program develops comprehensive, statistically defensible information on pesticide residues in food to improve government dietary risk procedures.

Federal seed inspectors conduct tests on seed samples to help ensure truthful labeling of agricultural and vegetable seeds sold in interstate 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 ensure that such cooperatives do not engage in practices that monopolize or restrain trade.

The national organic program is being established to certify that organically produced food products meet national standards.

MARKET PROTECTION AND PROMOTION ACTIVITIES

	1999 actual	2000 est.	2001 est.
Pesticide Data Program:			
Number of analyses performed	46,000	55,000	52,000
Percentage of sampling and analysis goal	100	100	100
Pesticide Recordkeeping:			
Number of State/Federal Inspections conducted	4,704	4,600	4,600
Percentage of sampling goal attained	100	98	98
Seed Act:			
Interstate investigations:			
Completed	381	500	500
Pending	560	500	500
Seed samples tested	2,135	2,200	2,200
Percentage of cases submitted that are completed	90	92	92
Plant Variety Protection Act:			
Percentage of application processing goal completed	100	100	100
Number of applications received	430	400	400
Certificates of protection issued	219	240	240
Research and promotion collections (dollars in millions)	619	631	636
Percentage of board budgets and marketing plans approved within time frame goal	91	91	93

¹ Partially funded by EPA.

² Decrease in number of samples due to change in type of chemical analysis and type of product (fresh vs. processed).

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.

Transportation Services.—The activities are designed to ensure that the Nation's transportation systems will adequately serve the needs of agriculture and rural areas of the United States.

WHOLESALE MARKET DEVELOPMENT ACTIVITIES

	1999 actual	2000 est.	2001 est.
Number of projects completed	7	8	8

TRANSPORTATION SERVICES ACTIVITIES

	1999 actual	2000 est.	2001 est.
Number of projects completed	5	6	7

Object Classification (in millions of dollars)

Identification code 12-2500-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	21	22	25
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	22	23	26
12.1 Civilian personnel benefits	5	5	6
21.0 Travel and transportation of persons	1	1	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	3
25.2 Other services	13	15	23
25.3 Purchases of goods and services from Government accounts	2	2	2
25.7 Operation and maintenance of equipment	1	1	2
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	49	52	67
99.0 Reimbursable obligations	45	64	64

General and special funds—Continued

MARKETING SERVICES—Continued

LIMITATION ON ADMINISTRATIVE EXPENSES LEVEL—Continued

Object Classification (in millions of dollars)—Continued

Identification code 12-2500-0-1-352	1999 actual	2000 est.	2001 est.
99.9 Total new obligations	94	116	131

Personnel Summary

Identification code 12-2500-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	464	474	551
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	624	631	631

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)), **[\$1,200,000] \$1,500,000.** (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-2501-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	1	1	2
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1	1	2
23.95 Total new obligations	-1	-1	-2
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1	1	2
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	2	1
73.10 Total new obligations	1	1	2
73.20 Total outlays (gross)	-1	-1	-2
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	1	1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			1
86.93 Outlays from discretionary balances	1		1
87.00 Total outlays (gross)	1	1	2
Net budget authority and outlays:			
89.00 Budget authority	1	1	2
90.00 Outlays	1	1	2

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 work with farmers, marketing firms, and other agencies in solving marketing problems and in using research results. The 2001 budget requests an increase of \$0.3 million for this program.

PERISHABLE AGRICULTURAL COMMODITIES ACT FUND

Unavailable Collections (in millions of dollars)

Identification code 12-5070-0-2-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			

Receipts:			
02.01 Deposits of Perishable Agricultural Commodities Act fees	8	7	7
Appropriation:			
05.01 Perishable Agricultural Commodities Act fund	-8	-7	-7
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-5070-0-2-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	8	9	9
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	6	6	4
22.00 New budget authority (gross)	8	7	7
23.90 Total budgetary resources available for obligation	14	13	11
23.95 Total new obligations	-8	-9	-9
24.40 Unobligated balance available, end of year	6	4	2
New budget authority (gross), detail:			
Mandatory:			
60.25 Appropriation (special fund, indefinite)	8	7	7
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	5	4	4
73.10 Total new obligations	8	9	9
73.20 Total outlays (gross)	-7	-9	-9
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	4	4
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	8	7	7
86.98 Outlays from mandatory balances	1	1	1
87.00 Total outlays (gross)	7	9	9
Net budget authority and outlays:			
89.00 Budget authority	8	7	7
90.00 Outlays	7	9	9

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 Acts are intended to ensure 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. Beginning October 1, 1994, an additional fee was instituted for the filing of formal and informal complaints of violations of the Act. The November 1995 amendments to the Perishable Agricultural Commodities Act: (1) increase the license fee and phase out fees for wholesale grocers and retailers by 1999; (2) provide permanent authority to the Secretary of Agriculture to set license and reparation complaint filing fees; and repeal the 25 percent maximum funding reserve cap.

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.

PERISHABLE AGRICULTURAL COMMODITIES ACT ACTIVITIES

	1999 actual	2000 est.	2001 est.
Percentage of informal reparation complaints completed within time frame goal	82	85	85

Object Classification (in millions of dollars)

Identification code 12-5070-0-2-352	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	4	5	5
12.1 Civilian personnel benefits	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.3 Purchases of goods and services from Government accounts	2	2	2
99.9 Total new obligations	8	9	9

Personnel Summary

Identification code 12-5070-0-2-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	90	95	95

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 \$12,443,000 \$13,438,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Unavailable Collections (in millions of dollars)

Identification code 12-5209-0-2-605	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	372	358	895
Receipts:			
02.01 30% of customs duties, funds for strengthening markets, income and supply (section 32)	5,680	6,266	6,661
04.00 Total: Balances and collections	6,052	6,624	7,556
Appropriation:			
05.01 Funds for strengthening markets, income, and supply (section 32)	-5,702	-5,736	-5,576
06.10 Unobligated balance returned to receipts		7	
06.20 Reduction pursuant to Public Law 106-51	8		
07.99 Total balance, end of year	358	895	1,980

Program and Financing (in millions of dollars)

Identification code 12-5209-0-2-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
Commodity program payments:			
00.01 Child nutrition program purchases	400	400	400
00.02 Emergency surplus removal	144	115	115
00.03 Disaster relief	7		
00.04 Diversion payments	178		
00.91 Subtotal, Commodity program payments	729	515	515
01.01 Administrative expenses	17	21	23
01.92 Total direct program	746	536	538
09.11 Reimbursable program	1	1	1
10.00 Total new obligations	747	537	539
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	132	113	300
22.00 New budget authority (gross)	726	732	539
22.10 Resources available from recoveries of prior year obligations	4		
23.90 Total budgetary resources available for obligation	862	845	839
23.95 Total new obligations	-747	-537	-539
23.98 Unobligated balance expiring or withdrawn		-7	

24.40 Unobligated balance available, end of year	113	300	300
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New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation			
40.75 Reduction pursuant to P.L. 106-51	-8		
43.00 Appropriation (total discretionary)	-8		
Mandatory:			
60.05 Appropriation (indefinite)	145		
60.25 Appropriation (special fund, indefinite)	5,702	5,736	5,576
61.00 Transferred to other accounts	-5,114	-5,005	-5,038
62.50 Appropriation (total mandatory)	733	730	538
69.00 Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	726	732	539

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	105	15	15
73.10 Total new obligations	747	537	539
73.20 Total outlays (gross)	-833	-536	-538
73.45 Adjustments in unexpired accounts	-4		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	15	15	15

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	596	408	410
86.98 Outlays from mandatory balances	237	128	128
87.00 Total outlays (gross)	833	536	538

Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1

Net budget authority and outlays:

89.00 Budget authority	725	731	538
90.00 Outlays	833	535	537

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 millions of dollars)

Identification code 12-5209-0-2-605	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	9	10	11
12.1 Civilian personnel benefits	2	2	3
21.0 Travel and transportation of persons		1	1
22.0 Transportation of things	4	4	4
25.2 Other services	16	9	9
25.3 Purchases of goods and services from Government accounts	2	3	3
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials: Grants of commodities to States	711	505	505
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	746	536	538
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	747	537	539

Personnel Summary

Identification code 12-5209-0-2-605	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	154	162	168

General and special funds—Continued

**FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)—Continued**

(INCLUDING TRANSFERS OF FUNDS)—Continued

Personnel Summary—Continued

Identification code 12-5209-0-2-605	1999 actual	2000 est.	2001 est.
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	13	13	13

Trust Funds

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS

Program and Financing (in millions of dollars)

Identification code 12-8015-0-7-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Dairy products	5	5	5
00.02 Fruits and vegetables	54	53	53
00.03 Meat grading	22	22	22
00.04 Poultry products	23	23	23
00.05 Miscellaneous agricultural commodities	8	7	7
10.00 Total new obligations	112	110	110
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	21	25	25
22.00 New budget authority (gross)	116	110	110
23.90 Total budgetary resources available for obligation	137	135	135
23.95 Total new obligations	-112	-110	-110
24.40 Unobligated balance available, end of year	25	25	25
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	116	110	110
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	-16	-10	-10
73.10 Total new obligations	112	110	110
73.20 Total outlays (gross)	-106	-110	-110
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-10	-10	-10
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	100	104	104
86.98 Outlays from mandatory balances	5	6	6
87.00 Total outlays (gross)	106	110	110
Net budget authority and outlays:			
89.00 Budget authority	116	110	110
90.00 Outlays	106	110	110

Expenses and refunds, inspection and grading of farm products.—The commodity 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.

WORKLOAD INDICATORS

	1999 actual	2000 est.	2001 est.
Weighted average cost per cwt. (1990 index)	\$0.08	\$0.08	\$0.08

Object Classification (in millions of dollars)

Identification code 12-8015-0-7-352	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	57	56	56
11.3 Other than full-time permanent	5	5	5
11.5 Other personnel compensation	9	9	9
11.9 Total personnel compensation	71	70	70
12.1 Civilian personnel benefits	17	17	17
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	6	6	6
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	2	2	2
24.0 Printing and reproduction	1	1	1
25.2 Other services	6	6	6
25.3 Purchases of goods and services from Government accounts	3	2	2
26.0 Supplies and materials	2	2	2
31.0 Equipment	1	1	1
99.9 Total new obligations	112	110	110

Personnel Summary

Identification code 12-8015-0-7-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	1,612	1,575	1,492

MILK MARKET ORDERS ASSESSMENT FUND

Program and Financing (in millions of dollars)

Identification code 12-8412-0-8-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
09.01 Administration	39	35	38
09.02 Marketing service	6	6	6
10.00 Total new obligations	45	41	44
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	28	19	19
22.00 New budget authority (gross)	36	41	42
23.90 Total budgetary resources available for obligation	64	60	61
23.95 Total new obligations	-45	-41	-44
24.40 Unobligated balance available, end of year	19	19	17
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	36	41	42
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	-2	-19	-19
73.10 Total new obligations	45	41	44
73.20 Total outlays (gross)	-62	-41	-42
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-19	-19	-17
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	36	41	42
86.98 Outlays from mandatory balances	26		
87.00 Total outlays (gross)	62	41	42
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-36	-41	-42
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	26		

Memorandum (non-add) entries:

92.01 Total investments, start of year: U.S. securities: Par value	6		
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Note.—The administration fund totals are comprised of 31 separate independent order accounts in 1998.

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. The Secretary has reduced the number of milk marketing orders from 31 to 11, consistent with the 1996 Farm Bill authorities.

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.

Expenses of local offices 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 disseminates 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 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.

WORKLOAD INDICATORS

	1999 actual	2000 est.	2001 est.
Percentage of formal and informal rulemaking completed within internal timeframes	94	85	85

Object Classification (in millions of dollars)

Identification code 12-8412-0-8-351	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	28	27	28
12.1 Civilian personnel benefits	6	5	6
21.0 Travel and transportation of persons	2	2	2
23.2 Rental payments to others	3	3	3
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	2	1	1
26.0 Supplies and materials	2	1	2
31.0 Equipment	1	1	1
99.9 Total new obligations	45	41	44

Personnel Summary

Identification code 12-8412-0-8-351	1999 actual	2000 est.	2001 est.
2001 Total compensable workyears: Full-time equivalent employment	432	442	442

RISK MANAGEMENT AGENCY

Federal Funds

General and special funds:

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), [S64,000,000] \$67,700,000: 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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-2707-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	64	64	68
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	64	64	68
23.95 Total new obligations	-64	-64	-68
23.98 Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	64	64	68
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	21	31	31
73.10 Total new obligations	64	64	68
73.20 Total outlays (gross)	-54	-64	-67
74.40 Unpaid obligations, end of year: Obligated balance, end of year	31	31	32
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	48	58	61
86.93 Outlays from discretionary balances	6	6	6
87.00 Total outlays (gross)	54	64	67
Net budget authority and outlays:			
89.00 Budget authority	64	64	68
90.00 Outlays	54	64	67

This appropriation finances the administrative and operating expenses of the Risk Management Agency (RMA), which provides crop insurance to farmers. The 2001 budget includes an additional \$1 million to support the President's Bioproducts Initiative. This funding will allow RMA to begin the process of research, analysis, and the development of biobased crop insurance policies, such as switch grass.

The Federal government reimburses private insurance companies for certain administrative expenses incurred while delivering the crop insurance program. In 1998, discretionary funding was provided for the reimbursement of agents' sales commissions in accordance with the Federal Crop Insurance Reform Act of 1994. The Agricultural Research, Extension and Education Reform Act of 1998 (P.L. 105-185), provides mandatory funding for the reimbursement of administrative expenses to private insurance companies for delivering crop insurance for the 1999 and subsequent crop years.

Object Classification (in millions of dollars)

Identification code 12-2707-0-1-351	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	27	30	31
11.3 Other than full-time permanent	3	3	3
11.9 Total personnel compensation	30	33	34
12.1 Civilian personnel benefits	7	7	8
21.0 Travel and transportation of persons	2	2	2
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	19	18	20
26.0 Supplies and materials	1	1	1
31.0 Equipment	3	1	1
99.9 Total new obligations	64	64	68

Personnel Summary

Identification code 12-2707-0-1-351	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	528	568	568

General and special funds—Continued

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make 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 programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Public enterprise funds:

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-4085-0-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.02 Delivery and other expenses	500	490	511
01.01 Indemnities	1,988	2,417	2,461
10.00 Total new obligations	2,488	2,907	2,972
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1,449	1,124	600
22.00 New budget authority (gross)	2,172	1,553	2,972
22.21 Unobligated balance transferred to other accounts	-9		
22.22 Unobligated balance transferred from other accounts		830	
23.90 Total budgetary resources available for obligation	3,612	3,507	3,572
23.95 Total new obligations	-2,488	-2,907	-2,972
24.40 Unobligated balance available, end of year	1,124	600	600
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	1,550	711	1,728
69.00 Offsetting collections (cash)	622	842	1,244
70.00 Total new budget authority (gross)	2,172	1,553	2,972
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	949	1,138	1,267
73.10 Total new obligations	2,488	2,907	2,972
73.20 Total outlays (gross)	-2,299	-2,778	-3,228
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1,138	1,267	1,011
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1,209	1,520	1,938
86.98 Outlays from mandatory balances	1,090	1,258	1,290
87.00 Total outlays (gross)	2,299	2,778	3,228
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-622	-842	-1,244
Net budget authority and outlays:			
89.00 Budget authority	1,550	711	1,728
90.00 Outlays	1,677	1,936	1,984

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority	1,550	711	1,728
Outlays	1,677	1,936	1,984
Legislative proposal, subject to PAYGO:			
Budget Authority			910

Outlays			545
Total:			
Budget Authority	1,550	711	2,638
Outlays	1,677	1,936	2,529

The Federal Crop Insurance Corporation (FCIC), a wholly-owned government corporation, provides multi-peril and catastrophic crop insurance protection against losses from unavoidable natural events. The Federal Crop Insurance Reform Act of 1994 (Reform Act) and the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) brought many changes to the program. With the reduced price support activities promulgated by the 1996 Act, the crop insurance program is an integral part of the broad-based safety net and includes programs involving revenue insurance, and education in the use of futures markets to manage risks.

Under the 1996 Act, farmers are no longer required to obtain Catastrophic Crop insurance (CAT), as previously mandated by the Reform Act. Producers can instead agree in writing to waive eligibility for emergency crop loss assistance in connection with the crop. However, the 2000 Appropriation Act required uninsured producers who elected to receive the emergency crop loss payments provided by the Act to enroll in crop insurance for the subsequent two crop years. For producers who continue to obtain CAT, which compensates the farmer for losses up to 50 percent of the individual's average yield at 55 percent of the expected market price, premium is entirely subsidized. The cost to the producer for this type of coverage is an annual administrative fee of \$60 per crop per county. Commercial insurance companies deliver the product to the producer in all states.

Additional coverage is available to producers who wish to insure crops above the 50 percent coverage level/55 percent price level. Policyholders can elect to be paid up to 100 percent of the market price established by FCIC for each unit of production their actual yield is less than the individual yield guarantee. Premium rates for additional coverage depend on the level of coverage of protection selected and vary from crop to crop and county to county. Producers are assessed a fee of \$20 per crop (may be \$60 in some cases of limited coverage), in addition to a share of premium. The additional levels of insurance coverage are more attractive to farmers due to availability of optional units, other policy provisions not available with CAT coverage, and the ability to obtain a level of protection that permits them to use crop insurance as loan collateral and to achieve greater financial security.

As mandated by the 1996 Act, revenue insurance programs are available under which producers of wheat, certain feed grains, soybeans, rice, and cotton are protected against loss of revenue stemming from low prices, poor yields, or a combination of both. Two of the revenue insurance plans were privately developed and submitted to FCIC: Crop Revenue Coverage (CRC) and Revenue Assurance (RA). The Income Protection (IP) plan was developed by FCIC. These three plans have many similar features and some very distinctive features. All provide a guaranteed revenue by combining coverage on both yield and price variability. CRC and RA also provide protection against price increases at the time of harvest from an initial price guarantee established near the time of planting. Indemnities are due when any combination of yield and price result in revenue that is less than the revenue guarantee. Revenue protection for all products is provided by extending traditional multi-peril crop insurance protection, based on actual production history, to include price variability. The price component common to CRC, RA, and IP uses the commodity futures market for price discovery. These programs all seek to help ensure a certain level of annual income and are offered through private insurance companies. For 1999, a Group Risk Income Protection plan was developed

by the private sector to provide protection against decline in county revenue, based on futures market prices and NASS county average yields, as adjusted by FCIC. FCIC is also piloting an Adjusted Gross Revenue (AGR) program, which is designed to insure a portion of a producers gross revenue based on their Schedule F Farm and Income Tax reports.

RMA plans to roll out Round II of the Dairy Options Pilot Program (DOPP) during 2000 which includes reaching producers in 61 counties in 32 states. RMA's partners in the program are registered commodities brokers who are authorized by the Commodity Futures Trading Commission to buy put options on behalf of DOPP participants on the Chicago Mercantile Exchange and the New York Board of Trade.

RMA also continues to improve and update the terms and conditions of all crop insurance policies, which better clarifies and defines the insurance protection provided by the insurance policies and the duties and responsibilities of the policyholder and insurance provider.

In crop year 1999, 196.2 million acres were insured, with an estimated \$2,322 million in total premium income, including \$952 million in premium subsidy.

The Corporation's budget is presented in accordance with generally accepted accounting principles, the Financial Accounting Standards Board (FASB) Statement No. 60, "Accounting and Reporting by Insurance Enterprises," and Statement No. 5, "Accounting for Contingencies."

The following table compares the scope of the insurance operations planned for 2001. Amounts in the 1999 column are as of September 30, 1999, and pertain to the 1999 crop year.

	1999 crop year estimate	2000 crop year estimate	2001 crop year estimate
Number of States	50	50	50
Number of counties	3,022	3,022	3,022
Insurance in force (millions)	30,826	28,754	30,841
Insured acreage (millions)	196	194	191
Producer premium (millions) ¹	1,370	1,357	1,370
Premium subsidy (millions) ¹	952	879	970
Total premium (millions) ¹	2,322	2,236	2,340
Indemnities (million) ¹	2,170	2,403	2,515
Loss ratio	0.93	1.075	1.075

¹Includes 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, and administrative expenses for approved insurance providers.

Premium subsidies are authorized by section 508(b) of the Federal Crop Insurance Act, as amended, and are received through appropriations.

PREMIUM AND SUBSIDY

[In millions of dollars]

	1999 fiscal year actual	2000 fiscal year estimate	2001 fiscal year estimate
Premiums:			
Producer premium	811	960	1,368
Amount of subsidies	938	890	956
Additional coverage	637	642	657
Catastrophic coverage—Reinsurance	301	248	299
Total premiums	1,749	1,850	2,324
Indemnities	1,988	2,417	2,461
Additional coverage	1,990	2,151	2,178
Catastrophic coverage—Reinsurance		266	283
Noninsured Assistance Program	-2		

For crop years 1948 through 1998, indemnities (\$18,478 million) exceeded premium income (\$16,401 million) by \$2,077 million; the loss ratio for the period was 1.13.

The following table summarizes the insurance operations for 1999, 2000 and 2001:

NET INCOME OR LOSS (-) ON INSURANCE OPERATIONS

[In millions of dollars]

	1999 crop year est.	2000 crop year est.	2001 crop year est.
Premium less indemnities	-1,177	-1,457	-1,093
Interest expense, net	2		
Delivery expenses ¹	-495	-486	-508
Other income or expense, net	9	23	-5
Research and development expenses	-4	-4	-4
Reinsurance underwriting gain (+) or loss (-)	-325	-157	-163
Net income or loss (-)	-1,990	-2,081	-1,773

¹Figures reflect delivery expenses borne by the Fund in accordance with the Agricultural Research, Extension and Education Reform Act of 1998, P.L. 105-185.

Statement of Operations (in millions of dollars)

Identification code 12-4085-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	527	622	842	1,244
0102 Expense	-1,643	-2,488	-2,907	-2,972
0105 Net income or loss (-)	-1,116	-1,866	-2,065	-1,728
0199 Total comprehensive income	-1,116	-1,866	-2,065	-1,728

Balance Sheet (in millions of dollars)

Identification code 12-4085-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	2,544	2,794	2,300	2,300
1206 Non-Federal assets: Receivables, net	760	827	850	850
1803 Other Federal assets: Property, plant and equipment, net	1	1	1	1
1999 Total assets	3,305	3,622	3,151	3,151
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	9	12	1	1
2105 Other	175	249	175	175
Non-Federal liabilities:				
2201 Accounts payable	70	80	70	70
2207 Other	1,749	1,797	1,750	1,750
2999 Total liabilities	2,003	2,138	1,996	1,996
NET POSITION:				
3100 Appropriated capital	680	864	534	534
3300 Cumulative results of operations	621	621	621	621
3999 Total net position	1,301	1,485	1,155	1,155
4999 Total liabilities and net position	3,304	3,623	3,151	3,151

Object Classification (in millions of dollars)

Identification code 12-4085-0-3-351	1999 actual	2000 est.	2001 est.
25.2 Other services	500	490	511
Insurance claims and indemnities:			
42.0 Insurance claims and indemnities (reinsured buyup)	1,990	2,417	2,461
42.0 Insurance claims and indemnities (NAP Operations)	-2		
99.9 Total new obligations	2,488	2,907	2,972

**FEDERAL CROP INSURANCE FUND
(Legislative proposal, subject to PAYGO)**

Program and Financing (in millions of dollars)

Identification code 12-4085-4-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.02 Delivery and other expenses			58

Public enterprise funds—Continued**FEDERAL CROP INSURANCE FUND—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 12-4085-4-3-351	1999 actual	2000 est.	2001 est.
00.03 Crop insurance reform			673
01.01 Indemnities			179
10.00 Total new obligations			910
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			979
23.95 Total new obligations			-910
24.40 Unobligated balance available, end of year			69
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			910
69.00 Offsetting collections (cash)			69
70.00 Total new budget authority (gross)			979
Change in unpaid obligations:			
73.10 Total new obligations			910
73.20 Total outlays (gross)			-614
74.40 Unpaid obligations, end of year: Obligated balance, end of year			296
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			614
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources			-69
Net budget authority and outlays:			
89.00 Budget authority			910
90.00 Outlays			545

As part of a comprehensive package to strengthen the farm safety net, the Administration is proposing crop insurance reform in 2001. The proposal would continue, for the 2001 crop year, the crop insurance premium discounts which were offered for the 1999 and 2000 crop years. In addition, the proposal calls for the establishment of multi-year loss coverage which would provide an insurance plan to protect producers in cases of consecutive crop years' losses. The Administration's reform proposal will also include provisions to provide risk management education, conduct more research and development, conduct a pilot program for insuring livestock, and remove the area-wide trigger requirement for non-insured payment assistance.

Object Classification (in millions of dollars)

Identification code 12-4085-4-3-351	1999 actual	2000 est.	2001 est.
25.2 Other services			270
42.0 Insurance claims and indemnities (reinsured buyup)			640
99.9 Total new obligations			910

FARM SERVICE AGENCY**SALARIES AND EXPENSES
(INCLUDING TRANSFERS OF FUNDS)**

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, [S794,839,000] \$828,385,000: *Provided*, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided further*,

That other funds made available to the Agency 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 \$1,000,000 shall be available for employment under 5 U.S.C. 3109. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-0600-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Farm programs	619	611	641
00.02 Conservation and environment	157	163	162
00.04 Commodity operations	21	21	25
03.00 Subtotal, direct program	797	795	828
Reimbursable program:			
09.01 Farm loans	210	210	265
09.02 Other programs	94	145	87
09.99 Subtotal, reimbursable program	304	355	352
10.00 Total new obligations	1,101	1,150	1,180
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,101	1,150	1,180
23.95 Total new obligations	-1,101	-1,150	-1,180
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	797	795	828
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	304	355	352
70.00 Total new budget authority (gross)	1,101	1,150	1,180
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	108	135	189
73.10 Total new obligations	1,101	1,150	1,180
73.20 Total outlays (gross)	-1,072	-1,085	-1,177
73.40 Adjustments in expired accounts (net)	-2	-11	-3
74.40 Unpaid obligations, end of year: Obligated balance, end of year	135	189	189
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1,003	1,068	1,095
86.93 Outlays from discretionary balances	69	17	82
87.00 Total outlays (gross)	1,072	1,085	1,177
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-277	-331	-328
88.40 Non-Federal sources	-27	-24	-24
88.90 Total, offsetting collections (cash)	-304	-355	-352
Net budget authority and outlays:			
89.00 Budget authority	797	795	828
90.00 Outlays	768	730	825

The Farm Service Agency (FSA) was established October 3, 1994, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354. The Department of Agriculture Reorganization Act of 1994 was amended on April 4, 1996, by the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127. The FSA administers a variety of activities, such as farm income support programs through various loans and payments; the Conservation Reserve Program (CRP); the Emergency Conservation Program; the Hazardous Waste Management Program; the Commodity Operation Programs including the warehouse examination function; farm ownership, farm operating, emergency disaster, and other loan programs; price support and production control programs for to-

bacco and peanuts; and the Noninsured Crop Disaster Assistance Program (NAP), which provides crop loss protection for growers of many crops for which crop insurance is not available. The Agency also assists in the administration of several conservation cost-share programs financed by the Commodity Credit Corporation (CCC), including the Environmental Quality Incentives Program (EQIP). In addition, FSA currently provides certain administrative support services to the Foreign Agricultural Service (FAS) and to the Risk Management Agency (RMA).

This consolidated administrative expenses account includes funds to cover expenses of programs administered by, and functions assigned to, the Agency. The funds consist of a direct appropriation, transfers from program loan accounts under credit reform procedures, user fees, and advances and reimbursements from other sources. This is a consolidated account for administrative expenses of national, regional, State, and county offices. Currently, the majority of FSA county office employees are not Federal employees, although their salaries and benefits are fully paid through Federal funds appropriated to this account. The Administration is proposing legislation to make all FSA employees Federal employees.

Farm Programs.—These programs provide an economic safety net through farm income support to eligible producers, cooperatives, and associations to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber. Objectives of the Agency include maintaining a high Agricultural Market Transition Act (AMTA) participation rate for eligible acreage, providing marketing assistance loans and loan deficiency payments enabling recipients to continue farming operations without marketing their product immediately after harvest, stabilizing the price and production of tobacco and peanuts, and providing a financial assistance safety net to eligible producers when natural disasters result in a catastrophic loss of production or prevents planting of noninsured crops, and timely designating eligible Noninsured Crop Disaster Assistance Program (NAP) areas and approving crop prices, average yields, and payment factors.

Farm program activities include the following functions dealing with the administration of programs carried out through the farmer committee system of the FSA: (a) developing program regulations and procedures; (b) collecting and compiling basic data for individual farms; (c) establishing individual farm allotments for tobacco and peanuts and farm planting history; (d) notifying producers of established allotments and farm planting histories; (e) determining farm marketing quotas for tobacco and peanuts; (f) conducting referendums and certifying results; (g) accepting farmer certifications and checking compliance for specific purposes; (h) issuing marketing cards so that production from the allotted acreage can be marketed without penalty; (i) processing commodity loan documents and issuing checks; (j) processing production flexibility contract payments and market loss assistance payments and issuing checks; (k) certifying payment eligibility and monitoring payment limitations; and (l) processing farm storage facility loans and issuing checks.

Conservation and Environment.—These programs assist agricultural producers and landowners in achieving a high level of stewardship of soil, water, air, and wildlife resources on America's farmland and ranches while protecting the human and natural environment. Objectives of the Agency include improving environmental quality, protecting natural resources, and enhancing habitat for fish and wildlife, including threatened and endangered species, providing Emergency Conservation Program funding for farmers and ranchers to rehabilitate damaged farmland and for carrying out emergency conservation measures during periods of severe drought or flooding protecting the public health of communities

through implementation of the Hazardous Waste Management Program, assisting NRCS with EQIP program policy and procedure development, and implementing administrative processes and procedures for contracting, financial reporting, and other financial operations. This activity includes: (a) processing producer requests for conservation cost-sharing and issuing conservation reserve rental payments; and (b) issuing checks for other conservation programs.

Commodity Operations.—This activity includes: (a) overall management of CCC-owned commodities; (b) purchasing commodities; (c) donating commodities; (d) selling commodities; (e) accounting for loans and commodities; and (f) commercial warehouse activities, which include improving the effectiveness and efficiency of FSA's commodity acquisition, procurement, storage, and distribution activities to support domestic and international food assistance programs and administering the U.S. Warehouse Act (USWA). The Agency provides for the examination of warehouses licensed under the U.S. Warehouse Act and non-licensed warehouses storing CCC-owned or pledged commodities. 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.

Farm Loans (Reimbursable).—Provides for administering the direct and guaranteed loan programs covered under the Agricultural Credit Insurance Fund (ACIF). Objectives of the Agency include improving the economic viability of farmers and ranchers, reducing losses in direct loan programs, responding to loan making and servicing requests, and maximizing financial and technical assistance to under-served groups. Activities include reviewing applications, servicing the loan portfolio, and providing technical assistance and guidance to borrowers. These administrative expenses are transferred to this consolidated account from the ACIF. Appropriations representing subsidy amounts necessary to support the individual program loan levels under Federal Credit Reform are made to the ACIF account.

Other Reimbursable Activities.—FSA collects a fee or is reimbursed for performing a variety of services for other Federal agencies, CCC, industry, and others, including certain administrative support services for the Risk Management Agency and the Foreign Agricultural Service, and for county office services provided to Federal and non-Federal entities, including a variety of services to producers.

Object Classification (in millions of dollars)

Identification code 12-0600-0-1-351	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	118	139	143
11.3 Other than full-time permanent	8	8	8
11.5 Other personnel compensation	3	5	6
11.9 Total personnel compensation	129	152	157
12.1 Civilian personnel benefits	28	34	35
21.0 Travel and transportation of persons	9	13	11
22.0 Transportation of things	2	3	2
23.2 Rental payments to others	8	9	10
23.3 Communications, utilities, and miscellaneous charges	8	11	14
24.0 Printing and reproduction	1	1	1
25.2 Other services	37	41	35
26.0 Supplies and materials	8	8	6
31.0 Equipment	11	4	3
41.0 Grants, subsidies, and contributions	556	518	553
42.0 Insurance claims and indemnities		1	1
99.0 Subtotal, direct obligations	797	795	828
99.0 Reimbursable obligations	304	355	352
99.9 Total new obligations	1,101	1,150	1,180

SALARIES AND EXPENSES—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Personnel Summary

Identification code 12-0600-0-1-351	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	2,445	2,644	2,560
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	3,264	3,257	3,341

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101-5106), **[\$3,000,000]** \$4,000,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0170-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	2	3	4
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	2	3	4
23.95 Total new obligations	-2	-3	-4
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2	3	4
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	2
73.10 Total new obligations	2	3	4
73.20 Total outlays (gross)	-2	-3	-3
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	2	2
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	1	2
86.93 Outlays from discretionary balances	1		1
87.00 Total outlays (gross)	2	3	3
Net budget authority and outlays:			
89.00 Budget authority	2	3	4
90.00 Outlays	2	3	3

This grant program is authorized by Title V of the Agricultural Credit Act of 1987, P.L. 100-233, as amended. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354) to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticide use. Grants are made to States whose agricultural mediation programs have been certified by the Farm Service Agency. A grant will not exceed 70 percent of the total fiscal year funds that a qualifying State requires to operate and administer its agricultural loan mediation program. In no case will the total amount of a grant exceed \$500,000 annually.

GRANT OBLIGATIONS

	1999 actual	2000 est.	2001 est.
Number of States receiving grants	22	21	22
Amount of grants (in millions of dollars)	2	3	4

TREE ASSISTANCE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2701-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	2		
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3		
23.95 Total new obligations	-2		
23.98 Unobligated balance expiring or withdrawn	-1		
New budget authority (gross), detail:			
Discretionary:			
50.05 Reappropriation (indefinite)	3		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	13	8	2
73.10 Total new obligations	2		
73.20 Total outlays (gross)	-7	-6	-2
74.40 Unpaid obligations, end of year: Obligated balance, end of year	8	2	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	7	6	2
Net budget authority and outlays:			
89.00 Budget authority	3		
90.00 Outlays	7	6	2

Funding for the Tree Assistance Program (TAP) was provided by the 1998 Emergency Supplemental Appropriations Act, P.L. 105-174, enacted May 1, 1998. The \$14 million appropriation was made available for obligation through September 30, 1998, with any unobligated funding expiring. However, the 1999 Appropriations Act, P.L. 105-277, Section 757 of the General Provisions, authorized the use of unobligated 1998 TAP funds for losses due to disasters that occurred between May 1 and August 1, 1998. Eligibility for these funds was also extended to producers whose trees were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation (a destructive disease caused by bacteria) that was caused by a natural disaster. This funding was available for obligation through September 30, 1999, with any unobligated balance expiring.

TAP provided cost-share payments of up to 100 percent to orchard and vineyard growers who replanted or rehabilitated orchard trees and vineyards lost to damaging weather, including freezes, excessive rainfalls, floods, droughts, tornadoes, and earthquakes. Eligible owners may not receive more than \$25,000 per person.

During 1999, \$2 million was obligated in Michigan, and the remaining unobligated balance of \$1 million expired.

CONSERVATION RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3319-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Technical assistance	21	1	
10.00 Total new obligations (object class 25.2)	21	1	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	21	1	
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	22	1	
23.95 Total new obligations	-21	-1	
24.40 Unobligated balance available, end of year	1		

Change in unpaid obligations:		
72.40	Unpaid obligations, start of year: Obligated balance, start of year	52 20
73.10	Total new obligations	21 1
73.20	Total outlays (gross)	-52 -21
73.45	Adjustments in unexpired accounts	-1
74.40	Unpaid obligations, end of year: Obligated balance, end of year	20
Outlays (gross), detail:		
86.98	Outlays from mandatory balances	52 21
Net budget authority and outlays:		
89.00	Budget authority .....	.....
90.00	Outlays	52 21

The Conservation Reserve Program (CRP) was originally mandated by the Food Security Act of 1985. The Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act), enacted April 4, 1996, retains the CRP as part of the Environmental Conservation Acreage Reserve Program (ECARP) but changed the funding source from direct appropriation to the Commodity Credit Corporation. Only very minimal CCC funds were used for program operations in 1996 since annual rental payments had been made very early in the fiscal year using CRP appropriated funds.

In 1999, annual rental and cost-share payments for acres enrolled in the program were paid through the Commodity Credit Corporation. Remaining unobligated funds from the fiscal year 1996 appropriated account have been used for CRP technical assistance and were nearly exhausted in 1999. Less than \$1 million remained at year end. In providing technical assistance, the Natural Resources Conservation Service (NRCS) determines eligibility, develops conservation plans, and helps install approved practices. The Forest Service (FS) and cooperating State forestry agencies develop plans for tree planting and assist in carrying them out. The Cooperative State Research, Education, and Extension Service provides information and educational assistance to inform landowners and operators about the program. Local soil and water conservation districts approve conservation plans. To ensure maximum program benefits, USDA consults with land grant universities, State soil and water agencies, State fish and wildlife agencies, the U.S. Fish and Wildlife Services, and others. In fiscal year 1999, \$21 million was obligated for the technical assistance services of NRCS and FS and outlays of \$53 million in CRP appropriated funds were made to NRCS and FS.

CRP program payments are included under the Commodity Credit Corporation account.

AGRICULTURAL CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3315-0-1-302			1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:					
21.40	Unobligated balance available, start of year	33	40	40	
22.10	Resources available from recoveries of prior year obligations	7			
23.90	Total budgetary resources available for obligation	40	40	40	
24.40	Unobligated balance available, end of year	40	40	40	
Change in unpaid obligations:					
72.40	Unpaid obligations, start of year: Obligated balance, start of year	43	25	17	
73.20	Total outlays (gross)	-11	-8	-8	
73.45	Adjustments in unexpired accounts	-7			
74.40	Unpaid obligations, end of year: Obligated balance, end of year	25	17	9	
Outlays (gross), detail:					
86.93	Outlays from discretionary balances	11	8	8	

Net budget authority and outlays:			
89.00	Budget authority .....	.....	.....
90.00	Outlays	11	8 8

This program was terminated at the beginning of 1997 in accordance with the Federal Agriculture Improvement and Reform Act of 1996. The objectives of the Agricultural Conservation Program (ACP) were incorporated into the Environmental Quality Incentives Program which is funded by the Commodity Credit Corporation and administered under the lead of the Natural Resources Conservation Service.

The primary objectives of the program were to conserve soil and water resources. Along with annual agreements, cost sharing was authorized for long-term agreements of 3-10 years. At the end of 1999, there were \$25 million in unliquidated obligations for ACP agreements.

EMERGENCY CONSERVATION PROGRAM

[For an additional amount for the "Emergency Conservation Program" for expenses resulting from natural disasters, \$50,000,000, to remain available until expended.] *(Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)*

Program and Financing (in millions of dollars)

Identification code 12-3316-0-1-453			1999 actual	2000 est.	2001 est.
Obligations by program activity:					
10.00	Total new obligations (object class 41.0)	39	91	32	
Budgetary resources available for obligation:					
21.40	Unobligated balance available, start of year	84	73	32	
22.00	New budget authority (gross)	28	50		
23.90	Total budgetary resources available for obligation	112	123	32	
23.95	Total new obligations	-39	-91	-32	
24.40	Unobligated balance available, end of year	73	32		
New budget authority (gross), detail:					
Discretionary:					
40.00	Appropriation	28	50		
Change in unpaid obligations:					
72.40	Unpaid obligations, start of year: Obligated balance, start of year	26	25	48	
73.10	Total new obligations	39	91	32	
73.20	Total outlays (gross)	-40	-68	-41	
74.40	Unpaid obligations, end of year: Obligated balance, end of year	25	48	39	
Outlays (gross), detail:					
86.93	Outlays from discretionary balances	40	68	41	
Net budget authority and outlays:					
89.00	Budget authority	28	50		
90.00	Outlays	40	68	41	

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 farmlands and rangelands resulting from natural disasters.

For 1999, pursuant to P.L. 106-31, enacted May 21, 1999, \$28 million in supplemental funding was provided to the Emergency Conservation Program, to remain available until expended. Under the 1999 program, cost-sharing and technical assistance were provided in 42 States as well as the Virgin Islands to treat farmlands damaged by floods, hurricanes, drought, ice storms, tornadoes, and other natural disasters. The 1999 program rehabilitated approximately 4,889,922 acres of farmland damaged by these natural disasters.

No funding was provided in the 2000 Agriculture Appropriations Act for this program. However, \$50 million in supplemental funding was provided by title I of the 2000 Consoli-

EMERGENCY CONSERVATION PROGRAM—Continued

dated Appropriations Act, P.L. 106–113, enacted November 29, 1999. The 2001 budget proposes no funding.

Credit accounts:

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of 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, **[\$559,422,000]** \$1,128,000,000, of which **[\$431,373,000]** \$1,000,000,000 shall be for guaranteed loans; operating loans, **[\$2,397,842,000]** \$3,177,868,000, of which **[\$1,697,842,000]** \$2,000,000,000 shall be for unsubsidized guaranteed loans and **[\$200,000,000]** \$477,868,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, **[\$1,028,000]** \$2,006,000, for emergency insured loans, **[\$25,000,000]** \$150,064,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, **[\$7,243,000]** \$18,886,000, of which **[\$2,416,000]** \$5,100,000, shall be for guaranteed loans; operating loans, **[\$70,860,000]** \$129,534,000, of which **[\$23,940,000]** \$27,400,000 shall be for unsubsidized guaranteed loans and **[\$17,620,000]** \$38,994,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, **[\$21,000]** \$323,000; and for emergency insured loans, **[\$3,882,000]** \$36,811,000 to meet the needs resulting from natural disasters.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[\$214,161,000]** \$269,454,000, of which **[\$209,861,000]** \$265,315,000 shall be transferred to and merged with the appropriation for “Farm Service Agency, Salaries and Expenses”.

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs with [the prior approval of] advance notice to the House and Senate Committees on Appropriations.

DAIRY INDEMNITY PROGRAM
(INCLUDING TRANSFERS OF FUNDS)

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 (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, \$450,000, to remain available until expended (7 U.S.C. 2209b): *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 the farmer’s willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

[AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT]

[For additional gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be

available from funds in the Agricultural Credit Insurance Fund to meet the needs resulting from natural disasters, as follows: farm ownership loans, \$590,578,000, of which \$568,627,000 shall be for guaranteed loans; operating loans, \$1,404,716,000, of which \$302,158,000 shall be for unsubsidized guaranteed loans and \$702,558,000 shall be for subsidized guaranteed loans; and for emergency loans, \$547,000,000.]

[For the additional cost of direct and guaranteed loans to meet the needs resulting from natural disasters, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, to remain available until expended, as follows: farm ownership loans, \$4,012,000, of which \$3,184,000 shall be for guaranteed loans; operating loans, \$89,596,000, of which \$4,260,000 shall be for unsubsidized guaranteed loans and \$61,895,000 shall be for subsidized guaranteed loans; and for emergency loans, \$84,949,000.] (*Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106–113).*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12–1140–0–1–351	1999 actual	2000 est.	2001 est.
0101 Agriculture credit insurance, downward reestimates of subsidies		417	

Program and Financing (in millions of dollars)

Identification code 12–1140–0–1–351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	158	152	114
00.02 Guaranteed loan subsidy	73	116	72
00.05 Reestimates of direct loan subsidy		484	
00.06 Interest on reestimates of direct loan subsidy		84	
00.07 Reestimates of guaranteed loan subsidy		124	
00.08 Interest on reestimates of guaranteed loan subsidy		34	
Administrative expenses:			
00.09 Administrative expenses—salaries and expenses ...	210	210	265
00.10 Administrative expenses—non-recoverable costs ...	10	8	4
10.00 Total new obligations	451	1,212	455
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	15	14	14
22.00 New budget authority (gross)	451	1,212	455
23.90 Total budgetary resources available for obligation	466	1,226	469
23.95 Total new obligations	–451	–1,212	–455
23.98 Unobligated balance expiring or withdrawn	–1		
24.40 Unobligated balance available, end of year	14	14	14

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	345	486	455
40.15 Appropriation (emergency)	106		
43.00 Appropriation (total discretionary)	451	486	455
Mandatory:			
60.05 Appropriation (indefinite)		726	
70.00 Total new budget authority (gross)	451	1,212	455

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	16	32	50
73.10 Total new obligations	451	1,212	455
73.20 Total outlays (gross)	–433	–1,194	–479
74.40 Unpaid obligations, end of year: Obligated balance, end of year	32	50	26

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	417	455	439
86.93 Outlays from discretionary balances	16	13	40
86.97 Outlays from new mandatory authority		726	
87.00 Total outlays (gross)	433	1,194	479

Net budget authority and outlays:

89.00 Budget authority	451	1,212	455
90.00 Outlays	433	1,194	479

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1140-0-1-351	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Farm ownership	171	150	128
1150 Farm operating	789	900	700
1150 Emergency disaster	276	572	150
1150 Indian tribe land acquisition	1	1	2
1150 Boll weevil eradication	100	100	100
1159 Total direct loan levels	1,336	1,723	1,080
Direct loan subsidy (in percent):			
1320 Farm ownership	14.97	3.77	10.77
1320 Farm operating	6.83	5.86	9.02
1320 Emergency disaster	23.60	15.53	24.53
1320 Indian tribe land acquisition	15.25	2.04	16.10
1320 Boll weevil eradication	1.44	-4.38	-3.23
1329 Weighted average subsidy rate	8.33	5.42	10.26
Direct loan subsidy budget authority:			
1330 Farm ownership	26	6	14
1330 Farm operating	54	53	63
1330 Emergency disaster	65	89	37
1330 Boll weevil eradication	1		
1339 Total subsidy budget authority	146	148	114
Direct loan subsidy outlays:			
1340 Farm ownership	24	7	13
1340 Farm operating	52	55	63
1340 Emergency disaster	63	82	39
1340 Boll weevil eradication	1		
1349 Total subsidy outlays	140	144	115
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Farm ownership, unsubsidized	774	1,000	1,000
2150 Farm operating, unsubsidized	1,251	2,000	2,000
2150 Farm operating, subsidized	526	903	478
2159 Total loan guarantee levels	2,551	3,903	3,478
Guaranteed loan subsidy (in percent):			
2320 Farm ownership, unsubsidized	1.59	0.56	0.51
2320 Farm operating, unsubsidized	1.16	1.41	1.37
2320 Farm operating, subsidized	8.74	8.81	8.16
2329 Weighted average subsidy rate	2.70	1.57	2.06
Guaranteed loan subsidy budget authority:			
2330 Farmer ownership, unsubsidized	12	6	5
2330 Farm operating, unsubsidized	15	28	27
2330 Farm operating, subsidized	46	80	39
2339 Total subsidy budget authority	73	114	71
Guaranteed loan subsidy outlays:			
2340 Farmer ownership, unsubsidized	14	3	5
2340 Farm operating, unsubsidized	14	22	28
2340 Farm operating, subsidized	45	55	60
2349 Total subsidy outlays	73	80	93
Administrative expense data:			
3510 Budget authority	220	219	269
3580 Outlays from balances			
3590 Outlays	220	219	269

The Agricultural Credit Insurance Fund Program Account's loans are authorized by title III of the Consolidated Farm and Rural Development Act, as amended.

This program account includes subsidies to provide direct and guaranteed loans for farm ownership, farm operating, and emergency loans to individuals. Indian tribes and tribal corporations are eligible for Indian land acquisition loans.

Additional funding was provided by a 1999 supplemental appropriation, P.L. 106-31, for direct and guaranteed farm ownership, direct and guaranteed operating, and emergency disaster loans. Funding is available until September 30, 2000.

Additional funding was also provided by a 2000 supplemental appropriation, P.L. 106-113, for direct and guaranteed farm ownership, direct and guaranteed operating, and emergency disaster loans. Funding is available until expended.

For 2001, legislation will be proposed to expand eligibility for emergency disaster loans to agricultural-related enterprises that are currently ineligible for either USDA or Small Business Administration disaster loans. Interest rates on these loans will be above those charged for family-sized farms.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including credit sales of acquired property), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Under the Dairy Indemnity Program (DIP), payments are made to farmers and manufacturers of dairy products who are directed to remove their milk or milk products from commercial markets because they contain residues of chemicals that have been registered and approved by the Federal Government, other chemicals, nuclear radiation, or nuclear fallout. Indemnification may also be paid for cows producing such milk.

In 2000, an estimated \$650 thousand will be paid to producers and manufacturers who file claims under the program. The 2001 budget requests \$450 thousand for this program.

Object Classification (in millions of dollars)

Identification code 12-1140-0-1-351	1999 actual	2000 est.	2001 est.
25.3 Purchases of goods and services from Government accounts	220	218	269
41.0 Grants, subsidies, and contributions	231	994	186
99.9 Total new obligations	451	1,212	455

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4212-0-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	1,393	1,723	1,080
00.02 Advances on behalf of borrowers	3	3	3
00.04 Interest on Treasury borrowing	217	174	108
00.91 Subtotal, Operating program	1,613	1,900	1,191
Reestimates:			
08.02 Downward reestimate of subsidy		163	
08.04 Downward reestimate of subsidy—Interest		56	
08.91 Subtotal, reestimates		219	
10.00 Total new obligations	1,613	2,119	1,191
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	208	95	
22.00 New financing authority (gross)	2,217	2,024	1,191
22.10 Resources available from recoveries of prior year obligations	12		
22.60 Portion applied to repay debt	-723		
22.70 Balance of authority to borrow withdrawn	-7		
23.90 Total budgetary resources available for obligation	1,707	2,119	1,191
23.95 Total new obligations	-1,613	-2,119	-1,191
24.40 Unobligated balance available, end of year	95		
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	1,368	784	328
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	834	1,227	891
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	15	13	-28

Credit accounts—Continued

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4212-0-3-351	1999 actual	2000 est.	2001 est.	
68.90	Spending authority from offsetting collections (total discretionary)	849	1,240	863
70.00	Total new financing authority (gross)	2,217	2,024	1,191
Change in unpaid obligations:				
Unpaid obligations, start of year:				
72.40	Obligated balance, start of year	70	178	271
72.95	Receivables from program account	9	24	37
72.99	Total unpaid obligations, start of year	79	202	308
73.10	Total new obligations	1,613	2,119	1,191
73.20	Total financing disbursements (gross)	-1,477	-2,013	-1,425
73.45	Adjustments in unexpired accounts	-12		
Unpaid obligations, end of year:				
74.40	Obligated balance, end of year	178	271	65
74.95	Receivables from program account	24	37	9
74.99	Total unpaid obligations, end of year	202	308	74
87.00	Total financing disbursements (gross)	1,477	2,013	1,425

Offsets:

Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: Payments from program account	-142	-363	-114
88.25	Interest on uninvested funds	-76	-196	-62
Non-Federal sources:				
88.40	Repayments of principal	-503	-538	-565
88.40	Non-Federal sources	-113	-130	-150
88.90	Total, offsetting collections (cash)	-834	-1,227	-891
Against gross financing authority only:				
88.95	Change in receivables from program accounts	-15	-13	28
Net financing authority and financing disbursements:				
89.00	Financing authority	1,368	784	328
90.00	Financing disbursements	643	786	534

Status of Direct Loans (in millions of dollars)

Identification code 12-4212-0-3-351	1999 actual	2000 est.	2001 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	872	1,797	1,080
1112	Unobligated direct loan limitation	74		
1113	Unobligated limitation carried forward	53	-74	
1150	Total direct loan obligations	999	1,723	1,080
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2,715	3,443	4,392
1231	Disbursements: Direct loan disbursements	1,278	1,637	1,026
1251	Repayments: Repayments and prepayments	-513	-654	-715
1263	Write-offs for default: Direct loans	-37	-34	-44
1290	Outstanding, end of year	3,443	4,392	4,659

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including credit sales of acquired property that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

This account finances direct loans for farm ownership, farm operating, emergency disaster, and credit sales of acquired property.

Balance Sheet (in millions of dollars)

Identification code 12-4212-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.	
ASSETS:					
Investments in US securities:					
1106	Federal assets: Receivables, net	278	275	351	363
Net value of assets related to post-1991 direct loans receivable:					
1401	Direct loans receivable, gross	2,715	3,004	3,821	3,952
1402	Interest receivable	42	40	44	45
1403	Accounts receivable from foreclosed property	13	15	18	18
1405	Allowance for subsidy cost (-)	-697	-760	-966	-999
1499	Net present value of assets related to direct loans	2,073	2,299	2,917	3,016
1999	Total assets	2,351	2,574	3,268	3,379
LIABILITIES:					
2103	Federal liabilities: Debt	2,344	2,562	3,253	3,364
2207	Non-Federal liabilities: Other	9	12	15	15
2999	Total liabilities	2,353	2,574	3,268	3,379
NET POSITION:					
3100	Appropriated capital				
3999	Total net position				
4999	Total liabilities and net position	2,353	2,574	3,268	3,379

AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4213-0-3-351	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Operating program:				
00.01	Default claims	59	64	69
00.02	Interest assistance on guaranteed loans	125	100	167
00.04	Interest payments to Treasury	5	7	8
00.05	Capital investments	6	8	9
00.91	Subtotal, Operating program	195	179	253
Reestimates:				
08.02	Downward reestimate of subsidy		155	
08.04	Downward reestimate of subsidy—interest		43	
08.91	Subtotal, reestimates		198	
10.00	Total new obligations	195	377	253
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	132	104	
22.00	New financing authority (gross)	141	273	253
22.10	Resources available from recoveries of prior year obligations	25		
23.90	Total budgetary resources available for obligation	298	377	253
23.95	Total new obligations	-195	-377	-253
24.40	Unobligated balance available, end of year	104		
New financing authority (gross), detail:				
Mandatory:				
67.15	Authority to borrow (indefinite)	30	94	143
Discretionary:				
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	111	179	110
70.00	Total new financing authority (gross)	141	273	253
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	184	261	180
73.10	Total new obligations	195	377	253
73.20	Total financing disbursements (gross)	-93	-458	-92
73.45	Adjustments in unexpired accounts	-25		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	261	180	341
87.00	Total financing disbursements (gross)	93	458	92

Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Payments from program account	-72	-116 -71
88.25	Interest on uninvested funds	-20	-32 -20
88.40	Fees and premiums	-19	-31 -19
88.90	Total, offsetting collections (cash)	-111	-179 -110
Net financing authority and financing disbursements:			
89.00	Financing authority	30	94 143
90.00	Financing disbursements	-19	279 -18

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4213-0-3-351				
		1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders	2,551	4,042	3,478
2150	Total guaranteed loan commitments	2,551	4,042	3,478
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	6,292	7,023	7,982
2231	Disbursements of new guaranteed loans	2,349	3,083	3,130
2251	Repayments and prepayments	-1,558	-2,035	-2,314
2263	Adjustments: Terminations for default that result in claim payments	-60	-89	-92
2290	Outstanding, end of year	7,023	7,982	8,706
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	6,476	7,343	8,010

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

This account finances commitments made for farm ownership and operating guaranteed loan programs.

Balance Sheet (in millions of dollars)

Identification code 12-4213-0-3-351					
		1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:					
Federal assets:					
1101	Fund balances with Treasury	316	365	399	357
Investments in US securities:					
1106	Receivables, net	158			
1206	Non-Federal assets: Receivables, net	1			
1999	Total assets	316	524	399	357
LIABILITIES:					
Non-Federal liabilities:					
2201	Accounts payable	184	459	231	207
2203	Debt	60	90	76	68
2204	Liabilities for loan guarantees	73	-25	92	82
2999	Total liabilities	317	524	399	357
4999	Total liabilities and net position	317	524	399	357

AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4140-0-3-351				
		1999 actual	2000 est.	2001 est.
Obligations by program activity:				
Capital investment:				
00.02	Repurchase of public certificates of beneficial ownership	2		
00.04	Purchase of guaranteed loans from investors	1		
00.08	Loan recoverable costs	13	13	13
00.91	Total capital investment	16	13	13
Operating expenses:				
01.07	Loss settlement expenses on guaranteed loans	5	5	4

01.08	Administrative expenses—Department of Justice fees	1	1	1
01.09	Costs incident to acquisition of property	2	3	3
01.10	Undistributed charges	2	1	1
01.13	Interest assistance—guaranteed loans	1	1	
01.17	Unclassified costs	3	5	5
01.91	Total operating expenses	14	16	14
10.00	Total new obligations	30	29	27

Budgetary resources available for obligation:

21.40	Unobligated balance available, start of year	2		
22.00	New budget authority (gross)	18	29	27
22.10	Resources available from recoveries of prior year obligations	10		
23.90	Total budgetary resources available for obligation	30	29	27
23.95	Total new obligations	-30	-29	-27

New budget authority (gross), detail:

Mandatory:				
69.00	Offsetting collections (cash)	1,060	1,130	1,135
69.27	Capital transfer to general fund	-1,042	-1,101	-1,108
69.90	Spending authority from offsetting collections (total mandatory)	18	29	27

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	72	61	61
73.10	Total new obligations	30	29	27
73.20	Total outlays (gross)	-32	-29	-27
73.45	Adjustments in unexpired accounts	-10		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	61	61	61

Outlays (gross), detail:

86.97	Outlays from new mandatory authority	18	29	27
86.98	Outlays from mandatory balances	12		
87.00	Total outlays (gross)	32	29	27

Offsets:

Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Non-Federal sources:				
88.40	Rent on acquired property	-2	-3	-3
88.40	Guaranteed insurance purchased from holders—principal	-2	-1	-1
88.40	Interest on loans	-340	-360	-350
88.40	Guaranteed loss recoveries		-1	-1
88.40	Loan repayments received on behalf of investors	-1	-1	-1
88.40	Interest on judgments	-2	-1	-1
88.40	Repayments on loans—principal	-642	-690	-680
88.40	Judgments—principal	-13	-12	-12
88.40	Shared appreciation recapture	-18	-13	-13
88.40	Sale of acquired property/chattels	-45	-50	-70
88.40	Miscellaneous income	-1	-1	-1
88.40	Undistributed receipts	6	3	-2
88.90	Total, offsetting collections (cash)	-1,060	-1,130	-1,135

Net budget authority and outlays:

89.00	Budget authority	-1,042	-1,101	-1,108
90.00	Outlays	-1,028	-1,101	-1,108

Status of Direct Loans (in millions of dollars)

Identification code 12-4140-0-3-351				
		1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	6,699	5,817	4,850
1232	Disbursements: Purchase of loans assets from the public	1	2	2
1251	Repayments: Repayments and prepayments	-640	-696	-686
1261	Adjustments: Capitalized interest	32	30	48
Write-offs for default:				
1263	Direct loans	-241	-250	-300
1264	Other adjustments, net ¹	-34	-53	-49
1290	Outstanding, end of year	5,817	4,850	3,865

¹Amounts shown are based on payment of delinquent installments, advances on behalf of borrowers, acquired property and chattels, loans in kind, and judgments.

Credit accounts—Continued

AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT—Continued

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4140-0-3-351	1999 actual	2000 est.	2001 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	776	594	389
2251 Repayments and prepayments	-181	-200	-100
2263 Adjustments: Terminations for default that result in claim payments	-1	-5	-12
2290 Outstanding, end of year	594	389	277
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	535	350	217

As required by the Federal Credit Reform Act of 1990, this account records for the farm loan programs all cash flows to and from the Government resulting from direct loans obligated, loan guarantees committed, and grants made prior to 1992. New loan activity in 1992 and beyond (including credit sales of acquired property that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts. Payments to settle certain discrimination claims against USDA may also be made from this account.

Statement of Operations (in millions of dollars)

Identification code 12-4140-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	440	386	377	534
0102 Expense	-309	856	125	-175
0105 Net income or loss (-)	131	1,242	502	359

Balance Sheet (in millions of dollars)

Identification code 12-4140-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	74	61	5	50
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	6,699	5,817	4,850	3,865
1602 Interest receivable	374	354	389	395
1603 Allowance for estimated uncollectible loans and interest (-)	-1,574	-904	-1,000	-1,000
1604 Direct loans and interest receivable, net	5,499	5,267	4,239	3,260
1606 Foreclosed property	125	95	94	95
1699 Value of assets related to direct loans	5,624	5,362	4,333	3,355
1999 Total assets	5,698	5,423	4,338	3,405
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	5,597	4,687	4,500	3,800
Non-Federal liabilities:				
2201 Accounts payable	182	112	108	31
2202 Interest payable				1
2207 Other	35	10	25	25
2999 Total liabilities	5,814	4,809	4,633	3,857
NET POSITION:				
3300 Cumulative results of operations	-118	614	-295	-452
3999 Total net position	-118	614	-295	-452
4999 Total liabilities and net position	5,696	5,423	4,338	3,405

Object Classification (in millions of dollars)

Identification code 12-4140-0-3-351	1999 actual	2000 est.	2001 est.
25.2 Other services	9	10	9

33.0	Investments and loans	20	18	17
43.0	Interest and dividends	1	1	1
99.9	Total new obligations	30	29	27

COMMODITY CREDIT CORPORATION

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make 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 programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Public enterprise funds:

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year [2000] 2001, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year [2000] 2001, the Commodity Credit Corporation shall not expend more than \$5,000,000 for *site investigation and cleanup expenses, and operations and maintenance expenses* to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961: *Provided*, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

[CROP LOSS ASSISTANCE]

[For an additional amount for crop loss assistance authorized by section 801 of Public Law 106-78, \$186,000,000: *Provided*, That this assistance shall be under the same terms and conditions as in section 801 of Public Law 106-78.]

[SPECIALTY CROP ASSISTANCE]

[For an additional amount for specialty crop assistance authorized by section 803(c)(1) of Public Law 106-78, \$2,800,000: *Provided*, That the definition of eligible persons in section 803(c)(2) of Public Law 106-78 shall include producers who have suffered quality or quantity losses due to natural disasters on crops harvested and placed in a warehouse and not sold.]

[LIVESTOCK ASSISTANCE]

[For an additional amount for livestock assistance authorized by section 805 of Public Law 106-78, \$10,000,000: *Provided*, That the Secretary of Agriculture may use this additional amount to provide assistance to persons who raise livestock owned by other persons for income losses sustained with respect to livestock during 1999 if the Secretary finds that such losses are the result of natural disasters.] (*Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Unavailable Collections (in millions of dollars)

Identification code 12-4336-0-3-999	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year		39	
Appropriation:			
05.01 Commodity credit corporation fund		-39	

06.20	Reduction pursuant to Public Law 106-51	39		
07.99	Total balance, end of year	39		

Program and Financing (in millions of dollars)

Identification code 12-4336-0-3-999	1999 actual	2000 est.	2001 est.
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Obligations by program activity:				
Support and related programs:				
Operating expenses:				
00.01	Commodity purchases and related inventory transactions	1,427	1,072	633
00.02	Storage, transportation, and other obligations not included above	164	207	180
00.03	Export enhancement program	1	579	478
00.04	Market access program	114	132	96
00.05	Dairy export incentive program	69	188	66
00.06	Section 416/Food for progress ocean transportation	323	291	161
00.07	Foreign market development cooperative		27	27
00.08	Quality samples program		3	3
00.09	Tobacco quota payments to states/warehouse payment		331	
Direct producer payments:				
00.10	Feed grains	5,646	8,907	4,034
00.11	Wheat	3,127	3,766	1,464
00.12	Rice	811	1,027	447
00.13	Cotton	1,543	2,187	1,145
00.14	Dairy—Marketing loss assistance	200	123	
00.15	Dairy option pilot program	1	9	9
00.16	Noninsured assistance program	54	75	85
00.17	Oilseeds loan deficiency	1,041	2,038	3,058
00.18	Oilseeds payments program		463	
00.19	Peanut marketing assistance program		49	
00.20	Marketing loan writeoffs	988	1,465	1,054
00.21	Crop disaster	1,913	1,342	
00.22	Livestock assistance	269	188	
00.23	Livestock indemnity	4	12	
00.24	Disaster reserve assistance/American indian livestock feed	13	7	2
00.25	Disaster reserve flood compensation	41		
00.26	Conservation reserve program	1,435	1,574	1,690
00.27	Environmental quality incentives program (EQIP)	133	137	156
00.28	Wetlands reserve program	113	165	46
00.30	Conservation farm option program			46
00.31	Reimbursement agreement and transfers to State and Federal agencies	35	36	36
00.32	Biofuels program			87
Interest:				
00.33	Treasury	630	789	596
00.34	Other	23	22	18
00.35	EQIP technical assistance	33	33	38
00.36	EQIP educational assistance	4	4	6
00.91	Total operating expenses	20,155	27,248	15,661
Capital investment:				
Direct loans:				
01.02	Purchase of ADP equipment	11		
01.92	Total support and related programs	20,166	27,248	15,661
Reimbursable program:				
09.01	Commodity loans	8,358	9,399	9,057
09.02	Dairy recourse commodity loans			200
09.03	Commodities procured—PL 480 Titles II and III commodity costs	503	549	500
09.04	PL 480 ocean transportation	464	392	357
09.09	Subtotal, reimbursable programs	9,325	10,340	10,114
10.00	Total new obligations	29,491	37,588	25,775
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	9,804	559	619
22.00	New budget authority (gross)	30,331	38,558	27,371
22.21	Unobligated balance transferred to other accounts	-892	-914	
22.22	Unobligated balance transferred from other accounts	9	4	
22.60	Portion applied to repay debt	-9,202		
23.90	Total budgetary resources available for obligation	30,050	38,207	27,990
23.95	Total new obligations	-29,491	-37,588	-25,775
24.40	Unobligated balance available, end of year	559	619	2,216
Net budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	8,432	30,037	27,771

40.47	Portion applied to repay debt	-8,400	-30,037	-27,771
40.76	Reduction pursuant to P.L. 106-113		-28	
41.00	Transferred to other accounts	-32		
43.00	Appropriation (total discretionary)		-28	
Mandatory:				
67.15	Authority to borrow (indefinite)	20,488	27,745	14,877
69.00	Offsetting collections (cash)	9,882	10,802	12,494
69.26	Offsetting collections (unavailable balances)		39	
69.75	Reduction pursuant to P.L. 104-208	-39		
69.90	Spending authority from offsetting collections (total mandatory)	9,843	10,841	12,494
70.00	Total new budget authority (gross)	30,331	38,558	27,371

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	1,956	804	379
73.10	Total new obligations	29,491	37,588	25,775
73.20	Total outlays (gross)	-29,182	-38,013	-27,830
73.40	Adjustments in expired accounts (net)	-1,461		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	804	379	-1,676

Outlays (gross), detail:

86.97	Outlays from new mandatory authority	20,291	27,597	9,078
86.98	Outlays from mandatory balances	8,891	10,416	18,752
87.00	Total outlays (gross)	29,182	38,013	27,830

Offsets:

Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Federal sources:				
Federal sources:				
88.00	Sales to special activities	-503	-549	-500
88.00	Interest revenue	-2		
88.00	Advance from foreign assistance programs (P.L. 480)	-1,116	-821	-857
Non-Federal sources (62 stat.1070): Support and related programs:				
Non-Federal sources:				
88.40	Sales and other proceeds	-241	-171	-235
88.40	Assessments	-58		
88.40	Interest revenue	-17	-32	-35
88.40	Other revenue	-4		
88.40	Loans repaid	-7,902	-9,191	-10,801
88.40	Export credit sales program repayments	-9	-10	-10
88.40	Interest revenue	-30	-28	-28
88.90	Total, offsetting collections (cash)	-9,882	-10,802	-12,466

Net budget authority and outlays:

89.00	Budget authority	20,449	27,756	14,905
90.00	Outlays	19,300	27,211	15,364

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:			
	1999 actual	2000 est.	2001 est.
Budget Authority	20,449	27,756	14,905
Outlays	19,300	27,211	15,364
Legislative proposal, not subject to PAYGO:			
Budget Authority			-50
Outlays			-4
Legislative proposal, subject to PAYGO:			
Budget Authority		710	3,917
Outlays		710	3,615
Total:			
Budget Authority	20,449	28,466	18,772
Outlays	19,300	27,921	18,975

NOTES

Contingent liabilities, commitments, and other obligations do not become charges against the statutory borrowing authority until they result in borrowing from Treasury.
Excludes amounts for activities currently funded in the CCC Export Guarantee Loan Programs account.

Status of Direct Loans (in millions of dollars)

Identification code 12-4336-0-3-999	1999 actual	2000 est.	2001 est.	
SHORT TERM CREDIT LOANS				
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	384	375	366

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

[LIVESTOCK ASSISTANCE]—Continued

Status of Direct Loans (in millions of dollars)—Continued

Identification code 12-4336-0-3-999	1999 actual	2000 est.	2001 est.
1251 Repayments: Repayments and prepayments	- 9	- 9	- 10
1290 Outstanding, end of year	375	366	356
COMMODITY LOANS			
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation	8,358	9,399	9,257
1150 Total direct loan obligations	8,358	9,399	9,257
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	2,219	2,441	2,371
1231 Disbursements: Direct loan disbursements	8,358	9,399	9,257
1251 Repayments: Repayments and prepayments	- 7,902	- 9,191	- 9,233
1264 Write-offs for default: Other adjustments, net	- 234	- 278	- 326
1290 Outstanding, end of year	2,441	2,371	2,069
SALE OF INVENTORY ON CREDIT TERMS			
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	30	30	30
1290 Outstanding, end of year	30	30	30

The Commodity Credit Corporation (CCC) was created to stabilize, support, and protect farm income and prices; help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers; and help in their orderly distribution.

The Corporation's capital stock of \$100 million is held by the U.S. Treasury. Under present law, up to \$30 billion may be borrowed from the U.S. Treasury to finance operations.

Current, 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, as they are used to repay debt directly with the Treasury.

Budget assumptions.—The following general assumptions form the basis for the Corporation's 2000 and 2001 budget estimates: (a) national income will rise both in 2000 and 2001 from the present level; (b) 2000 crop production will decrease from 1999 crop levels for some commodities; (c) generally, exports of agricultural commodities in 2001 are expected to be higher than 2000 levels; (d) yields for the 2000 crops are based on recent averages adjusted for trend; (e) acreage allotments and marketing quotas will be in effect for the 2000 crops of certain kinds of tobacco; and (f) poundage quotas will be in effect for the 2000 crop of peanuts. Marketing loan rates for the 2000 crop are assumed to equal rates for the 1999 crop.

It is difficult to accurately forecast requirements for the year ending September 30, 2001, 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.

The Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act) enacted April 4, 1996, retains the CRP as part of the Environmental Conservation Acreage Reserve Program (ECARP) but changed the funding source from direct appropriation to the Commodity Credit Corporation. The CRP is assumed to be gradually increased to 36.4 million acres by 2002. CRP is USDA's largest conservation/environmental program. The purpose of CRP, administered by FSA, is to cost-effectively assist farm owners and operators in conserving and improving soil, water, air, and wildlife resources by con-

verting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural commodities to a long-term resource-conserving cover. CRP participants enroll contracts for periods from 10 to 15 years in exchange for annual rental payments and cost-share and technical assistance for installing approved conservation practices.

A general CRP signup was held (signup 18) October 26 through December 11, 1998. Of the 7.1 million acres offered, a total of 5 million acres were approved for enrollment beginning in fiscal year 2000. The national average annual rental payment for this acreage is estimated to be about \$46 per acre. Technical assistance for this signup was funded with unobligated and appropriated funds. Rental payments for signup 18 begin in fiscal year 2001.

The general CRP signup, signup 20, will be held from January 18 through February 11, 2000. It is assumed for budgeting purposes that approximately 1.8 million acres, of the 5 million acres offered, will be accepted in the program beginning with the 2001 program year. Conservation Reserve Program acreage also contributes to the USDA Conservation Buffer Initiative and the Conservation Reserve Enhancement Program and to other purposes which are estimated to enroll 4.2 million acres through 2002.

As part of the Administration's farm safety net proposal, the Budget proposes to increase the CRP enrollment cap by almost \$4 million acres to 40 million. Also, the Administration will offer bonuses totaling up to \$100 million in FY 2000 and up to \$125 million annually in FY 2001-2002 to producers who enroll land in CRP through the continuous signup.

These assumptions have been developed for budget purposes as the best estimate of acreage bid into the program that will be both eligible and of high environmental quality. As such, the estimate may not reflect the actual acreage selected for Signup 20. USDA's goal is that lands selected for the CRP will only be those lands where the benefits to the Nation of retirement are greater than the benefits of continued production.

Appropriations are made to reimburse the Corporation for net realized losses sustained in carrying out its operations:

Program	2001 ESTIMATE		
	[In millions of dollars]		
	Gross obligations	Net outlays	Net realized loss for year
Farm income, marketing assistance loans, and price support:			
Commodity loans	9,057	1,079	
Dairy recourse loan program	200		
Feed grain payments	4,545	4,545	4,545
Wheat payments	1,464	1,569	1,464
Rice payments	447	458	447
Cotton payments	1,145	1,145	1,145
Export enhancement program	478	478	478
Other support and related	5,371	3,614	5,145
Other items not distributed by program:			
Interest	614	704	550
All other	114	378	113
Total, farm income, marketing assistance loans, and price-support programs	23,435	13,970	13,887
Conservation programs:			
Conservation reserve program	1,690	1,690	1,836
Environmental quality incentives program	200	165	165
Wetlands reserve program	53	132	132
Farmland protection program		4	4
Conservation farm option program	50	4	4
Total, conservation programs	1,993	1,995	2,141
Total, Commodity Credit Corporation	25,428	15,965	16,028

PROGRAMS OF THE CORPORATION

Price support, marketing assistance loans, 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, the Agricultural Act of 1949 (the 1949 Act), as amended, and the Federal Agriculture Improvement and Reform Act of 1996 (the 1996 Act).

Price support is mandatory for tobacco, peanuts, and dairy products. Marketing assistance loans are mandatory for wheat, feed grains, oilseeds, upland cotton, and rice. Loans are also required to be made for sugar and extra long staple cotton.

One method of providing support is 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 may be 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, and section 416 of the Agricultural Act of 1949, as amended.

Production flexibility contract payments.—The 1996 Act requires that the Corporation offer eligible producers a one-time opportunity to execute 7-year production flexibility contracts. Production flexibility contract participants who comply with applicable provisions receive annual payments beginning in 1996 and ending in 2002. Participants received a 50-percent advance payment for the 1996 crop within 30 days after contract approval. The balance of the 1996 payment was issued by September 30, 1996. In subsequent years, participants will receive final payments by September 30, with an option to receive advances on December 15 or January 15. For fiscal years 2001 through 2002, producers may choose to receive fiscal year production flexibility contract payments as two 50 percent payments or one 100 percent payment at any time during the fiscal year. Depending on each contract participant's prior contract-crop acreage history and payment yield, as well as total program participation, the participant shares a portion of a statutorily specified, annual dollar amount. In return, participants must comply with certain requirements regarding land conservation, wetland protection, and agricultural use. Contract crops, for the purposes of determining eligible cropland and payments, include wheat, corn, grain sorghum, barley, oats, upland cotton, and rice. No production adjustment requirements or related provisions are included in this program, except for restrictions on the planting of fruits and vegetables and other minor requirements. The one-time enrollment took place between May 1 and August 1, 1996; however, producers with Conservation Reserve Program (CRP) contracts will have the opportunity to enroll acreage currently in the CRP that meets the eligibility requirements for a production flexibility contract. These enrollments will occur as CRP contracts expire.

Marketing assessments.—The 1949 Act mandates assessments for tobacco, and the 1996 Act requires such assessments for peanuts and sugar. Tobacco marketing assessments are authorized through crop year 1998.

Peanut price support program.—The 1996 Act and the Agricultural Adjustment Act of 1938, as amended (the 1938 Act), provide for a peanut loan and poundage quota program for the 1996 through 2002 peanut crops. The 1996 Act makes the peanut program, effectively, a no-cost program. The Secretary is required to provide a nonrefundable per-pound marketing assessment equal to 1.15 percent of the national average quota or additional peanut loan rate for the applicable 1996 crop and 1.2 percent of the national average quota or additional peanut loan rate for each of the applicable 1997

through 2002 crops. Assessments will be used to offset losses in area quota pools, and any assessments not required to cover these losses will be remitted to the Treasury. If the use of all other available authority does not produce funds sufficient to cover losses in area quota pools, the Secretary must increase the marketing assessment by an amount that will cover the losses.

Sugar Program.—The 1996 Act requires that loans be made available to eligible sugar processors for the 1996 through 2002 crops of domestically produced sugar beets and sugarcane. The announced Tariff Rate Quota (TRQ) determines the type of loan in effect. If the TRQ is not above 1,500,000 short tons, raw value, at the time of loan approval and has never been above 1,500,000 short tons, raw value, at any time during the fiscal year, recourse loans will be in effect. If the TRQ exceeds 1,500,000 short tons, raw value, at the time of loan approval or has exceeded 1,500,000 short tons, raw value, at any time during the fiscal year, nonrecourse loans will be in effect.

Options Pilot Program.—The 1996 Act authorizes the Secretary to utilize CCC, until December 31, 2002, to conduct a pilot program for one or more agricultural commodities supported under Title I of the 1996 Act to ascertain whether futures and options contracts can reasonably protect producers from the financial risks of fluctuations in price, yield, and income inherent in the production and marketing of the commodities. The pilot program is under the supervision of the Administrator of the Risk Management Agency. To the maximum extent practicable, the Secretary shall operate the pilot program in a budget neutral manner.

The Federal Crop Insurance Reform Act of 1994 expanded current crop insurance authorities to provide for catastrophic coverage at 50 percent yield protection at a flat fee for crops currently covered by insurance programs. Where crop insurance is not available, producers of crops for food and fiber and certain other crops will be covered under the Noninsured Assistance Program. The Farm Service Agency administers CCC's Noninsured Assistance Program. The program will reimburse producers at the same rates and terms as the catastrophic program where assistance is triggered by area wide disasters.

Dairy.—The 1996 Act provides for a dairy price support program that sets the minimum support price for milk at \$10.35 per hundredweight for calendar year 1996, \$10.20 per hundredweight for calendar year 1997, \$10.05 per hundredweight for calendar year 1999, and \$9.90 per hundredweight for calendar year 1999. The 2000 Act extended the price support program through calendar year 2000 at the \$9.90 per hundred-weight support level. In lieu of the price support program, Section 142 of the 1996 Act establishes a recourse loan program beginning on January 1, 2000, and continuing through 2002, during which time processors will be eligible for recourse loans on dairy products at a milk equivalent rate of \$9.90 per hundredweight. However, the 2000 Act postponed the start of the Dairy Recourse Loan Program until January 1, 2001. The program will assist dairy processors in managing their inventories of eligible dairy products and assure a greater degree of price stability for the dairy industry. The program is a transition between the Dairy Price Support Program that has been in effect since 1949 and the dairy industry functioning with no Governmental intervention in a global economy. Dairy processors acquire their milk from dairy farmers that manufacture these eligible dairy products. The program indirectly assists dairy farmers similar to the Dairy price Support Program. The Food Security Act of 1985, as amended (the 1985 Act), authorizes the Dairy Export Incentive Program (DEIP) through calendar year 2002. The DEIP provides subsidies to exporters of U.S. dairy products to help them compete with other subsidizing nations.

Public enterprise funds—ContinuedCOMMODITY CREDIT CORPORATION FUND—Continued
PROGRAMS OF THE CORPORATION—Continued

Emergency Livestock Feed Assistance.—In calendar year (CY) 1998, \$200 million in CCC funds were made available for livestock feed assistance for producers affected by disasters. An additional \$70 million was authorized by the FY 1999 Emergency Supplemental Act (P.L. 106-31). The FY 2000 Act allows for not less than \$200 million to be provided to livestock producers.

Payment limitations.—The 1996 Act and the Food Security Act of 1985, as amended, limit the amount of production flexibility contract payments during any fiscal year to \$40,000 and the sum of marketing assistance gains and loan deficiency payments during any crop year to \$75,000. This limitation has been raised to \$150,000 for the 1999 crop only.

Conservation programs.—The Environmental Conservation Acreage Reserve Program (ECARP) was re-established by the 1996 Act to begin in 1996 and continue through 2002. ECARP consists of the Conservation Reserve Program (CRP), the Wetlands Reserve Program (WRP), and the Environmental Quality Incentives Program (EQIP). The 1996 Act amended the 1985 Act to require the use of CCC funds for these programs.

The CRP is authorized in all 50 States, Puerto Rico, and the Virgin Islands, on all highly erodible cropland, other environmentally sensitive cropland, and certain marginal pastureland meeting the eligibility criteria. In addition to cropland in areas adjacent to lakes and streams that can be devoted to filter strips, and cropland subject to overflow and suffering from scour erosion, eligible land may include shelterbelts windbreaks cropland contributing to water quality problems, and other lands posing environmental threats. Also eligible for the CRP are water quality or wildlife habitat impaired areas that do not meet the highly erodible land (HEL) criteria, such as the Chesapeake Bay, Great Lakes, and Long Island Sound watershed regions.

The establishment and funding for Conservation Priority Areas (CPA) under both EQIP and CRP will be harmonized in a manner to ensure program availability is coordinated to best address environmental concerns, keeping in mind the varied and diverse purposes for which the CRP and EQIP are authorized.

The EQIP combines the functions of the former Agricultural Conservation Program (ACP), the Water Quality Incentives Program (WQIP), the Great Plains Conservation Program (GPCP), and the Colorado River Basin Salinity Control Program (CRSC). The 1996 Act provided that EQIP would be phased in over a 6-month interim period, ending not later than October 4, 1996. CCC funding of \$130 million was provided for the interim 1996 program. Thereafter, through fiscal year 2002, \$200 million in CCC funding must be made available annually for the program. The fiscal year 1999 and 2000 programs were limited to \$174 million by provisions of the FY 1999 and FY 2000 Agriculture Appropriation Acts, but will return to the statutory level of \$200 million in FY 2001 and 2002. As part of the Administration's farm safety net proposal, the Budget provides an additional \$125 million over authorized levels, for a program total of \$325 million. Beginning in FY 2001, comprehensive nutrient management plans will be required of all EQIP participants with livestock or animal waste management-related contracts.

The Farmland Protection Program (FPP) authorizes the Secretary to assist State, local, and tribal governments in purchasing conservation easements. The Secretary was authorized to use \$35 million in CCC funds to carry out the program. These funds were exhausted in 1998. The FY 2000 Appropriations Act provided \$250,000 for the use in the state of New Hampshire. In support of the farm safety net proposal, \$65 million is proposed for FY 2001.

The Wildlife Habitat Incentives Program (WHIP) makes available assistance to help landowners improve wildlife habitat on private lands. A total of \$50 million in CRP funds were made available for fiscal years 1996 through 2002 for this program. These funds were exhausted in 1999. \$50 million is provided for FY 2001 as part of the farm safety net.

The Conservation Farm Option Program (CFO) is a pilot program for producers of wheat, feed grains, upland cotton, and rice who are eligible for production flexibility contracts. Under this program, producers may consolidate their production flexibility contract, CRP, WRP, and EQIP payments into one annual payment if they enter into a 10-year contract and adopt an approved conservation farm plan. CCC may make available the following funding for the CFO: \$15 million in fiscal year 1999, \$25 million in fiscal year 1999, \$37.5 million in fiscal year 2000, \$50 million in fiscal year 2001, and \$62.5 million in fiscal year 2002. Total authorized funding is \$197.5 million. However, no obligations have been incurred in fiscal years 1997-1999. The 1999 and 2000 Appropriations Acts precluded operations of the CFO in 1999 and 2000. In 2001, savings in the CFO are proposed to offset other conservation program initiatives.

The primary objectives of the Wetlands Reserve Program (WRP) are to restore and protect wetlands, improve wildlife habitat, and protect migratory waterfowl. This program offers landowners an opportunity to establish long-term conservation and wildlife practices and protection beyond that which can be obtained through other USDA programs. The Secretary of Agriculture, through NRCS field offices, uses program funds to acquire permanent or 30-year easements or to enter into 10-year restoration cost-share agreements. For easements, participants receive compensation in an amount not to exceed the agricultural fair market value of the land being offered. In addition, they receive cost-share assistance in amounts up to 75 percent for 30-year easements and 100 percent for permanent easements for establishing required wetlands restoration and wildlife practices. CCC pays for all the overhead costs associated with recording the easement in the local land records office including recording fees, charges for abstracts, surveys, appraisal fees, and title insurance associated with acquiring an easement. For restoration cost-share agreements, participants receive up to 75 percent of the cost of establishing required practices. Other agencies and private organizations may provide additional assistance for easement payments and restoration costs as a way to leverage program funds and achieve greater program benefits.

Under current law, WRP is authorized to enroll 975,000 cumulative acres. The FY 2000 Agriculture Appropriations Act allowed WRP to enroll 150,000 acres, leaving approximately 40,000 acres remaining under the cap in FY 2001. As part of the Administration's farm safety net proposal, the Budget proposes to enroll an additional 210,000 acres, bringing total enrollment in FY 2001 to 250,000 acres.

Surplus Removal and Other CCC Activities.—Section 5 of the CCC Charter Act authorizes CCC to undertake specific actions with respect to agricultural commodities. Section 5(d) specifically authorizes CCC to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities. Pursuant to this authority, CCC will purchase 5 million metric tons of wheat in the course of 1999 and 2000, which will subsequently be used for donation purposes under Section 416(b) of the Agricultural Act of 1949. A portion of this initiative is a part of the comprehensive U.S. food aid package to Russia, as announced by the President in November 1998. An estimated 1,500,000 metric tons shall be shipped to Russia during 1999 and 2000. The wheat initiative includes purchases of primarily wheat and wheat flour during 1999 and 2000.

Supply and foreign purchases.—The Corporation can procure from domestic and foreign sources food, agricultural com-

modities, 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 exports.—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 authority of the CCC Charter Act and other specific legislation.

Foreign donations.—The Corporation may furnish commodities under the authority of section 416(b) of the Agricultural Act of 1949 to carry out programs of assistance in developing countries and friendly countries and pay costs associated with making the commodities available. The Corporation may also use its funds to furnish commodities overseas under the authority of the Food for Progress Act of 1985; however, not more than 500,000 metric tons of commodities may be provided under this authority in each fiscal year, and not more than \$30 million of the funds of the Corporation (exclusive of the costs of commodities) may be used for each fiscal year. In addition, under the Food for Progress Act of 1985, not to exceed \$10 million of the Corporation's funds or commodities may be used each fiscal year to enhance the development of private sector agriculture in countries receiving commodities under the Food for Progress Act of 1985. Section 1125 of the FY 1999 Agriculture Appropriations Act increased the \$30 million and \$10 million limitations to \$35 million and \$15 million, respectively, for fiscal year 1999 only.

Loan operations.—The following table reflects commodity loan operations of the Corporation:

Item	[In millions of dollars]		
	1999 actual	2000 est.	2001 est.
Loans outstanding, gross, start of year:			
Commodity Credit Corporation	2,219	2,441	2,371
Additional loans made	8,357	9,398	9,257
Deduct:			
Loans repaid	-7,902	-9,191	-9,233
Acquisition of loan collateral	-203	-277	-326
Write-offs	-30		
Total loans outstanding, gross, end of year	2,441	2,371	2,069

Inventory operations.—The following table reflects the inventory operations applicable to the preceding programs:

Item	AGRICULTURAL COMMODITIES		
	[In millions of dollars]		
	1999 actual	2000 est.	2001 est.
On hand, start of year, gross	531	713	707
Acquisitions:			
Forfeiture of loan collateral	203	277	325
Excess of collateral acquired over loans canceled	6	6	6
Purchases	1,407	1,059	626
Carrying charges:			
Charges to inventory	14	7	1
Storage and handling (non-add)	(43)	(48)	(50)
Transportation (non-add)	(5)	(6)	(4)
Total acquisitions	1,630	1,349	958
Dispositions:			
Domestic donations to:			
Families	17	67	46
Institutions	11	65	47
Total domestic donations	28	132	93
Export donations	665	474	313

Sales and transfers:			
Special programs: Title II, Public Law 480	477	549	500
Title III, Public Law 480	26		
Other sales	236	177	233
Net loss or gain (-) on sales and transfers	16	23	-11
Total sales and transfers	755	749	722
Total dispositions	1,448	1,355	1,128
On hand, end of year, gross	713	707	538
Allowances for losses	-186	-185	-140
On hand, end of year, net	527	522	398

Other data.—The following table reflects other data which are applicable to price support and related programs:

DATA ON SUPPORT AND RELATED PROGRAMS

Item	[In millions of dollars]		
	1999 actual	2000 est.	2001 est.
Loans made	8,358	9,399	9,257
Loans repaid	7,902	9,191	9,233
Loan collateral forfeited	203	277	326
Loans outstanding, end of year	2,441	2,371	2,069
Acquisitions	1,630	1,349	958
Cost of commodities sold	755	749	722
Cost of commodities donated	693	606	406
Inventory, end of year	713	707	538
Investment in loans and inventory, end of year	3,154	3,078	2,607
Direct producer payments	16,101	22,366	12,815
Net expenditures	19,223	26,067	15,963
Realized losses	20,632	27,771	16,028

Operating expenses.—The Corporation carries out its functions through utilization of employees and facilities of other Government agencies. Administrative expenses are incurred by: the Farm Service Agency (FSA); the Foreign Agricultural Service; the Natural Resources Conservation Service; the Risk Management Agency; other agencies of the Department engaged in the Corporation's activities; and the Office of the Inspector General for audit functions. Additional expenses are incurred by FSA county offices for work related to programs of the Corporation, other FSA 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 existing property that 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; and special services performed by 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."

Section 161 of the 1996 Act amended the CCC Charter Act to significantly limit the use of CCC funds. CCC no longer has authority to purchase personal property except within authorized limitations. CCC spending for equipment or services relating to automated data processing (ADP), information technologies, or related items (including telecommunications equipment and computer hardware and software, but excluding reimbursable agreements) was limited to \$170 million in fiscal year 1996, and \$275 million for the six-year period including fiscal years 1997 through 2002, unless additional amounts for such contracts and agreements are provided in advance in appropriation acts. The 1996 Act also requires that CCC submit an itemized report to Congress on a quarterly basis of all expenditures, excluding program payments, of over \$10,000. Subsequent legislation reduced allowable ADP expenditures through 2002 to \$188 million. The remain-

Public enterprise funds—ContinuedCOMMODITY CREDIT CORPORATION FUND—Continued
PROGRAMS OF THE CORPORATION—Continued

ing funds are expected to be exhausted during 2000, and the Budget proposes to fund \$35 million per year through 2002 on these expenditures through CCC.

Section 161 of the 1996 Act also amended section 11 of the CCC Charter Act to limit the use of CCC funds for the transfer and allotment of funds to State and Federal agencies. Beginning on October 1, 1996, the total of these allotments and transfers under that section in a fiscal year, including agreements for ADP or information resource management activities, may not exceed the total of such allotments and transfers in fiscal year 1995. The obligations for these Section 11 activities in fiscal year 1995 were \$46.188 million. The fiscal year 1995 cap was revised to \$36.209 million effective fiscal year 1999 to exclude the Emerging Markets Program because such transfers are not made pursuant to Section 11 of the CCC Charter Act.

The Corporation receives reimbursement for grain requisitioned pursuant to Public Law 87-152 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 that 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:

Item	2001 estimate (In millions of dollars)	
	Gross obligations	Outlays (reimbursable)
(1) Financing sales of agricultural commodities for foreign currencies or for dollars on credit terms	159	224
(2) Commodities supplied in connection with dispositions abroad (Title II)	837	843
(3) Commodities supplied in connection with dispositions abroad (Title III)	0	3
Total	996	1,070

The Corporation receives appropriations or reimbursement for the 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), (2) and (3)).

(1) Financing the sale and exportation of agricultural commodities for foreign currencies or for dollars (title I, of P.L. 480).

(2) Commodities supplied in connection with dispositions abroad (title II, of P.L. 480).

(3) Commodities supplied in connection with dispositions abroad (title III, of P.L. 480).

(4) Commodities supplied in connection with dispositions abroad (Food for Progress Act of 1985).

FINANCING

Borrowing authority.—The Corporation has an authorized capital stock of \$100 million held by the U.S. Treasury and, effective in 1988, authority to have outstanding borrowings up to \$30 billion at any one time.

Funds are borrowed from the 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 to the Corporation by such agencies and others. All bonds, notes, debentures, and similar obliga-

tions issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938.

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 the 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

Item	[In millions of dollars]		
	1999 actual	2000 est.	2001 est.
Statutory borrowing authority	30,000	30,000	30,000
Deduct: Borrowings from Treasury	28,712	27,139	15,349
Net statutory borrowing authority available	1,288	2,861	14,651

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 that 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 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 foreign assistance programs.

Deficit.—The net realized losses of the Corporation have previously been reimbursed as follows:

SUPPORT AND RELATED PROGRAMS

	[In millions of dollars]	
	1999 actual	
Realized losses, 1933 to 1999, inclusive		283,358
Reimbursements by the Treasury:		
Reimbursements of realized losses:		
Appropriations (60 times)	250,163	
Note cancellations (6 times)	2,698	
Less dividends paid to Treasury (4 times)	—138	
Total reimbursements for net realized losses	252,723	
Other reimbursements:		
Appropriations (2 times)	542	
Note cancellation (1 time)	56	
Total other reimbursements	598	
Total		253,321
Realized deficit as of September 30, 1999, support and related programs		30,037

Foreign Market Development Cooperator Program (FMDCP) and Quality Samples Program. In FY 2000, funding for the FMSCP shifted from the Foreign Agricultural Service annual appropriation to CCC funding. Funding FMDCP from CCC is consistent with Section 5(f) of the CCC Charter Act which authorizes the use of CCC funds for export promotion and overseas market development activities of U.S. agricultural products. The FY 2000 program level is \$27.5 million.

Beginning also in FY 2000, CCC is funding the Quality Samples Program at an authorized annual level of \$2.5 million. Under this initiative, samples of U.S. agricultural products will be provided to foreign importers to promote a better understanding and appreciation for the high quality of U.S. products.

Commodity Certificates. Subtitle B of the 2000 Act allows for the use of commodity certificates. In making in-kind payments, CCC may (a) acquire and use commodities that have been pledged to the Commodity Credit Corporation as collateral for loans made by the Corporation; (b) "use other commodities owned by the Commodity Credit Corporation;" and (c) "redeem negotiable marketing certificates for cash under terms and conditions established. Implementation regarding implementation of commodity certificates is under consideration.

Farm Storage Facility Loan Program (FSFL). The FSFL program was established by CCC in 1949 to offer low-cost financing to producers for the construction or upgrade of on-farm storage facilities. USDA will resume this program in FY 2000. Direct loans would finance about \$1 billion worth of farm storage facilities from FY 2000 through 2002. The cost to the U.S. government 2002 for the FSFL program would be estimated using procedures stipulated by the Federal Credit Reform Act of 1990.

Ethanol Grain Program. As part of the Farm Safety Net proposal, the FY 2001 President's Budget assumes that CCC will make payments under a new Ethanol Grain Program to ethanol producers who increase their purchase of surplus grain for conversion into fuel ethanol. The program, which is authorized by Executive Order 13134, the Agricultural Act of 1949 as amended by the Food Security Act of 1985 (PL 99-198), and the CCC Charter Act, will remove surplus grain from the market and encourage ethanol production.

Statement of Operations (in millions of dollars)

Identification code 12-4336-0-3-999	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	1,078	1,022	845	1,125
0102 Expense	-10,396	-21,654	-28,616	-17,153
0105 Net income or loss (-)	-9,318	-20,632	-27,771	-16,028

Balance Sheet (in millions of dollars)

Identification code 12-4336-0-3-999	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	-1,568	-1,410	-1,410	-1,410
Investments in US securities:				
1106 Receivables, net	49	151	26	26
1107 Advances and prepayments	56	4	33	33
Non-Federal assets:				
1206 Receivables, net	44	38	35	35
1207 Advances and prepayments	5	11	5	5
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	2,632	2,846	2,766	2,455
1602 Interest receivable	209	232	210	197
1603 Allowance for estimated uncollectible loans and interest (-)	-180	-274	-180	-173
1604 Direct loans and interest receivable, net	2,661	2,804	2,796	2,479
1699 Value of assets related to direct loans	2,661	2,804	2,796	2,479
Other Federal assets:				
1801 Cash and other monetary assets	77	77	77	77
1802 Inventories and related properties	345	355	336	207
1803 Property, plant and equipment, net	87	46	67	68
1999 Total assets	1,756	2,076	1,965	1,520
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	4	430	5	5

2102 Interest payable	160	510	350	192
2103 Debt	16,692	28,712	27,139	15,349
2105 Other	370	444	398	398
Non-Federal liabilities:				
2201 Accounts payable	63	10	107	107
2206 Pension and other actuarial liabilities	30			
2207 Other	2,426	2,537	2,537	2,537
2999 Total liabilities	19,745	32,643	30,536	18,588
NET POSITION:				
3300 Cumulative results of operations	-17,990	-30,566	-28,571	-17,068
3999 Total net position	-17,990	-30,566	-28,571	-17,068
4999 Total liabilities and net position	1,755	2,077	1,965	1,520

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.

Object Classification (in millions of dollars)

Identification code 12-4336-0-3-999	1999 actual	2000 est.	2001 est.
Direct obligations:			
22.0 Transportation of things	328	297	165
Other services:			
25.2 Other services	168	97	80
25.2 Other services: Storage and handling	43	48	50
26.0 Supplies and materials: Costs of commodities sold or donated-PL 480	1,427	1,071	633
31.0 ADP equipment	11		
41.0 Grants, subsidies, and contributions	17,537	24,924	14,119
43.0 Interest and dividends	652	811	614
99.0 Subtotal, direct obligations	20,166	27,248	15,661
Reimbursable obligations:			
22.0 Transportation of things: PL 480 ocean transportation	464	392	357
26.0 Supplies and materials: Cost of commodities sold or donated—PL 480	503	549	500
33.0 Investments and loans	8,358	9,399	9,257
99.0 Subtotal, reimbursable obligations	9,325	10,340	10,114
99.9 Total new obligations	29,491	37,588	25,775

COMMODITY CREDIT CORPORATION FUND

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4336-2-3-999	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Support and related programs:			
Operating expenses:			
Direct producer payments:			
00.31 Conservation farm option program			-50
10.00 Total new obligations (object class 41.0)			-50
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-50
23.95 Total new obligations			50
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			-50
Change in unpaid obligations:			
73.10 Total new obligations			-50
73.20 Total outlays (gross)			4
74.40 Unpaid obligations, end of year: Obligated balance, end of year			-46
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-4
Net budget authority and outlays:			
89.00 Budget authority			-50
90.00 Outlays			-4

Public enterprise funds—Continued

COMMODITY CREDIT CORPORATION FUND—Continued

In 2001, the Budget proposes to cut the Conservation Farm Option by \$50 million to offset increases for other high priority conservation initiatives.

COMMODITY CREDIT CORPORATION FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4336-4-3-999	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Support and related programs:			
Operating expenses:			
Direct producer payments:			
00.23		600	2,464
00.25			150
00.26		110	110
00.27			80
00.28			
			125
00.29			213
00.30			65
00.31			-50
00.32			
			75
00.33			600
00.91		710	3,832
Capital investment:			
01.02			35
01.92		710	3,867
10.00		710	3,867
Budgetary resources available for obligation:			
22.00		710	3,917
22.21			-50
23.90		710	3,867
23.95		-710	-3,867
24.40			
New budget authority (gross), detail:			
Mandatory:			
67.15		710	3,917
Change in unpaid obligations:			
73.10		710	3,867
73.20		-710	-3,615
74.40			252
Outlays (gross), detail:			
86.97		710	3,615
Net budget authority and outlays:			
89.00		710	3,917
90.00		710	3,615

This schedule reflects the CCC portion of the Administration's proposed Farm Safety Net reform. The proposal includes counter-cyclical farm income support to provide additional payments through the expected enactment of the next farm bill, which would provide producers 92 percent of their lost farm revenue relative to a rolling five-year average. The proposal would also: extend the dairy price-support program; provide financing to cooperatives for livestock processing and other value-added facilities; and waive certain area triggers for crop insurance provided under the Non-insured Assistance Program. (Additional crop insurance reforms that are part of the Farm Safety Net proposal can be found in the Crop Insurance schedules.)

The proposal includes a comprehensive conservation initiative. A new Conservation Security Program would be funded

at \$600 million to provide annual payments to farmers and ranchers who implement high-value conservation practices such as comprehensive nutrient management, low-impact grazing practices, windbreaks and grassed waterways. This program would be administered by the Natural Resources Conservation Service. The Environmental Quality Incentives Program would increase from its authorized \$200 million to \$325 million per year, for farmers and ranchers implementing conservation and livestock management practices. The Conservation Reserve Program's cumulative enrollment cap would be increased from its current 36.4 million acres to 40 million acres. Bonuses totaling up to \$100 million in FY 2000 and \$125 million in FY 2001 and 2002 would be offered under current authority to producers who enroll land in the CRP's continuous signup program for high-value acreage such as filter strips and grass waterways. Annual enrollments under the Wetlands Reserve Program would increase to 250,000 acres per year and the current cumulative enrollment cap of 975,000 acres, expected to be reached in FY 2001, would be eliminated.

In addition, funding for the Farmland Protection Program would be provided at \$65 million per year. This program, which is also part of the President's Lands Legacy Initiative, provides matching funds to purchase permanent easements on farmland threatened by urban and suburban sprawl. The Wildlife Habitat Incentives Program would be funded at \$50 million annually, to provide cost-share assistance to farmers and other landowners for habitat restoration. Both these programs have exhausted their authorized funding.

Associated technical assistance would also be funded through this proposal, including a \$35 million increase in the cap on CCC-funded ADP obligations for FY 2001 and 2002, to compensate for prior-year appropriations reductions to the 7-year cap established by the 1996 Farm Bill.

Object Classification (in millions of dollars)

Identification code 12-4336-4-3-999	1999 actual	2000 est.	2001 est.
25.2			248
31.0			35
41.0		710	3,584
99.9		710	3,867

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM
ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, \$3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which \$3,231,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and \$589,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-1336-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.02	158	320	323
00.07		343	
00.08		181	
00.09	4	4	4
10.00	162	848	327
Budgetary resources available for obligation:			
21.40	166	330	999

22.00	New budget authority (gross)	326	1,517	327
23.90	Total budgetary resources available for obligation	492	1,847	1,326
23.95	Total new obligations	-162	-848	-327
24.40	Unobligated balance available, end of year	330	999	999
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	4	4	4
Mandatory:				
60.05	Appropriation (indefinite)	322	734	323
69.00	Offsetting collections (cash)		779	
70.00	Total new budget authority (gross)	326	1,517	327
Change in unpaid obligations:				
74.40	Unpaid obligations, start of year: Obligated balance, start of year	199	204	218
73.10	Total new obligations	162	848	327
73.20	Total outlays (gross)	-157	-834	-327
74.40	Unpaid obligations, end of year: Obligated balance, end of year	204	218	218
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	4	4	4
86.97	Outlays from new mandatory authority	138	692	259
86.98	Outlays from mandatory balances	15	138	64
87.00	Total outlays (gross)	157	834	327
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Offsetting collections (cash) from: Downward Reestimates		-779	
Net budget authority and outlays:				
89.00	Budget authority	326	738	327
90.00	Outlays	157	55	327

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1336-0-1-351	1999 actual	2000 est.	2001 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
2150	Loan guarantee levels	3,045	3,787	3,792
2159	Total loan guarantee levels	3,045	3,787	3,792
Guaranteed loan subsidy (in percent):				
2320	Subsidy rate	10.57	8.45	8.52
2329	Weighted average subsidy rate	10.57	8.45	8.52
Guaranteed loan subsidy budget authority:				
2330	Subsidy budget authority	322	734	323
2339	Total subsidy budget authority	322	734	323
Guaranteed loan subsidy outlays:				
2340	Subsidy outlays	153	51	323
2349	Total subsidy outlays	153	51	323
Administrative expense data:				
3510	Budget authority—administrative expenses	4	4	4
3590	Outlays from new authority	4	4	4

This is the program account for the GSM-102 and GSM-103 CCC Export Credit Guarantee Programs. The Export Credit Guarantee Program (GSM-102) covers credit terms of up to 3 years. The Intermediate Export Credit Guarantee Program (GSM-103) covers longer credit terms of between 3 and 10 years. Under these programs, CCC does not provide financing, but guarantees payments due from foreign banks and buyers. Because payment is guaranteed, financial institutions in the United States can offer competitive credit terms to foreign banks, usually with interest rates based on the London Inter-Bank Offered Rate (LIBOR). If the foreign bank fails to make any payment as agreed, the exporter or assignee must submit a notice of default to the CCC. A claim for loss must be filed, and the CCC will promptly pay claims found to be in good order. CCC usually guarantees 98 percent

of the principal payment due and interest based on a percentage of the one-year Treasury rate.

A portion of the guarantees made available under the GSM-102 program is provided as Supplier Credit Guarantees. Under this activity, CCC guarantees a portion of payment due from importers under short-term financing (for up to 180 days) that exporters have extended directly to the importers for the purchase of U.S. agricultural commodities and products. CCC does not provide financing, but guarantees payment due from an importer. A substantially smaller portion of the value of exports (currently 60 percent) is guaranteed under Supplier Credit Guarantees than under regular GSM-102 guarantees where CCC is guaranteeing foreign bank obligations.

A portion of the GSM-102 guarantees is also made available as Facilities Guarantees. Under this activity, CCC guarantees export financing for capital goods and services to improve handling, marketing, processing, storage, or distribution of imported agricultural commodities and products.

The subsidy estimates for the GSM-102 and GSM-103 programs are determined in large part by the obligor's sovereign or non-sovereign country risk grade. These grades are developed annually by the International Credit Risk Assessment System Committee (ICRAS). In unusual circumstances, an ICRAS grade for a country may change during the fiscal year. The default estimates for GSM guarantees are determined in large part by the risk premia assigned for each risk grade.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the credit guarantees committed in 1992 and beyond (including modifications of credit guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis. The 2001 budget displays the GSM loan guarantee volume and the subsidy level that can be justified by forecast economic conditions, the expected supply/demand conditions of countries requesting GSM loan guarantees.

Object Classification (in millions of dollars)

Identification code 12-1336-0-1-351	1999 actual	2000 est.	2001 est.	
25.3	Purchases of goods and services from Government accounts	4	4	4
41.0	Grants, subsidies, and contributions	158	844	323
99.9	Total new obligations	162	848	327

COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4337-0-3-351	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
New loans:				
00.01	Default claims	244	425	390
00.02	Interest on debt to Treasury	62	62	62
00.91	Subtotal, new loans	306	487	452
Reestimates:				
08.02	Reestimates of guaranteed loan subsidy		596	
08.04	Interest on reestimates of guaranteed loan subsidy		184	
08.91	Subtotal, reestimates		780	
10.00	Total new obligations	306	1,267	452
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	1,548	1,539	463
22.00	New financing authority (gross)	229	191	467

Public enterprise funds—Continued**COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING
ACCOUNT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 12-4337-0-3-351	1999 actual	2000 est.	2001 est.
22.10 Resources available from recoveries of prior year obligations	68		
23.90 Total budgetary resources available for obligation	1,845	1,730	930
23.95 Total new obligations	-306	-1,267	-452
24.40 Unobligated balance available, end of year	1,539	463	478
New financing authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	229	191	467
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	-199	-204	-332
73.10 Total new obligations	306	1,267	452
73.20 Total financing disbursements (gross)	-244	-1,395	-465
73.45 Adjustments in unexpired accounts	-68		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	-204	-332	-345
87.00 Total financing disbursements (gross)	244	1,395	465
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account	-157	-55	-327
88.25 Interest on uninvested funds		-36	-38
Non-Federal sources:			
88.40 Loan origination fee	-14	-28	-29
88.40 Principal collections	-4	-7	-9
88.40 Interest collections	-54	-65	-64
88.90 Total, offsetting collections (cash)	-229	-191	-467
Against gross financing authority only:			
88.95 Change in receivables from program accounts			
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	15	1,204	-2

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4337-0-3-351	1999 actual	2000 est.	2001 est.
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	3,045	3,787	3,792
2150 Total guaranteed loan commitments	3,045	3,787	3,792
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	6,826	6,739	5,689
2231 Disbursements of new guaranteed loans	244	3,501	3,501
2251 Repayments and prepayments	-83	-4,126	-3,701
2261 Adjustments: Terminations for default that result in loans receivable	-248	-425	-390
2290 Outstanding, end of year	6,739	5,689	5,099
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	6,065	5,575	4,581
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	96	336	754
2331 Disbursements for guaranteed loan claims	248	425	390
2351 Repayments of loans receivable	-8	-7	-9
2390 Outstanding, end of year	336	754	1,135

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from

the Government resulting from loan guarantees committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4337-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	1,548	1,539	463	478
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501 Defaulted guaranteed loans receivable, gross	1,375	336	754	1,135
1599 Net present value of assets related to defaulted guaranteed loans	1,375	336	754	1,135
1999 Total assets	2,923	1,875	1,217	1,613
LIABILITIES:				
2103 Federal liabilities: Debt	851	851	851	851
2204 Non-Federal liabilities: Liabilities for loan guarantees	2,245	1,024	366	762
2999 Total liabilities	3,096	1,875	1,217	1,613
4999 Total liabilities and net position	3,096	1,875	1,217	1,613

**COMMODITY CREDIT CORPORATION GUARANTEED LOANS LIQUIDATING
ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 12-4338-0-3-351	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	277	59	
22.00 New budget authority (gross)	234	316	328
22.40 Capital transfer to general fund	-451	-375	-328
23.90 Total budgetary resources available for obligation	60		
24.40 Unobligated balance available, end of year	59		
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	234	316	328
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Repayments of principal	-83	-114	-158
88.40 Interest received on loans	-151	-202	-170
88.90 Total, offsetting collections (cash)	-234	-316	-328
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-234	-316	-328

Note.—Includes amounts for activities previously funded in the Commodity Credit Corporation Fund.

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4338-0-3-351	1999 actual	2000 est.	2001 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	214		
2251 Repayments and prepayments	-214		
2290 Outstanding, end of year			
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	4,292	4,210	4,096
2351 Repayments of loans receivable	-82	-114	-158
2390 Outstanding, end of year	4,210	4,096	3,938

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 12-4338-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	277	277		
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
Defaulted guaranteed loans, gross:				
1701 Defaulted guaranteed loans, gross	4,292	4,210	4,096	3,938
1701 Defaulted guaranteed loans, adjustment—Debt Reduction				
1702 Interest receivable	25	167	167	167
1703 Allowance for estimated uncollectible loans and interest (-)	-1,456	-3,054	-3,031	-3,019
1799 Value of assets related to loan guarantees	2,861	1,323	1,232	1,086
1999 Total assets	3,138	1,600	1,232	1,086
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	3,745	2,664	2,483	2,372
2207 Non-Federal liabilities: Other	24	25		
2999 Total liabilities	3,769	2,689	2,483	2,372
4999 Total liabilities and net position	3,769	2,689	2,483	2,372

FARM STORAGE FACILITY LOANS PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-3301-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy		10	4
10.00 Total new obligations (object class 41.0)		10	4
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		10	4
23.95 Total new obligations		-10	-4
New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)		10	4
Change in unpaid obligations:			
73.10 Total new obligations		10	4
73.20 Total outlays (gross)		-10	-4
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		10	4
Net budget authority and outlays:			
89.00 Budget authority		10	4
90.00 Outlays		10	4
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)			
Identification code 12-3301-0-1-351	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels		350	150
1159 Total direct loan levels		350	150
Direct loan subsidy (in percent):			
1320 Subsidy rate		2.85	2.85
1329 Weighted average subsidy rate		2.85	2.85

Direct loan subsidy budget authority:			
1330 Subsidy budget authority	10		4
1339 Total subsidy budget authority	10		4
Direct loan subsidy outlays:			
1340 Subsidy outlays	10		4
1349 Total subsidy outlays	10		4

Farm Storage Facility Loan Program. The Farm Storage Facility Loan (FSLA) program was established by CCC in 1949. The program was authorized in 1948 by the CCC Charter Act. CCC stopped making new loans under the FSLA program in 1982 based on studies that revealed that producers had sufficient storage for their crops at that time. Recent studies reflected that grain elevators currently have insufficient capacity to allow farmers to store their grain off the farm at harvest when prices are usually at their lowest. Due to this severe shortage of available storage, low-cost financing for producers to build or upgrade on-farm commodity storage and handling facilities is provided through the FSLA program. The program is being implemented in 2000 by CCC under Section 504(c) of the Federal Credit Reform Act of 1990. This program will provide producers financing with five to ten-year repayment terms and low interest rates. The program gives producers greater marketing flexibility when farm storage is limited and/or transportation difficulties cause storage problems, allows farmers to benefit from new marketing and technological advances, and maximizes their returns through identity-preserved marketing.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4158-0-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loans		350	150
00.03 Interest to Treasury		9	22
10.00 Total new obligations		359	172
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year			7
22.00 New financing authority (gross)		366	175
23.90 Total budgetary resources available for obligation		366	182
23.95 Total new obligations		-359	-172
24.40 Unobligated balance available, end of year		7	10
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)		356	171
Offsetting collections (cash):			
69.00 Payments from program account		10	4
69.00 Repayment of principal			84
69.47 Portion applied to repay debt			-84
69.90 Spending authority from offsetting collections (total mandatory)		10	4
70.00 Total new financing authority (gross)		366	175
Change in unpaid obligations:			
73.10 Total new obligations		359	172
73.20 Total financing disbursements (gross)		-359	-172
87.00 Total financing disbursements (gross)		359	172

Public enterprise funds—Continued

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4158-0-3-351	1999 actual	2000 est.	2001 est.
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources	- 10	- 4
Non-Federal sources:			
88.40	Principal collections		- 61
88.40	Interest collections		- 23
88.90	Total, offsetting collections (cash)	- 10	- 88
Net financing authority and financing disbursements:			
89.00	Financing authority	356	87
90.00	Financing disbursements	349	84

Status of Direct Loans (in millions of dollars)

Identification code 12-4158-0-3-351	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans		
1131	Direct loan obligations exempt from limitation	350	150
1150	Total direct loan obligations	350	150
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year		350
1231	Disbursements: Direct loan disbursements	350	150
1251	Repayments: Repayments and prepayments		- 84
1290	Outstanding, end of year	350	416

Balance Sheet (in millions of dollars)

Identification code 12-4158-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross		350	416
1402	Interest receivable		72	80
1499	Net present value of assets related to direct loans		422	496
1999	Total assets		422	496
LIABILITIES:				
2104	Federal liabilities: Resources payable to Treasury		368	479
2999	Total liabilities		368	479

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), 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, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, [\$661,243,000] \$747,243,000, to remain available until expended (7 U.S.C. 2209b), of which not less than [\$5,990,000] \$5,990,000 is for snow survey and water forecasting and not less than [\$9,125,000] \$9,125,000 is for operation and establishment of the plant materials centers: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: *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 this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): *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 (16 U.S.C. 590e-2). (7 U.S.C. 2201-02; 16 U.S.C. 1101-5; 33 U.S.C. 7016-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-1000-0-1-302	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
00.01	Technical assistance	546	581	654
00.02	Soil Surveys	78	80	78
00.03	Snow Survey and Water Forecasting	6	6	6
00.04	Plant Materials Centers	10	9	9
09.00	Reimbursable program	156	156	278
10.00	Total new obligations	796	832	1,025
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	14	15	
22.00	New budget authority (gross)	797	817	1,025
23.90	Total budgetary resources available for obligation	811	832	1,025
23.95	Total new obligations	- 796	- 832	- 1,025
24.40	Unobligated balance available, end of year	15		
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	641	661	747
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	156	156	278
70.00	Total new budget authority (gross)	797	817	1,025
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	130	113	103
73.10	Total new obligations	796	832	1,025
73.20	Total outlays (gross)	- 813	- 842	- 1,017
74.40	Unpaid obligations, end of year: Obligated balance, end of year	113	103	111
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	697	738	935
86.93	Outlays from discretionary balances	116	104	81
87.00	Total outlays (gross)	813	842	1,017
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	- 142	- 140	- 262
88.40	Non-Federal sources	- 14	- 16	- 16
88.90	Total, offsetting collections (cash)	- 156	- 156	- 278

Net budget authority and outlays:				
89.00	Budget authority	641	661	747
90.00	Outlays	657	686	739

Technical assistance.—Technical assistance is provided through 2,955 conservation districts or special 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.

This account includes \$10 million in competitive partnership grants as part of the Clean Water Action Plan, to enhance institutional capacity for locally-based institutions, including watershed councils, conservation districts, and cooperatives. In particular, funds would be directed for hiring non-federal watershed coordinators to develop watershed partnerships that include all stakeholders, to resolve differences and produce and help implement strategic plans to restore impaired watersheds. Watersheds would be selected through an inter-agency review process; however local entities may receive a preference in competing for funding if their States have prepared memoranda of understanding (MOU) for coordinating with the Federal government. Up to 10 percent of available funds may be used for developing MOUs among States and Federal agencies. In addition, \$3 million is available for environmental monitoring and research work related to the Clean Water Action Plan.

In support of the Clean Water Action Plan's Animal Feeding Operations (AFOs) Strategy, conservation technical assistance funding targeted to AFOs will increase by \$54 million over 2000 levels, for a total of \$110 million in 2001. These funds will help livestock producers develop comprehensive nutrient management plans, a cornerstone of the strategy.

In support of the Administration's Livability Initiative, \$5 million is provided for the Community/Federal Information Partnership. These funds will be used to enter into cooperative agreements with state and local governments to develop publicly available geospatial data that adheres to Federal Geographic Data Commission standards. This data will allow states and communities to make more informed land-use planning decisions, promoting "smart growth."

Of this program's \$15 million in additional climate change funds, \$12 million would expand soil carbon studies in support of the U.S. Global Change Research Program. These projects would provide validated soil carbon inventories and assess alternative soil management impacts on soil carbon stocks at national, regional, and field levels. In cooperation with the Agricultural Research Service, NRCS will field test soil carbon prediction and planning tools. An additional \$3 million is provided as part of the Climate Change Technology Initiative. These funds would be used to carry out research pilot projects on AFO and livestock management issues and cropland management.

As part of the Administration's bioproducts initiative, \$5 million is included to provide grants and technical assistance to farmers who market or produce bioenergy or biobased products. These funds would expand the economic opportunities available to farmers while promoting environmentally-friendly technologies.

MAIN WORKLOAD FACTORS

	1999 est.	2000 est.	2001 est.
Customers served	2,481,000	2,292,000	2,857,000
Onsite technical assistance	630,000	581,400	636,800
Acres receiving conservation technical assistance	42,068,000	38,872,000	48,447,000

Inventory and monitoring, resource appraisal, and program development activities are also funded through this account. Resource inventories are conducted to provide soil, water, and related resource data for evaluating land-use changes and

trends; and for guidance in the development and implementation of Federal, State, and local resource conservation programs. Resource appraisal and program development provides periodic reports to the public and Congress as required by the Soil and Water Resources Conservation Act of 1977 as amended.

Soil surveys.—Soil surveys and investigations are made of the Nation's soil resources, and NRCS provides interpretations and publications that provide physical land facts needed for program development, resource conservation planning, installation of planned practices, and information for use by other Federal, State, and local agencies in making land-use decisions. National leadership is provided for digitizing soil surveys in cooperation with States, and other users of soil survey data. Legislation requires that "a substantial portion of the survey costs for NRCS are to be reimbursed by survey recipients."

MAIN WORKLOAD FACTORS

	1999 actual	2000 est.	2001 est.
Acres mapped annually (millions)	24	24	24
Soil surveys ready for publication (number)	32	32	32

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.

Operation of plant materials centers.—The selection and evaluation of plant materials are made at 26 plant materials centers through field trials to determine their suitability for erosion control, conservation, and other environmental improvements. Native plant species will be preferred and exotic species introductions phased out for this program.

Object Classification (in millions of dollars)

Identification code 12-1000-0-1-302	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	347	361	402
11.3 Other than full-time permanent	12	13	14
11.5 Other personnel compensation	5	6	6
11.9 Total personnel compensation	364	380	422
12.1 Civilian personnel benefits	85	90	101
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	15	15	16
22.0 Transportation of things	3	3	3
23.2 Rental payments to others	11	11	12
23.3 Communications, utilities, and miscellaneous charges	24	24	26
24.0 Printing and reproduction	4	4	4
25.2 Other services	87	101	106
26.0 Supplies and materials	14	15	16
31.0 Equipment	31	32	36
41.0 Grants, subsidies, and contributions			4
99.0 Subtotal, direct obligations	639	676	747
99.0 Reimbursable obligations	156	154	278
99.5 Below reporting threshold	1	2	
99.9 Total new obligations	796	832	1,025

Personnel Summary

Identification code 12-1000-0-1-302	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	7,549	7,592	7,993
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	2,651	2,493	4,293

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1009), \$10,368,000: *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 \$110,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201-02; 16 U.S.C. 1101-5; 33 U.S.C. 7016-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12–1066–0–1–301	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	10	10	10
09.01 Reimbursable program		1	1
10.00 Total new obligations	10	11	11
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	10	11	11
23.95 Total new obligations	–10	–11	–11
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	10	10	10
68.00 Spending authority from offsetting collections: Offsetting collections (cash)		1	1
70.00 Total new budget authority (gross)	10	11	11
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	1	1
73.10 Total new obligations	10	11	11
73.20 Total outlays (gross)	–11	–11	–11
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	9	10	10
86.93 Outlays from discretionary balances	2	1	1
87.00 Total outlays (gross)	11	11	11
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources		–1	–1
Net budget authority and outlays:			
89.00 Budget authority	10	10	10
90.00 Outlays	11	10	10

Under the authorities of Public Law 83–566, watershed planning assistance is provided to States and communities to address specific resource problems on a watershed scale. The Watershed Surveys and Planning funds are used to cooperate with other agencies and the States in providing local decision makers with resource data, derived from Cooperative River Basin Surveys and Floodplain Management studies, for use in decision making. Leveraging program funds by cost-sharing with districts or States is strongly encouraged. Watershed plans are developed that provide alternatives to reduce the damage from floodwater, sediment, nonpoint source pollution, and erosion; conserve, develop, and use water resources; and conserve and properly use lands.

Funding provided to the Watershed Surveys and Planning program will be used to address one of the most critical strategic objectives of the USDA Government Performance and Results Act (GPRA) Strategic Plan: “Restoring healthy watersheds, providing clean and abundant water supplies for people and the environment.” Program activities reflect high priority natural resource concerns such as: agriculture-induced water quality impacts, wetlands restoration, and flood damage risk

reduction. All of these activities also support the Clean Water Act and the Safe Drinking Water Act.

In 2001, \$2 million is proposed to provide technical assistance to communities for disaster mitigation planning.

Object Classification (in millions of dollars)

Identification code 12–1066–0–1–301	1999 actual	2000 est.	2001 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	2	2	2
99.0 Subtotal, direct obligations	9	9	9
99.0 Reimbursable obligations		1	1
99.5 Below reporting threshold	1	1	1
99.9 Total new obligations	10	11	11

Personnel Summary

Identification code 12–1066–0–1–301	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	113	110	105
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	9	13	13

WATERSHED AND FLOOD PREVENTION OPERATIONS

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 (16 U.S.C. 1001–1005 and 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, [\$99,443,000] \$83,423,000, to remain available until expended (7 U.S.C. 2209b) (of which up to [\$15,000,000] \$8,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701 and 16 U.S.C. 1006a)): *Provided*, That not to exceed [\$47,000,000] \$44,423,000 of this appropriation shall be available for technical assistance: *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 \$200,000 shall be available for employment under 5 U.S.C. 3109: *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), 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: *Provided further*, That [of the funds available for Emergency Watershed Protection activities, \$8,000,000 shall be available for Mississippi, New Mexico, Ohio, and Wisconsin for financial and technical assistance for pilot rehabilitation projects of small, upstream dams built under the Watershed and Flood Prevention Act (16 U.S.C. 1001 et seq., section 13 of the Act of December 22, 1994; Public Law 78–534; 58 Stat. 905), and the pilot watershed program authorized under the heading “FLOOD PREVENTION” of the Department of Agriculture Appropriation Act, 1954 (Public Law 83–156; 67 Stat. 214)] up to \$4,170,000 is for the costs of loans, as authorized by the Watershed Protection and Flood Prevention Act (16 U.S.C. 1006a), for rehabilitation of small, upstream dams built under the Watershed Protection and Flood Prevention Act (16 U.S.C. et seq.), section 13 of the Act of December 22, 1944 (Public Law 78–534, 58 Stat. 905), and the pilot watershed program authorized under the heading “Flood Prevention” of the Department of Agriculture Appropriations Act, 1954 (Public Law 83–156, 67 Stat. 214): *Provided further*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That none of the costs for such rehabilitation activities (including any technical assistance costs such as planning, design, and engineering costs) shall be borne by the Department of Agriculture: *Provided further*, That the Department may provide

technical assistance for such rehabilitation projects to the extent that the costs of such assistance shall be reimbursed by the borrower, and such reimbursements shall be deposited into the accounts that incurred such costs and shall be available until expended without further appropriation. In addition, for expenses necessary to administer the loans, such sums as may be necessary shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses". (7 U.S.C. 2201-02; 33 U.S.C. 701b-1, 701b-11; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

[For an additional amount for "Watershed and Flood Prevention Operations" to repair damages to the waterways and watersheds resulting from natural disasters, \$80,000,000, to remain available until expended.] (Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Program and Financing (in millions of dollars)			
Identification code 12-1072-0-1-301	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Watershed operations (P.L. 534)	15	8	8
00.02 Dam rehabilitation loans			4
00.03 Emergency watershed protection operations	153	152	
00.04 Small watershed operations (P.L. 566)	87	85	71
09.01 Reimbursable program	19	25	25
10.00 Total new obligations	274	270	108
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	135	74	
22.00 New budget authority (gross)	213	196	108
23.90 Total budgetary resources available for obligation	348	270	108
23.95 Total new obligations	-274	-270	-108
24.40 Unobligated balance available, end of year	74		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	99	99	83
40.15 Appropriation (emergency)	95	80	
40.76 Reduction pursuant to P.L. 106-113		-8	
43.00 Appropriation (total discretionary)	194	171	83
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	19	25	25
70.00 Total new budget authority (gross)	213	196	108
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	185	233	228
73.10 Total new obligations	274	270	108
73.20 Total outlays (gross)	-227	-275	-222
74.40 Unpaid obligations, end of year: Obligated balance, end of year	233	228	114
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	125	124	81
86.93 Outlays from discretionary balances	102	150	141
87.00 Total outlays (gross)	227	275	222
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-8	-13	-11
88.40 Non-Federal sources	-11	-12	-14
88.90 Total, offsetting collections (cash)	-19	-25	-25
Net budget authority and outlays:			
89.00 Budget authority	194	171	83
90.00 Outlays	208	250	197

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1072-0-1-301	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels			60
1159 Total direct loan levels			60
Direct loan subsidy (in percent):			
1320 Subsidy rate			6.95
1329 Weighted average subsidy rate			6.95
Direct loan subsidy budget authority:			
1330 Subsidy budget authority			4
1339 Total subsidy budget authority			4
Direct loan subsidy outlays:			
1340 Subsidy outlays			1
1349 Total subsidy outlays			1

These programs provide for cooperative actions 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. Funds in Watershed and Flood Prevention Operations can be used for either flood prevention projects or flood damage rehabilitation efforts, depending upon the needs and opportunities. \$3 million is proposed to provide technical and financial assistance to communities to implement disaster mitigation plans.

Watershed operations authorized by Public Law 534.—The Department cooperates with soil conservation districts and other local organizations in planning and installing flood prevention improvements in 11 watersheds authorized by the Flood Control Act of 1944. The Federal Government shares the cost of improvements for flood prevention, agricultural water management, recreation, and fish and wildlife development.

Within the 11 authorized projects, 395 subwatershed areas have been identified for planning purposes. Installation progress in these subwatersheds is as follows:

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 forces cause 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 causes 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.

To improve the delivery and defensibility of the program, NRCS is currently drafting a programmatic environmental impact statement (EIS) to assess various program alternatives. Through the EIS public feedback and information gathering process, NRCS ultimately will be able to make the program more beneficial to communities and the environment.

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. Significant reforms were begun in 1997 to make this program environmentally beneficial, with higher investment returns to society.

WATERSHED AND FLOOD PREVENTION OPERATIONS—Continued

High priority P.L. 534 projects are eligible to compete for funding for P.L. 566 funding.

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), financial assistance is provided for specific works of improvements. Since 1944, the Federal government has invested \$8.5 billion to develop a watershed infrastructure through the Small Watershed program. This investment yields annual benefits estimated at \$800 million.

Included in the funding level is \$4 million in subsidy budget authority for a new \$60 million loan program that will provide loans to State, local, and tribal governments to rehabilitate aging PL-534 and PL-566 watershed structures. Over the last 50 years, NRCS has constructed more than 10,000 dams through these programs. Many of these dams, which were built with a 50 year lifespan, have reached or nearly reached their life expectancy, and as they age may pose a safety risk to the communities that surround them. While NRCS bears no legal responsibility for maintaining these structures, the Administration wants to work with the communities to address this issue.

Loans through the Agricultural Credit Insurance Fund have been made in previous years to the local sponsors in order to fund the local cost of Public Law 566 or 534 projects. No funding for these loans is assumed in 2001.

The following tabulation shows the status of Public Law 566 projects:

MAIN WORKLOAD FACTORS

Status of operational projects:	1999 actual	2000 est.	2001 est.
Projects receiving land treatment	193	198	203
Structural projects	261	261	261
Land treatment and structural	62	62	62
Subtotal active projects	516	521	526
Projects continuing post-installation assistance	913	915	920
Inactive projects	18	18	18
Completed projects	36	38	40
Deauthorized projects	158	159	160
Total operational projects	1,641	1,651	1,664
New projects approved during year	11	10	13

Object Classification (in millions of dollars)

Identification code 12-1072-0-1-301	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	41	40	25
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	43	42	26
12.1 Civilian personnel benefits	10	9	6
21.0 Travel and transportation of persons	3	3	2
23.2 Rental payments to others	2	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	1
Other services:			
25.2 Other services	8	8	4
25.2 Other services	79	79	23
26.0 Supplies and materials	1	1	1
31.0 Equipment	4	4	2
32.0 Land and structures	34	26	.....
41.0 Grants, subsidies, and contributions	67	69	17
99.0 Subtotal, direct obligations	253	244	83
99.0 Reimbursable obligations	18	25	25
Allocation Account:			
11.1 Personnel compensation: Full-time permanent	1	.....	.....
25.2 Other services	1	.....	.....
99.0 Subtotal, allocation account	2	.....	.....

99.5 Below reporting threshold	1	1	.....
99.9 Total new obligations	274	270	108

Personnel Summary

Identification code 12-1072-0-1-301	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	855	925	493
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	38	43	50

RESOURCE CONSERVATION AND DEVELOPMENT

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 (7 U.S.C. 1010-1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a-f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), **[\$35,265,000]** *\$36,265,000*, to remain available until expended (7 U.S.C. 2209b): *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 \$50,000 shall be available for employment under 5 U.S.C. 3109. (7 U.S.C. 2201-02; 33 U.S.C. 701b-11; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-1010-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.02 Technical assistance	35	35	36
09.01 Reimbursable program	1	1	1
10.00 Total new obligations	36	36	37
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
22.00 New budget authority (gross)	36	36	37
23.90 Total budgetary resources available for obligation	37	37	38
23.95 Total new obligations	-36	-36	-37
24.40 Unobligated balance available, end of year	1	1	1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	35	35	36
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	36	36	37
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	9	10	11
73.10 Total new obligations	36	36	37
73.20 Total outlays (gross)	-35	-35	-37
74.40 Unpaid obligations, end of year: Obligated balance, end of year	10	11	11
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	33	33	33
86.93 Outlays from discretionary balances	4	1	3
87.00 Total outlays (gross)	35	35	37
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	35	35	36
90.00 Outlays	35	34	36

Under this program, the Department assists States, local units of government, groups and individuals in developing

area plans for resource conservation and development (RC and D).

Designated RC and D areas are provided technical assistance to help States and local units of government prepare plans for resource development and economic improvement and to plan and install community-related conservation projects. Financial contributions, loans, and other Federal assistance may be used to help carry out projects specified in RC and D area plans. Program financial resources are focused on the RC and D coordinators who assist the local area councils. These coordinators help the area councils develop plans and proposals to compete for financial assistance from other Federal, State and private sources.

The following tabulation shows the status of RC and D areas authorized to receive technical and financial assistance.

MAIN WORKLOAD FACTORS

	1999 actual	2000 est.	2001 est.
Areas authorized at beginning of year	315	315	315
Areas authorized at end of year	315	315	315
Project plans adopted	3,100	3,100	3,100
Projects completed	2,800	2,800	2,800

Object Classification (in millions of dollars)

Identification code 12-1010-0-1-302	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	19	20	21
11.3 Other than full-time permanent	1		
11.9 Total personnel compensation	20	20	21
12.1 Civilian personnel benefits	4	4	4
21.0 Travel and transportation of persons	1	1	1
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services	6	6	6
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	1
99.0 Subtotal, direct obligations	35	35	36
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	36	36	37

Personnel Summary

Identification code 12-1010-0-1-302	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	390	388	376
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	9	9	9

GREAT PLAINS CONSERVATION PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2268-0-1-302	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	2	3	3
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	3	3	3
24.40 Unobligated balance available, end of year	3	3	3
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	11	9	6
73.20 Total outlays (gross)	-2	-3	-3
73.45 Adjustments in unexpired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	9	6	3

Outlays (gross), detail:			
86.93 Outlays from discretionary balances	2	3	3
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	2	3	3

The 1996 Farm Bill combined the authority for this and several other conservation programs into the Environmental Quality Incentives Program. Prior-year account balances are maintained in this account until expended.

This program provides cost-share assistance 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 556 designated counties of 10 Great Plains States. Contracts with individual landowners range in time from 3 to 10 years.

MAIN WORKLOAD FACTORS

	1999 actual	2000 est.	2001 est.
Program participants:			
Number of contracts serviced during year	3,970	2,294	1,600
Number of acres under contracts	7,415,989	4,285,200	2,988,800

As of October 1, 1999, there were 2,294 active contracts on hand. Co-landowners or operators finance 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.

[FORESTRY INCENTIVES PROGRAM]

[For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$6,325,000, to remain available until expended, as authorized by that Act.] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-3336-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	11	11	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		5	
22.00 New budget authority (gross)	16	6	
23.90 Total budgetary resources available for obligation	16	11	
23.95 Total new obligations	-11	-11	
24.40 Unobligated balance available, end of year	5		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	16	6	
40.76 Reduction pursuant to P.L. 106-113		-1	
43.00 Appropriation (total discretionary)	16	5	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	12	18	16
73.10 Total new obligations	11	11	
73.20 Total outlays (gross)	-6	-12	-7
74.40 Unpaid obligations, end of year: Obligated balance, end of year	18	16	9
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2	2	
86.93 Outlays from discretionary balances	4	9	9
87.00 Total outlays (gross)	6	12	7

[FORESTRY INCENTIVES PROGRAM]—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3336-0-1-302	1999 actual	2000 est.	2001 est.
Net budget authority and outlays:			
89.00 Budget authority	16	6	
90.00 Outlays	6	12	7

No funds are proposed for the Forestry Incentives Program (FIP). The FIP 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 improved management, to increase timber production, to ensure adequate supplies of timber products, and to enhance other forest resources. Activities in this program are redundant with, and more effectively served through, assistance provided by the Forest Service.

FIP shares up to 65 percent of the cost of tree planting and timber stand improvement. The percentage cost-shared depends on the rate set in a particular State and county by NRCS, 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. Technical assistance is provided by Forest Service.

The 1999, program provided funding for 82,172 acres of tree planting, and 19,832 acres in timber stand improvements, and 4,505 acres targeted towards special forestry and site preparation.

WATER BANK PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3320-0-1-302	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
24.40 Unobligated balance available, end of year	1	1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	22	16	10
73.20 Total outlays (gross)	-6	-6	-6
74.40 Unpaid obligations, end of year: Obligated balance, end of year	16	10	4
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	6	6	6
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	6	6	6

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 of 1970, as amended by Public Law 96-182, approved January 2, 1980. The Water Bank Extension Act of 1994 extends for one year 1985 agreements entered into under the Water Bank Act of 1970, and due to expire on December 31, 1995. Funding for the expiring 1985 Water Bank agreements were transferred from the Wetlands Reserve Program 1995 appropriation to this account as authorized under the Water Bank Extension Act of 1994. Congress did not provide funding for this account in 2000. For 2001, USDA does not request program funding.

Under the Water Bank Program, the Secretary of Agriculture, through designated 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. During the period of the agreement, the landowner agrees not to drain, burn, fill, or otherwise destroy the wetland character of such areas.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3318-0-1-304	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
24.40 Unobligated balance available, end of year	1	1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	2	1
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	1	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	1	1

The Colorado River Basin Salinity Control Program (CRBSC), was authorized under section 202(c) of Title II of the Colorado River Basin Salinity Control Act, as amended by section 334, subtitle D, Title III of the Federal Agriculture Improvement Act of 1996. The FAIR Act, combined authority of the Agricultural Conservation Program (ACP), Water Quality Incentive Program (WQIP), Great Plains Conservation Program (GPCP), and the Colorado River Basin Salinity Control Program (CRBSC), into the Environmental Quality Incentive Program (EQIP). The FAIR Act also repealed CRBSC authority, while maintaining program account balances until expended.

Beginning in 1996, EQIP was implemented on an interim program level for CRBSC. Program funding in 1999 provided cost-share assistance to landowners and others in the Colorado River Basin States to include: Colorado, Utah and Wyoming. The program's 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.

WETLANDS RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-1080-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.03 Technical assistance	2	3	
00.04 Easement overhead costs	1		
10.00 Total new obligations	3	3	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	6	3	
23.95 Total new obligations	-3	-3	
24.40 Unobligated balance available, end of year	3		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	25	14	8
73.10 Total new obligations	3	3	
73.20 Total outlays (gross)	-14	-9	-8

74.40	Unpaid obligations, end of year: Obligated balance, end of year	14	8	
Outlays (gross), detail:				
86.98	Outlays from mandatory balances	14	9	8
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	14	9	8

The Wetlands Reserve Program (WRP) is authorized by Section 1237 of the Food Security Act of 1985 (P.L. 99-198), as amended by the Food, Agriculture, Conservation and Trade Act of 1990 (P.L. 101-624), the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66), the Federal Agriculture Improvement and Reform Act of 1996 (P.L. 104-127). WRP is a mandatory Commodity Credit Corporation (CCC) program administered by the Natural Resources Conservation Service (NRCS). However, the Farm Service Agency (FSA), with CCC financial responsibility, handles program payments and financial reporting.

Information displayed in this section represents unobligated balances from the non-CCC account in which WRP was funded prior to the 1996 Farm Bill. All remaining unobligated balances are expected to be obligated in 2000. For additional information on WRP, see the Commodity Credit Corporation section.

Object Classification (in millions of dollars)

Identification code 12-1080-0-1-302	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	2	2	
12.1 Civilian personnel benefits	1	1	
99.9 Total new obligations	3	3	

Personnel Summary

Identification code 12-1080-0-1-302	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	37	27	

WILDLIFE HABITAT INCENTIVES PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3322-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	22	2	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	2	
22.22 Unobligated balance transferred from other accounts	20		
23.90 Total budgetary resources available for obligation	24	2	
23.95 Total new obligations	-22	-2	
24.40 Unobligated balance available, end of year	2		
Change in unpaid obligations:			
74.40 Unpaid obligations, start of year: Obligated balance, start of year	22	33	26
73.10 Total new obligations	22	2	
73.20 Total outlays (gross)	-11	-9	-7
74.40 Unpaid obligations, end of year: Obligated balance, end of year	33	26	19
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	11	9	7
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	11	10	7

The Wildlife Habitat Incentives Program (WHIP) is a voluntary program to support and encourage landowners through

technical assistance and cost share payments to develop and improve fish and wildlife habitat on private lands. The 1996 Federal Agriculture Improvement and Reform Act made available a total of \$50 million for WHIP from the Commodity Credit Corporation for the years 1996-2002. These funds were exhausted in 1999. The conservation initiative portion of the Budget's farm safety net proposal includes \$50 million in annual direct spending for WHIP.

NRCS and the participant enter into a cost-share agreement for wildlife habitat development. This agreement generally lasts from 5 to 10 years from the date the agreement is signed. WHIP funds are distributed to states based on state wildlife habitat priorities which may include: wildlife habitat areas; targeted species and their habitats; and specific practices. Partnerships with other entities are preferred: WHIP may be implemented in cooperation with other Federal, State, or local agencies, conservation districts, or private conservation groups. State priorities are developed through a locally led process to identify wildlife resource needs and are finalized in consultation with the State Technical Committee.

Object Classification (in millions of dollars)

Identification code 12-3322-0-1-302	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	3		
12.1 Civilian personnel benefits	1		
41.0 Grants, subsidies, and contributions	18	2	
99.9 Total new obligations	22	2	

Personnel Summary

Identification code 12-3322-0-1-302	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	65		

WILDLIFE HABITAT INCENTIVES PROGRAM

(Legislative proposal, subject to PAYGO)

Legislation will be proposed to transfer \$50 million annually from the Commodity Credit Corporation to finance the program. This proposal is not reflected in the database due to an error. However, 2001 outlays would be \$13 million, and 111 FTEs would be funded through this increase.

RURAL CLEAN WATER PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3337-0-1-304	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	3	5	5
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	5	5	5
24.40 Unobligated balance available, end of year	5	5	5
Change in unpaid obligations:			
74.40 Unpaid obligations, start of year: Obligated balance, start of year	2	2	2
73.45 Adjustments in unexpired accounts	-2		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	2	2
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays			

This experimental Rural Clean Water Program, authorized by Public Law 96-108 and Public Law 96-528, was a cooperative endeavor among farmers, various USDA agencies, and

RURAL CLEAN WATER PROGRAM—Continued

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 was provided in previous appropriations for all approved projects. The implementation period for all projects has ended, and no additional obligations will be incurred. The final payment is expected to be made in 2000. Similar activities will be carried out through the mandatory Environmental Quality Incentives Program.

Credit accounts:

AGRICULTURAL RESOURCE CONSERVATION DEMONSTRATION
GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4177-0-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Interest assistance on guaranteed loans	1	1	1
10.00 Total new obligations	1	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	3	2	1
23.95 Total new obligations	-1	-1	-1
24.40 Unobligated balance available, end of year	2	1	1
Change in unpaid obligations:			
73.10 Total new obligations	1	1	1
73.20 Total financing disbursements (gross)	-1	-1	-1
87.00 Total financing disbursements (gross)	1	1	1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	1	1	1

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4177-0-3-351	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	24	24	24
2251 Repayments and prepayments			
2290 Outstanding, end of year	24	24	24
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	24	24	24

This program, also known as "Farms for the Future," provides guarantees and interest assistance on loans made to State trust funds, who in turn finance acquisitions to preserve farmland in selected states. No guarantees have been made since 1993.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4177-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	5	3	3	3
1999 Total assets	5	3	3	3

WATERSHED AND FLOOD PREVENTION OPERATIONS DIRECT LOAN
FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4083-0-3-301	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan obligations			60
10.00 Total new obligations			60
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			61
23.95 Total new obligations			-60
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)			60
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			1
70.00 Total new financing authority (gross)			61
Change in unpaid obligations:			
73.10 Total new obligations			60
73.20 Total financing disbursements (gross)			-7
74.40 Unpaid obligations, end of year: Obligated balance, end of year			53
87.00 Total financing disbursements (gross)			7
Offsets:			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from: Payments from program account			-1
Net financing authority and financing disbursements:			
89.00 Financing authority			60
90.00 Financing disbursements			6

Status of Direct Loans (in millions of dollars)

Identification code 12-4083-0-3-301	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			
1131 Direct loan obligations exempt from limitation			60
1150 Total direct loan obligations			60
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			7
1290 Outstanding, end of year			7

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4083-0-3-301	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury				56
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross				7
1405 Allowance for subsidy cost (-)				-56
1499 Net present value of assets related to direct loans				-49
1999 Total assets				7
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury				56
2999 Total liabilities				56
4999 Total liabilities and net position				56

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-8210-0-7-302	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	2	3	4
Receipts:			
02.01 Miscellaneous contributed funds	5	1	1
04.00 Total: Balances and collections	7	4	5
Appropriation:			
05.01 Miscellaneous contributed funds, Natural Resources Conservation Service	-4		
07.99 Total balance, end of year	3	4	5

Program and Financing (in millions of dollars)

Identification code 12-8210-0-7-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 25.2)	22	1	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	19	1	
22.00 New budget authority (gross)	4		
23.90 Total budgetary resources available for obligation	23	1	
23.95 Total new obligations	-22	-1	
24.40 Unobligated balance available, end of year	1		
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	4		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	21	18
73.10 Total new obligations	22	1	
73.20 Total outlays (gross)	-2	-4	-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	21	18	14
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	2	4	4
Net budget authority and outlays:			
89.00 Budget authority	4		
90.00 Outlays	2	4	4

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.

Personnel Summary

Identification code 12-8210-0-7-302	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	4	1	1

RURAL DEVELOPMENT

Federal Funds

General and special funds:

[SALARIES AND EXPENSES]

[For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, \$61,979,000: *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 \$520,000 may be used for employment under 5 U.S.C. 3109: *Provided further*, That the Administrator may expend not more than \$10,000 to provide modest nonmonetary awards to non-USDA employees.]

[SALARIES AND EXPENSES]

[For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements, \$24,612,000: *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 \$260,000 may be used for employment under 5 U.S.C. 3109.]

[SALARIES AND EXPENSES]

[For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, \$34,107,000: *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 \$105,000 may be used for employment under 5 U.S.C. 3109.]

SALARIES AND EXPENSES

For necessary expenses of administering Rural Development programs authorized by the Rural Electrification Act of 1936; the Consolidated Farm and Rural Development Act; title V of the Housing Act of 1949; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities related to marketing aspects of cooperatives, including economic research findings, authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives: \$130,371,000: *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 \$1,000,000 may be used for employment under 5 U.S.C. 3109: *Provided further*, That not more than \$10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: *Provided further*, That any balances available for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this account. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0403-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct program	117	120	130
09.01 Reimbursable program	470	483	469
10.00 Total new obligations	587	603	599

General and special funds—Continued

SALARIES AND EXPENSES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-0403-0-1-452	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	590	603	599
23.95 Total new obligations	-587	-603	-599
23.98 Unobligated balance expiring or withdrawn	-2		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	120	120	130
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	470	483	469
70.00 Total new budget authority (gross)	590	603	599
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	110	123	121
73.10 Total new obligations	587	603	599
73.20 Total outlays (gross)	-580	-605	-599
73.40 Adjustments in expired accounts (net)	6		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	123	121	121
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	494	507	503
86.93 Outlays from discretionary balances	86	98	96
87.00 Total outlays (gross)	580	605	599
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-470	-483	-469
Net budget authority and outlays:			
89.00 Budget authority	120	120	130
90.00 Outlays	109	122	130

In 2001, a new consolidated Salaries and Expenses account is being established to administer all Rural Development programs, including the Rural Utilities Service (RUS), the Rural Housing Service (RHS), and the Rural Business-Cooperative Service (RBS). This change will result in a more simplified and manageable administration of Salaries and Expenses funds and activities for the Rural Development mission area. The separate Salaries and Expenses accounts for RUS, RHS, and RBS will be deleted and any obligated and unobligated balances available from prior years will be transferred to and merged with the Rural Development account.

The program functions of the Rural Development agencies will not be affected by this administrative change. The three agencies, which were all formed as a result of the Secretary's 1995 reorganization plan, will continue to provide outreach and deliver their programs to rural customers.

RUS provides grants, direct loans and loan guarantees to suppliers of electric, telecommunications (for general purpose and for distance learning/telemedicine), and water and wastewater services in rural areas. Through the water and wastewater program, RUS also provides technical assistance. The programs are administered in Washington, DC. The Rural Development field office staff performs the services related to the water and wastewater grant and loan programs. For the electric and telecommunication loans, general field representatives visit borrowers periodically and maintain liaisons between the borrowers and headquarters.

RHS was formed from the Rural Housing section of the Farmers Home Administration and the Community Facilities Division of the Rural Development Administration. RHS delivers rural housing and community facility programs through a system of State, area, and local offices. In 1997, the Dedicated Loan Origination and Servicing System (DLOS) was implemented to centralize and streamline the servicing activi-

ties of the agency. This innovation reduced the cost of operating the individual housing loan programs.

RBS includes programs from the former Rural Development Administration, rural development programs from the former Rural Electrification Administration, and the Agricultural Cooperative Service. This agency delivers loan and grant programs, as well as technical assistance, to cooperatives and rural businesses.

Object Classification (in millions of dollars)

Identification code 12-0403-0-1-452	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	68	65	76
11.3 Other than full-time permanent	3	1	2
11.5 Other personnel compensation		1	1
11.9 Total personnel compensation	71	67	79
12.1 Civilian personnel benefits	15	15	17
21.0 Travel and transportation of persons	4	3	3
23.2 Rental payments to others	4	7	5
23.3 Communications, utilities, and miscellaneous charges	5	8	6
25.2 Other services	11	7	10
25.3 Purchases of goods and services from Government accounts	4	8	6
25.7 Operation and maintenance of equipment	1	2	2
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	2	1
99.0 Subtotal, direct obligations	117	120	130
99.0 Reimbursable obligations	470	483	469
99.9 Total new obligations	587	603	599

Personnel Summary

Identification code 12-0403-0-1-452	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	1,424	1,555	1,575
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	5,529	5,345	5,445

**RURAL COMMUNITY ADVANCEMENT PROGRAM
(INCLUDING TRANSFERS OF FUNDS)**

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E[-H], 381G, 381H, 381N, and 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), [\$718,837,000] \$762,542,000, to remain available until expended, of which [\$23,150,000] \$53,225,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which [\$631,088,000] \$647,618,000 shall be for the rural utilities programs described in [section] sections 381E(d)(2), 306C(a)(2), and 306D of such Act; and of which [\$64,599,000] \$61,699,000 shall be for the rural business and cooperative development programs described in [section] sections, 381E(d)(3) and 310B(f) of such Act[:]; Provided, that of the total amount appropriated in this account, \$24,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes: Provided further, That of the amount appropriated for rural community programs, \$6,000,000 shall be available for a Rural Community Development Initiative: Provided further, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, and low-income rural communities to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: Provided further, That such funds shall be made available to qualified private and public (including tribal) intermediary organizations proposing to carry out a program of technical assistance: Provided further, That such intermediary organizations shall provide matching funds from other sources in an amount not less than funds provided: Provided further, That of the amount appropriated for rural community programs not to exceed \$5,000,000 shall be for hazardous weather early warning

systems: *Provided further*, That of the amount appropriated for the rural business and cooperative development programs, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; \$5,000,000 shall be for Rural partnership technical assistance grants; \$2,000,000 shall be for grants to Mississippi Delta Region Counties; and not to exceed \$2,000,000 may be for loans to firms that market and process bio-based products. *Provided further*, That of the amount appropriated for rural utilities programs, not to exceed \$20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico borders, including grants pursuant to section 306C of such Act; [not to exceed \$12,000,000 shall be for water and waste disposal systems to benefit Federally Recognized Native American Tribes, including grants pursuant to section 306C of such Act: *Provided further*, That the Federally Recognized Native American Tribe is not eligible for any other rural utilities programs set aside under the Rural Community Advancement Program;] not to exceed \$20,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act [with up to], of which one percent [available] may be transferred to and merged with "Rural Development, Salaries and expenses" to administer the program [and up to one percent available to improve interagency coordination]; not to exceed \$16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed \$7,300,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That of the total amount appropriated, not to exceed \$45,245,000 \$42,574,650 shall be available through June 30, [2000] 2001, for authorized empowerment zones and enterprise communities [and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones]; of which \$34,704,000 \$30,000,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which \$8,435,000 \$9,113,400 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act[: *Provided further*, That any obligated and unobligated balances available from prior years for the "Rural Utilities Assistance Program" account shall be transferred to and merged with this account]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-0400-0-1-452	1999 actual	2000 est.	2001 est.
0102 Rural business and industry, negative subsidies and downward reestimates	4		
0104 Rural water and waste disposal, downward reestimates of subsidies	18		
0105 Rural community facility, downward reestimates of subsidies	18		

Program and Financing (in millions of dollars)

Identification code 12-0400-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	141	87	172
00.02 Guaranteed loan subsidy	13	28	10
00.05 Reestimate of direct loan subsidy	35		
00.06 Interest on reestimate of direct loan subsidy	3		
00.07 Reestimate of guaranteed loan subsidy	45		
00.08 Interest on reestimate of guaranteed loan subsidy	8		
00.11 Water and waste disposal systems grants	570	529	503
00.12 Solid waste management grants	3	3	5
00.13 Community facility grants	7	13	24
00.14 Rural business enterprise grants	37	40	41
00.15 Rural opportunity grants		4	8
10.00 Total new obligations (object class 41.0)	862	704	763
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	13	5	
22.00 New budget authority (gross)	844	699	763
22.10 Resources available from recoveries of prior year obligations	10		
23.90 Total budgetary resources available for obligation	867	704	763
23.95 Total new obligations	-862	-704	-763
24.40 Unobligated balance available, end of year	5		

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation	753	724	763
40.76	Reduction pursuant to P.L. 106-113		-25	
43.00	Appropriation (total discretionary)	753	699	763
Mandatory:				
60.05	Appropriation (indefinite) reestimates	91		
70.00	Total new budget authority (gross)	844	699	763

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	1,687	1,851	1,841
73.10	Total new obligations	862	704	763
73.20	Total outlays (gross)	-680	-714	-658
73.40	Adjustments in expired accounts (net)	-9		
73.45	Adjustments in unexpired accounts	-10		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	1,851	1,841	1,946

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	45	54	45
86.93	Outlays from discretionary balances	544	660	613
86.97	Outlays from new mandatory authority	91		
87.00	Total outlays (gross)	680	714	658

Net budget authority and outlays:

89.00	Budget authority	844	699	763
90.00	Outlays	679	714	658

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-0400-0-1-452	1999 actual	2000 est.	2001 est.	
Direct loan levels supportable by subsidy budget authority:				
1150	Direct water and waste disposal loan levels	721	679	1,032
1150	Direct community facility loan levels	163	185	250
1150	Direct business and industry loan levels	26	50	50
1159	Total direct loan levels	910	914	1,332
Direct loan subsidy (in percent):				
1320	Direct water and waste disposal loans subsidy rate	16.52	7.10	13.59
1320	Direct community facility loans subsidy rate	13.74	6.06	11.69
1320	Direct business and industry loans subsidy rate	-14.64	-14.16	5.82
1329	Weighted average subsidy rate	19.34	8.32	12.91
Direct loan subsidy budget authority:				
1330	Direct water and waste disposal loans subsidy budget authority	157	73	140
1330	Direct community facility loans subsidy budget authority	23	10	29
1330	Direct business and industry subsidy budget authority	-4	-7	3
1339	Total subsidy budget authority	176	76	172
Direct loan subsidy outlays:				
1340	Direct water and waste disposal loans subsidy outlays	116	129	94
1340	Direct community facility loans subsidy outlays	18	23	16
1349	Total subsidy outlays	134	152	110
Guaranteed loan levels supportable by subsidy budget authority:				
2150	Water and waste disposal loan guarantee levels	6	75	75
2150	Community facility loan guarantee levels	107	210	210
2150	Business and industry loan guarantee levels	1,180	869	1,250
2159	Total loan guarantee levels	1,293	1,154	1,535
Guaranteed loan subsidy (in percent):				
2320	Guaranteed water and waste disposal loan subsidy rate	-1.08	-0.83	-1.50
2320	Guaranteed community facility loan subsidy rate	-0.54	-0.54	-0.54
2320	Guaranteed business and industry loan subsidy rate	1.02	3.11	0.81
2329	Weighted average subsidy rate	4.95	2.08	0.52
Guaranteed loan subsidy budget authority:				
2330	Guaranteed water and waste loans subsidy budget authority		-1	-1
2330	Guaranteed community facility loans subsidy budget authority	-1	-1	-1
2330	Guaranteed business and industry loans subsidy budget authority	65	26	10
2339	Total subsidy budget authority	64	24	8

General and special funds—Continued

RURAL COMMUNITY ADVANCEMENT PROGRAM—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)—Continued

Identification code 12-0400-0-1-452	1999 actual	2000 est.	2001 est.
Guaranteed loan subsidy outlays:			
2340 Guaranteed community facility loan subsidy outlays			
2340 Guaranteed business and industry loan subsidy outlays	64	27	10
2349 Total subsidy outlays	64	27	10

This account consolidates under the Rural Community Advancement Program (RCAP) funding for the direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, solid waste management grants, direct and guaranteed community facility loans, community facility grants, direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. This is in accordance with the provisions set forth in the Federal Agriculture Improvement and Reform Act of 1996, as amended, Public Law 104-127 (the 1996 Act). Consolidating funding for these 12 loan and grant programs under RCAP provides greater flexibility to tailor financial assistance to applicant needs.

RCAP is composed of the following three funding streams: Rural Community Facilities, Rural Utilities, and Rural Business and Cooperative Development. For 2001 the Budget proposes the full flexibility authorized in the 1996 Act for up to 25 percent of the resources in each stream to shift to other streams, in order to respond to the unique rural development needs of states and localities. Funds for Native American Communities are provided as part of the whole amount appropriated for these streams as part of the Native Americans Initiative. The funds are allocated to all three funding streams.

Water and waste disposal loans are authorized under 7 U.S.C. 1926. The program provides direct loans to municipalities, counties, special purpose districts, certain Indian Tribes, and non-profit corporations to develop water and waste disposal systems in rural areas and towns with populations of less than 10,000. The program also guarantees water and waste disposal loans made by banks and other eligible lenders.

Water and waste disposal grants are authorized under Section 306(a)(2) of the Consolidated Farm and Rural Development Act, as amended. Grants are authorized to be made to associations, including nonprofit corporations, municipalities, counties, public and quasi-public agencies, and certain Indian tribes. The grants can be used to finance development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas and cities or towns with populations of less than 10,000. The amount of any development grant may not exceed 75 percent of the eligible development cost of the project.

Emergency community water assistance grants are authorized under Section 306A of the Consolidated Farm and Rural Development Act, as amended. Grants are made to public bodies and nonprofit organizations for construction or extension of water lines, repair or maintenance of existing systems, replacement of equipment, and payment of costs to correct emergency situations.

Solid waste management grants are authorized under Section 310B(b) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to non-profit organizations to provide regional technical assistance to local and regional governments and related agencies for the purpose of reducing or eliminating pollution of water resources, and

for improving the planning and management of solid waste disposal facilities.

Community facility loans and grants are authorized under sections 306(a)(1) and 306(a)(19) of the Consolidated Farm and Rural Development Act, as amended. Loans are provided to local governments and nonprofit organizations for the construction and improvement of community facilities providing essential services in rural areas of not more than 50,000 population, such as hospitals and fire stations. Grants to finance early warning radar systems are also proposed, to provide communities susceptible to sudden, dangerous weather such as tornadoes and flooding, with early warning alarm transmitters.

Business and industry guaranteed and direct loans are authorized under section 310B(a)(1) of the Consolidated Farm and Rural Development Act, as amended. These loans are made to public, private or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas.

Rural business enterprise grants are authorized under sections 310B(c) and 310B(f) of the Consolidated Farm and Rural Development Act, as amended. These grants enable public and nonprofit organizations to operate rural economic development projects. In general, these grants provide investments in the human and physical resources of rural communities. Past projects have enabled rural communities to acquire and develop land, create technical assistance programs, encourage small business growth and create new jobs.

Rural Business Opportunity Grants are authorized under section 306(a)(11)(A) of the Consolidated Farm and Rural Development Act, as amended. These grants enable public bodies and private nonprofit organizations to provide for technical assistance, training, and planning activities that improve economic conditions in rural area. Partnership Technical Assistance Grants are proposed to help rural communities develop comprehensive strategies for revitalization and to better coordinate Federal and other sources of assistance.

RURAL HOUSING SERVICE

Federal Funds

General and special funds:

SALARIES AND EXPENSES

(FARMERS HOME ADMINISTRATION)

Program and Financing (in millions of dollars)

Identification code 12-2001-0-1-452	1999 actual	2000 est.	2001 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year		14	6
73.20 Total outlays (gross)	-3		
73.40 Adjustments in expired accounts (net)	-5	-6	
74.40 Unpaid obligations, end of year: Obligated balance, end of year		6	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	3		
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	3		

These funds were used to administer the direct loan, loan guarantee, and grant programs of the Farmers Home Administration and the Rural Development Administration.

In 1995, under the reorganization by the Secretary of Agriculture the Agency has been eliminated and activities previously administered through this account transferred to other Department accounts.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for [housing for domestic farm labor,] very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), [1486,] 1490e, and 1490m, [\$45,000,000] \$39,000,000, to remain available until expended: *Provided*, That of the total amount appropriated, [\$1,200,000] \$2,000,000 shall be available through June 30, [2000] 2001, for authorized empowerment zones and enterprise communities [and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones], (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

[For the additional cost of grants and contracts for domestic farm labor and very low-income housing repair made available by the Rural Housing Service, as authorized by 42 U.S.C. 1474 and 1486, to meet the needs resulting from natural disasters, \$14,500,000, to remain available until expended.] (*Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Program and Financing (in millions of dollars)

Identification code 12-1953-0-1-604	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Domestic farm labor grants	13	14	.....
00.02 Domestic farm labor natural disaster grants .....	.....	3	.....
00.03 Very low-income housing repair grants	20	26	30
00.04 Very low-income housing repair natural disaster grants	1	12	.....
00.05 Supervisory and technical assistance grants .....	.....	2	1
00.07 Rural housing preservation grants	7	6	8
10.00 Total new obligations (object class 41.0)	42	63	39
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	2	4	1
22.00 New budget authority (gross)	42	60	39
22.10 Resources available from recoveries of prior year obligations	2	.....	.....
23.90 Total budgetary resources available for obligation	46	63	40
23.95 Total new obligations	-42	-63	-39
24.40 Unobligated balance available, end of year	4	1	.....
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	42	60	39
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	57	41	37
73.10 Total new obligations	42	63	39
73.20 Total outlays (gross)	-57	-67	-53
73.45 Adjustments in unexpired accounts	-2	.....	.....
74.40 Unpaid obligations, end of year: Obligated balance, end of year	41	37	24
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	21	37	29
86.93 Outlays from discretionary balances	36	29	24
87.00 Total outlays (gross)	57	67	53
Net budget authority and outlays:			
89.00 Budget authority	42	60	39
90.00 Outlays	57	67	53

The rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949, as amended. This program is being requested in the Farm labor program account.

The very low-income housing repair grant 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 dwellings, to make the dwelling safer or more sanitary, or to remove health and safety hazards.

The supervisory and technical assistance grant program is carried out under the provisions of section 509(f) and 525

of the Housing Act of 1949, as amended. Under section 509, grants are made to public and private nonprofit organizations for packaging loan applications for housing under sections 502, 504, 514/516, 515, and 533 of the Housing Act of 1949, as amended. The assistance is to be directed to underserved areas where at least 20 percent or more of the population is at or below the poverty level, and at least 10 percent or more of the population resides in substandard housing. Under section 525, grants are made to public and private nonprofit organizations and other associations for the developing, conducting, administering or coordinating of technical and supervisory assistance programs to demonstrate the benefits of Federal, State, and local housing programs for low-income families in rural areas.

The compensation for construction defects 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 RHS financial assistance. Requests for compensation for construction defects must be made within 18 months after the date financial assistance was granted.

The rural housing preservation grant program is authorized under section 533 of the Housing Act of 1949, as amended. Grants are made to eligible 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.

FARM LABOR PROGRAM ACCOUNT

For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, \$30,777,000, to remain available until expended for direct farm labor housing loans and domestic farm labor housing grants and contracts. In addition, for grants to assist low-income migrant and seasonal farmworkers, as authorized by 42 U.S.C. 5177a, \$5,000,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 12-1954-0-1-604	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	16
00.02 Farm labor housing grants	15
00.03 Migrant farmworkers grants	5
10.00 Total new obligations (object class 41.0)	36
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	36
23.95 Total new obligations	-36
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	36
Change in unpaid obligations:			
73.10 Total new obligations	36
73.20 Total outlays (gross)	-7
74.40 Unpaid obligations, end of year: Obligated balance, end of year	29
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	7
Net budget authority and outlays:			
89.00 Budget authority	36
90.00 Outlays	7

General and special funds—Continued

FARM LABOR PROGRAM ACCOUNT—Continued

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1954-0-1-604	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels			30
1159 Total direct loan levels			30
Direct loan subsidy (in percent):			
1320 Subsidy rate			52.59
1329 Weighted average subsidy rate			52.59
Direct loan subsidy budget authority:			
1330 Subsidy budget authority			16
1339 Total subsidy budget authority			16
Direct loan subsidy outlays:			
1340 Subsidy outlays			3
1349 Total subsidy outlays			3

This new account is being requested to consolidate three farm labor programs into one account. This consolidation will provide more flexibility for distributing rural farm labor housing assistance and allows the total assistance being provided specifically to farm laborers to be identified in one place. The account consists of direct farm labor housing loans, domestic farm labor housing grants, and low-income migrant and seasonal farm-worker grants.

The direct farm labor loan program is authorized under section 514 and the rural housing for domestic farm labor grant program is authorized under section 516 of the Housing Act of 1949, as amended. The loans, grants, and contracts are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grants assistance may not exceed 90 percent of the cost of a project. Loans and grants 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.

The low-income migrant and seasonal farmworkers grants are made to public agencies or private organizations with tax exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, that have experience in providing services to low-income migrants and seasonal farmworkers. The types of assistance to be provided is determined by the Secretary of Agriculture. In FY 1999 \$20 million in grants were made to assist low-income migrant and seasonal farmworkers in California and Florida.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, **[\$640,000,000] \$680,000,000**, and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided*, That of this amount, not more than \$5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further*, That agreements entered into or renewed during fiscal year **[2000] 2001** shall be funded for a 5-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

(Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0137-0-1-604	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	583	640	680
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	583	640	680
23.95 Total new obligations	-583	-640	-680
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	583	640	680
40.05 Appropriation (indefinite)	67	62	60
40.47 Portion applied to repay debt	-67	-62	-60
43.00 Appropriation (total discretionary)	583	640	680
Change in unpaid obligations:			
Unpaid obligations, start of year:			
Obligated balance, start of year:			
72.40 Obligated balance, appropriation, start of year	1,742	1,837	1,941
72.40 Obligated balance, authority to borrow, start of year	811	745	683
72.99 Total unpaid obligations, start of year	2,553	2,582	2,624
73.10 Total new obligations	583	640	680
73.20 Total outlays (gross)	-555	-597	-631
Unpaid obligations, end of year:			
Obligated balance, end of year:			
74.40 Obligated balance, appropriation, end of year	1,837	1,941	2,050
74.40 Obligated balance, authority to borrow, end of year	745	683	622
74.99 Total unpaid obligations, end of year	2,582	2,624	2,672
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	21	22	24
86.93 Outlays from discretionary balances	534	575	607
87.00 Total outlays (gross)	555	597	631
Net budget authority and outlays:			
89.00 Budget authority	583	640	680
90.00 Outlays	555	597	631

The rental assistance program is authorized under section 521(a)(2) of the Housing Act of 1949, as amended, and is designed to reduce rents paid by very low-income and low-income families living in RHS-financed rural rental and farm labor housing projects. Funding under this account is provided for renewals of existing rental assistance contracts, assistance for newly constructed units financed by the section 515 rural rental and cooperative housing program or the 514/516 farm labor housing loan and grant programs, and for additional servicing assistance for existing projects. Assistance is also provided in lieu of debt forgiveness or payments for eligible households to subsidize tenant rents in projects purchased by eligible nonprofit organizations or public agencies as authorized by section 502(c)(5)(D) of the Act.

From 1978 through 1991, the rental assistance program was funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for this program.

RURAL HOUSING VOUCHER PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2002-0-1-604	1999 actual	2000 est.	2001 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	3	2	2
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	2	2

Net budget authority and outlays:

89.00	Budget authority			
90.00	Outlays			

Prior year outlays reflect funding for rental assistance for newly constructed units provided in limited amounts in 1984 and 1985. From 1986 through 1991 rental assistance for newly constructed units, as well as existing rental assistance contract renewals and additional servicing assistance for existing projects, had been funded under the Rural Housing Insurance Fund. Beginning in 1992, pursuant to Credit Reform, a separate grant account was established for the rental assistance program.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), [§28,000,000] \$40,000,000, to remain available until expended (7 U.S.C. 2209b)[*Provided, That of the total amount appropriated, of which \$1,000,000 shall be available through June 30, [2000] 2001, for authorized empowerment zones and enterprise communities [and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones]. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)*]

Program and Financing (in millions of dollars)

Identification code 12-2006-0-1-604	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
10.00	Total new obligations (object class 41.0)	26	29	40
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year		1	
22.00	New budget authority (gross)	25	28	40
22.10	Resources available from recoveries of prior year obligations	2		
23.90	Total budgetary resources available for obligation	27	29	40
23.95	Total new obligations	-26	-29	-40
24.40	Unobligated balance available, end of year	1		
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	26	28	40
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	34	39	42
73.10	Total new obligations	26	29	40
73.20	Total outlays (gross)	-20	-26	-32
73.45	Adjustments in unexpired accounts	-2		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	39	42	51
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	3	6	8
86.93	Outlays from discretionary balances	17	20	24
87.00	Total outlays (gross)	20	26	32
Net budget authority and outlays:				
89.00	Budget authority	25	28	40
90.00	Outlays	20	26	32

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.

RURAL COMMUNITY FIRE PROTECTION GRANTS

Program and Financing (in millions of dollars)

Identification code 12-2067-0-1-452	1999 actual	2000 est.	2001 est.	
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	2		1
74.40	Unpaid obligations, end of year: Obligated balance, end of year		1	1
Net budget authority and outlays:				
89.00	Budget authority			
90.00	Outlays	2		

This assistance was authorized by section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2106). Grants are made to public bodies to organize, train, and equip local firefighting forces, including those of Indian tribes or other Native American 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 1997, funding for the Rural Community Fire Protection grant program was appropriated to the Rural Housing Assistance Program and transferred to this account for administration. In 1998, funding for these grants was appropriated to this account. Beginning in 1999, funding for this program is requested by the Forest Service.

Credit accounts:

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4225-0-3-452	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Operating program:				
00.01	Direct loans	163	185	250
00.02	Interest on Treasury borrowing	52	56	70
00.91	Subtotal, Operating program	215	241	320
Reestimates:				
08.02	Downward reestimate paid to receipt account	12		
08.04	Interest on downward reestimate paid to receipt account	2		
08.91	Subtotal, Reestimates	14		
10.00	Total new obligations	229	241	320
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	11	11	
22.00	New financing authority (gross)	226	230	320
22.10	Resources available from recoveries of prior year obligations	27		
22.70	Balance of authority to borrow withdrawn	-24		
23.90	Total budgetary resources available for obligation	240	241	320
23.95	Total new obligations	-229	-241	-320
24.40	Unobligated balance available, end of year	11		
New financing authority (gross), detail:				
Mandatory:				
67.15	Authority to borrow (indefinite)	167	124	176
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash)	90	120	131
68.10	From Federal sources: Change in receivables and unpaid, unfilled orders	1	-14	13
68.47	Portion applied to repay debt	-32		
68.90	Spending authority from offsetting collections (total discretionary)	59	106	144
70.00	Total new financing authority (gross)	226	230	320

Credit accounts—Continued

RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4225-0-3-452	1999 actual	2000 est.	2001 est.
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	339	306	281
72.95 Receivables from program account	39	40	26
72.99 Total unpaid obligations, start of year	378	346	307
73.10 Total new obligations	229	241	320
73.20 Total financing disbursements (gross)	-233	-280	-249
73.45 Adjustments in unexpired accounts	-27		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	306	281	340
74.95 Receivables from program account	40	26	39
74.99 Total unpaid obligations, end of year	346	307	379
87.00 Total financing disbursements (gross)	233	280	249
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-18	-23	-16
88.25 Interest on uninvested funds	-14	-26	-33
Non-Federal sources:			
88.40 Repayment of principal	-27	-22	-25
88.40 Interest received on loans	-32	-49	-57
88.40 Other	1		
88.90 Total, offsetting collections (cash)	-90	-120	-131
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-1	14	-13
Net financing authority and financing disbursements:			
89.00 Financing authority	135	124	176
90.00 Financing disbursements	143	160	118

Status of Direct Loans (in millions of dollars)

Identification code 12-4225-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	162	167	250
1131 Direct loan obligations exempt from limitation	1	18	
1150 Total direct loan obligations	163	185	250
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	606	747	951
1231 Disbursements: Direct loan disbursements	168	226	178
1251 Repayments: Repayments and prepayments	-27	-22	-25
1290 Outstanding, end of year	747	951	1,104

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account provides funding to non-profit organizations and local governments for the construction and improvement of community facilities providing essential services in rural areas, such as hospitals, telecommunications applications, child care centers and fire stations.

Balance Sheet (in millions of dollars)

Identification code 12-4225-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	82	31	160	160
Investments in US securities:				
1106 Receivables, net	39	40	26	39

Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	606	747	951	1,104
1402 Interest receivable	26	9	9	9
1405 Allowance for subsidy cost (-)	-128	-82	-211	-211
1499 Net present value of assets related to direct loans	504	674	749	902
1999 Total assets	625	745	935	1,101
LIABILITIES:				
2101 Federal liabilities: Accounts payable	606	704	908	1,061
2203 Non-Federal liabilities: Liability for deposit funds	1	1	1	1
2999 Total liabilities	607	705	909	1,062
NET POSITION:				
3100 Appropriated capital	18	40	26	39
3999 Total net position	18	40	26	39
4999 Total liabilities and net position	625	745	935	1,101

RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4228-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
08.01 Negative subsidy paid to receipt account	1	1	1
08.02 Downward reestimate paid to receipt account	4		
10.00 Total new obligations	5	1	1
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	7	3	3
22.00 New financing authority (gross)	1	1	1
23.90 Total budgetary resources available for obligation	8	4	4
23.95 Total new obligations	-5	-1	-1
24.40 Unobligated balance available, end of year	3	3	3
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	1	1	1
Change in unpaid obligations:			
73.10 Total new obligations	5	1	1
73.20 Total financing disbursements (gross)	-4	-1	-1
87.00 Total financing disbursements (gross)	4	1	1
Offsets:			
Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	4		

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4228-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	210	210	210
2112 Uncommitted loan guarantee limitation	-104		
2131 Guaranteed loan commitments exempt from limitation	1		
2150 Total guaranteed loan commitments	107	210	210
2199 Guaranteed amount of guaranteed loan commitments	107	168	168
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	155	194	313
2231 Disbursements of new guaranteed loans	59	131	165
2251 Repayments and prepayments	-20	-12	-18
2290 Outstanding, end of year	194	313	460

Memorandum:

2299	Guaranteed amount of guaranteed loans outstanding, end of year	158	279	396
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As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account finances loan guarantee commitments for essential community facilities in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4228-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	7	4	7	7
1999 Total assets	7	4	7	7
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	7	4	7	7
2999 Total liabilities	7	4	7	7
4999 Total liabilities and net position	7	4	7	7

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: **[\$4,300,000,000]** \$5,000,000,000 for loans to section 502 borrowers, as determined by the Secretary, of which **[\$3,200,000,000]** \$3,700,000,000 shall be for unsubsidized guaranteed loans; **[\$32,396,000]** \$40,000,000 for section 504 housing repair loans; **[\$100,000,000]** \$200,000,000 for section 538 guaranteed multi-family housing loans; **[\$25,001,000]** for section 514 farm labor housing; **[\$114,321,000]** \$120,000,000 for section 515 rental housing; **[\$5,152,000]** \$5,000,000 for section 524 site loans; **[\$7,503,000]** \$15,000,000 for credit sales of acquired property, of which up to **[\$1,250,000]** \$5,000,000 may be for multi-family credit sales; and **[\$5,000,000]** \$5,009,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, **[\$113,350,000]** \$253,180,000 of which **[\$19,520,000]** \$44,400,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, **[\$9,900,000]** \$14,176,000; section 538 multi-family housing guaranteed loans, **[\$480,000]**; section 514 farm labor housing, **[\$11,308,000]** \$3,040,000; section 515 rental housing, **[\$45,363,000]** section 524 site loans, **[\$4,000]**; **[\$59,124,000]**; multi-family credit sales of acquired property, **[\$874,000]**, of which up to \$494,250 may be for multi-family credit sales **[\$2,452,000]**; and section 523 self-help housing land development loans, **[\$281,000]** \$279,000; *Provided*, That of the total amount appropriated in this paragraph, **[\$11,180,000]** \$13,832,000 shall be available through June 30, **[2000]** 2001, for authorized empowerment zones and enterprise communities [and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones].

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[\$375,879,000]** \$409,233,000, which shall be transferred to and merged with the appropriation for "Rural [Housing Service] Development, Salaries and Expenses": *Provided*, That of this amount the Secretary of Agriculture may transfer up to \$7,000,000 to the appropriation for "Outreach for Socially Disadvantaged Farmers". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

[For additional gross obligations for the principal amount of direct loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund to meet

the needs resulting from natural disasters, as follows: \$50,000,000 for loans to section 502 borrowers, as determined by the Secretary; \$15,000,000 for section 504 housing repair loans; and \$5,000,000 for section 514 farm labor housing.]

[For the additional cost of direct loans to meet the needs resulting from natural disasters, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, to remain available until expended, as follows: section 502 loans, \$4,265,000; section 504 loans, \$4,584,000; and section 514 farm labor housing, \$2,250,000.] (*Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-2081-0-1-371	1999 actual	2000 est.	2001 est.
0101 Rural housing insurance, downward reestimates of subsidies	34		

Program and Financing (in millions of dollars)

Identification code 12-2081-0-1-371	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	192	174	285
00.02 Guaranteed loan subsidy	5	20	47
00.05 Reestimates of direct loan subsidy	96		
00.06 Interest on reestimates of direct loan subsidy	20		
00.07 Reestimates of guaranteed loan subsidy	109		
00.08 Interest on reestimates of guaranteed loan subsidy	13		
00.09 Administrative expenses	361	376	409
10.00 Total new obligations	796	570	741

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year		1	
22.00 New budget authority (gross)	798	568	741
23.90 Total budgetary resources available for obligation	798	569	741
23.95 Total new obligations	-796	-570	-741
24.40 Unobligated balance available, end of year	1		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	560	568	741
Mandatory:			
60.05 Appropriation (indefinite)	238		
70.00 Total new budget authority (gross)	798	568	741

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	200	187	165
73.10 Total new obligations	796	570	741
73.20 Total outlays (gross)	-804	-592	-719
73.40 Adjustments in expired accounts (net)	-6		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	187	165	187

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	459	488	623
86.93 Outlays from discretionary balances	106	104	96
86.97 Outlays from new mandatory authority	238		
87.00 Total outlays (gross)	804	592	719

Net budget authority and outlays:

89.00 Budget authority	798	568	741
90.00 Outlays	804	592	719

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority	797	568	741
Outlays	803	592	719
Legislative proposal, not subject to PAYGO:			
Budget Authority			-40
Outlays			-40
Total:			
Budget Authority	797	568	701
Outlays	803	592	679

Credit accounts—Continued

**RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT—Continued
(INCLUDING TRANSFERS OF FUNDS)—Continued**

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-2081-0-1-371	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct 502 Single family housing	967	1,161	1,300
1150 Direct 515 Multi-family housing	114	114	120
1150 Direct 504 Housing repair	25	48	40
1150 Direct 514 Farm labor housing	20	30	.....
1150 Direct 524 Site development	3	5	5
1150 Single family credit sales	17	6	10
1150 Multi-family credit sales	4	1	5
1150 Direct 523 Self-help housing .....	.....	5	5
1159 Total direct loan levels	1,150	1,371	1,485
Direct loan subsidy (in percent):			
1320 Direct 502 Single family housing	11.82	8.53	16.06
1320 Direct 515 Multi-family housing	48.25	39.68	49.27
1320 Direct 504 Housing repair	35.23	30.56	35.44
1320 Direct 514 Farm labor housing	52.03	45.23	0.00
1320 Direct 524 Site development	0.33	0.08	-0.12
1320 Single family credit sales	9.02	6.08	-3.23
1320 Multi-family credit sales	48.31	39.54	49.03
1320 Direct 523 Self-help housing	5.64	5.61	5.57
1329 Weighted average subsidy rate	23.80	12.68	19.15
Direct loan subsidy budget authority:			
1330 Direct 502 Single family housing	192	98	209
1330 Direct 515 Multi-family housing	72	45	59
1330 Direct 504 Housing repair .....	.....	15	14
1330 Direct 514 Farm labor housing	10	14	.....
1330 Single family credit sales	-1	.....	.....
1330 Multi-family credit sales	3	1	2
1330 Direct 523 Self-help housing .....	.....	.....	.....
1339 Total subsidy budget authority	276	173	284
Direct loan subsidy outlays:			
1340 Direct 502 Single family housing	211	103	174
1340 Direct 515 Multi-family housing	86	67	63
1340 Direct 504 Housing repair	8	14	14
1340 Direct 514 Farm labor housing	6	11	9
1340 Single family credit sales	1	.....	.....
1340 Multi-family credit sales	2	.....	2
1340 Direct 523 Self-help housing .....	.....	.....	.....
1349 Total subsidy outlays	314	195	262
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Guaranteed 502 Single family housing—unsubsidized	2,977	3,200	3,700
2150 Guaranteed 538 Multi-family housing	75	100	200
2159 Total loan guarantee levels	3,052	3,300	3,900
Guaranteed loan subsidy (in percent):			
2320 Guaranteed 502 Single family housing—unsubsidized	0.09	0.61	1.20
2320 Guaranteed 538 Multi-family housing	3.10	0.48	1.52
2329 Weighted average subsidy rate	4.14	0.61	1.22
Guaranteed loan subsidy budget authority:			
2330 Guaranteed 502 Single family housing—unsubsidized	125	20	44
2330 Guaranteed 538 Multi-family housing	2	.....	3
2339 Total subsidy budget authority	127	20	47
Guaranteed loan subsidy outlays:			
2340 Guaranteed 502 Single family housing—unsubsidized	125	20	44
2340 Guaranteed 538 Multi-family housing	2	.....	3
2349 Total subsidy outlays	127	20	47
Administrative expense data:			
3510 Budget authority	361	376	409
3590 Outlays	361	376	409

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.

The programs funded through the Rural Housing Insurance Fund Program account are: section 502 very low and low to moderate income homeownership loans and guarantees;

section 504 very low-income housing repair loans; section 514 domestic farm labor housing loans; section 515 rural rental housing loans; section 524 housing site loans, single family and multi-family housing credit sales of acquired property, and section 538 multi-family housing guarantees. The section 523 self-help housing land development loan program is included under this heading beginning in 1997. Previously, this loan program was accounted for under the separate heading of "Self-Help Housing Land Development Fund Program Account." The Budget requests the section 514 domestic farm labor housing loans be funded under the new Farm Labor Program Account in order to provide flexibility between these loans and the farm labor housing grants.

Loan programs are limited to rural areas that include towns, villages, and other places which are not part of an urban area and that 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 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.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond (including credit sales of acquired property), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-2081-0-1-371	1999 actual	2000 est.	2001 est.
25.3 Purchases of goods and services from Government accounts	361	377	409
41.0 Grants, subsidies, and contributions	435	193	332
99.9 Total new obligations	796	570	741

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-2081-2-1-371	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.02 Guaranteed loan subsidy	-40
10.00 Total new obligations (object class 41.0)	-40
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	-40
23.95 Total new obligations	40
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	-40
Change in unpaid obligations:			
73.10 Total new obligations	-40
73.20 Total outlays (gross)	40
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	-40
Net budget authority and outlays:			
89.00 Budget authority	-40
90.00 Outlays	-40

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-2081-2-1-371	1999 actual	2000 est.	2001 est.
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Single family housing—unsubsidized			
2150 Multi-family housing			
2159 Total loan guarantee levels			
Guaranteed loan subsidy (in percent):			
2320 Single family housing—unsubsidized			-1.00
2320 Multi-family housing			-4.38
2329 Weighted average subsidy rate			-1.04
Guaranteed loan subsidy budget authority:			
2330 Single family housing—unsubsidized			-37
2330 Multi-family housing			-3
2339 Total subsidy budget authority			-40
Guaranteed loan subsidy outlays:			
2340 Single family housing—unsubsidized			-37
2340 Multi-family housing			-3
2349 Total subsidy outlays			-40

This proposed legislation would eliminate the provision in the Housing Act of 1949 that requires that at least 20 percent of the section 538 multi-family housing loans be subsidized through interest rate buydowns. In most cases, the tenants this program serves have incomes high enough to guarantee sufficient cash flow to borrowers to allow them to pay back the loan.

Proposed legislation would also establish for section 502 guaranteed single family housing loans a guarantee fee of 2 percent which lowers the subsidy rate of the program and allows the administration to provide more loans at less cost to the taxpayer.

RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4215-0-3-371	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	1,169	1,371	1,515
00.02 Advances on behalf of borrowers	72	85	94
00.03 Collateral acquired by default	1	5	6
00.04 Interest on Treasury borrowing	555	611	668
00.06 Other expenses	9	10	11
00.91 Subtotal, Operating program	1,806	2,082	2,294
Reestimates:			
08.02 Downward subsidy reestimate paid to receipt account	25		
08.04 Interest on downward reestimate paid to receipt account	9		
08.91 Subtotal, Reestimates	34		
10.00 Total new obligations	1,840	2,082	2,294
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	58	101	
22.00 New financing authority (gross)	1,860	1,981	2,294
22.10 Resources available from recoveries of prior year obligations	47		
22.70 Balance of authority to borrow withdrawn	-24		
23.90 Total budgetary resources available for obligation	1,942	2,082	2,294
23.95 Total new obligations	-1,840	-2,082	-2,294
24.40 Unobligated balance available, end of year	101		
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	1,066	1,227	1,356
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	1,173	1,158	1,351

68.10	From Federal sources: Change in receivables and unpaid, unfilled orders	-12	-22	34
68.47	Portion applied to repay debt	-367	-383	-447
68.90	Spending authority from offsetting collections (total discretionary)	794	753	938
70.00	Total new financing authority (gross)	1,860	1,980	2,294

Change in unpaid obligations:

Unpaid obligations, start of year:				
Obligated balance, start of year:				
72.40	Obligated balance with Treasury, start of year	180	196	203
72.40	Obligated balance, authority to borrow, start of year	300	327	380
72.95	Receivables from program account	196	184	162
72.99	Total unpaid obligations, start of year	676	707	745
73.10	Total new obligations	1,840	2,082	2,294
73.20	Total financing disbursements (gross)	-1,762	-2,043	-2,227
73.45	Adjustments in unexpired accounts	-47		
Unpaid obligations, end of year:				
Obligated balance, end of year:				
74.40	Obligated balance with Treasury, end of year	196	203	213
74.40	Obligated balance, authority to borrow, end of year	327	380	403
74.95	Receivables from program account	184	162	196
74.99	Total unpaid obligations, end of year	707	745	812
87.00	Total financing disbursements (gross)	1,762	2,043	2,227

Offsets:

Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: payments from program account	-315	-196	-266
88.25	Interest on uninvested funds	-75	-79	-86
Non-Federal sources:				
88.40	Non-Federal sources: Repayments of principal	-367	-431	-503
88.40	Interest received on loans	-378	-414	-455
88.40	Undistributed receipts	-2		
88.40	Proceeds on sale of acquired property	-21	-20	-21
88.40	Recaptured income	-10	-12	-14
88.40	Appraisal fees	-4	-4	-4
88.40	Miscellaneous collections	-1	-2	-2
88.90	Total, offsetting collections (cash)	-1,173	-1,158	-1,351
Against gross financing authority only:				
88.95	Change in receivables from program accounts	12	22	-34

Net financing authority and financing disbursements:

89.00	Financing authority	699	845	909
90.00	Financing disbursements	590	885	876

Status of Direct Loans (in millions of dollars)

Identification code 12-4215-0-3-371	1999 actual	2000 est.	2001 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	1,167	1,360	1,515
1112	Unobligated direct loan limitation	-13		
1113	Unobligated limitation carried forward	11	11	
1131	Direct loan obligations exempt from limitation	4		
1150	Total direct loan obligations	1,169	1,371	1,515
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	9,411	10,180	11,173
1231	Disbursements: Direct loan disbursements	1,137	1,332	1,448
1251	Repayments: Repayments and prepayments	-373	-431	-503
1261	Adjustments: Capitalized interest	31	34	37
Write-offs for default:				
1263	Direct loans	-26	-27	-30
1264	Other adjustments, net		85	94
1290	Outstanding, end of year	10,180	11,173	12,219

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond including credit sales of acquired property. The amounts in this account are a means of financing and are not included in the budget totals.

Credit accounts—Continued

RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT—Continued

This account finances direct rural housing loans for: section 502 very low- and low-to-moderate-income home ownership loan program; section 504 very low income housing repair loan program; section 514 domestic farm labor housing loan program; section 515 rural rental housing loan program; sections 523 self-help housing loans, and 524 site development loans; and single family and multi-family housing credit sales of acquired property.

Loan programs are limited to rural areas that include towns, villages and other places which are not part of an urban area and that 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 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.

Balance Sheet (in millions of dollars)

Identification code 12-4215-0-3-371	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	180	196	203	213
Investments in US securities:				
1106 Receivables, net	312	184	162	196
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	9,411	10,180	11,173	12,219
1402 Interest receivable	42	40	44	48
1404 Foreclosed property	15	12	18	27
1405 Allowance for subsidy cost (-)	-2,497	-2,584	-2,703	-2,883
1499 Net present value of assets related to direct loans	6,971	7,648	8,532	9,411
1999 Total assets	7,463	8,028	8,897	9,820
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	33			
2103 Debt	7,197	7,802	8,694	9,581
2104 Liability for subsidy related to undischursed loans	196	184	162	196
2105 Other		5	5	5
2207 Non-Federal liabilities: Other	37	37	36	38
2999 Total liabilities	7,463	8,028	8,897	9,820
4999 Total liabilities and net position	7,463	8,028	8,897	9,820

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4216-0-3-371	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Default claims	36	56	71
00.02 Interest assistance paid to lenders		1	1
10.00 Total new obligations	36	57	72
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	80	210	216
22.00 New financing authority (gross)	166	63	97
23.90 Total budgetary resources available for obligation	246	273	313
23.95 Total new obligations	-36	-57	-72
24.40 Unobligated balance available, end of year	210	216	241
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	166	63	97
Change in unpaid obligations:			
73.10 Total new obligations	36	57	72

73.20 Total financing disbursements (gross)	-36	-57	-72
87.00 Total financing disbursements (gross)	36	57	72

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-127	-20	-47
88.25 Interest on uninvested funds	-9	-13	-14
88.40 Non-Federal sources: guarantee fees	-30	-30	-36
88.90 Total, offsetting collections (cash)	-166	-63	-97
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements	-130	-6	-25

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4216-0-3-371	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	3,075	3,300	3,900
2112 Uncommitted loan guarantee limitation	-23		
2150 Total guaranteed loan commitments	3,052	3,300	3,900
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	7,206	9,772	12,059
2231 Disbursements of new guaranteed loans	3,085	2,966	3,497
2251 Repayments and prepayments	-480	-617	-757
2263 Adjustments: Terminations for default that result in claim payments	-40	-62	-79
2290 Outstanding, end of year	9,772	12,059	14,720
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	8,812	11,211	13,568

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loan commitments made in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

This account finances the nonsubsidized guaranteed section 502 low-to-moderate-income home ownership loan program and section 538 multi-family housing loan program. The guaranteed programs enable RHS to utilize private sector resources for the making and servicing of loans while the Agency provides a financial guarantee to encourage private sector activity.

Balance Sheet (in millions of dollars)

Identification code 12-4216-0-3-371	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	80	210	216	241
1999 Total assets	80	210	216	241
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	80	210	216	241
2999 Total liabilities	80	210	216	241
4999 Total liabilities and net position	80	210	216	241

RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-4216-2-3-371	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
22.00 New financing authority (gross)			-15
23.95 Total new obligations			
24.40 Unobligated balance available, end of year			-15
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)			-15
87.00 Total financing disbursements (gross)			
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources			40
88.25 Interest on uninvested funds			1
88.40 Non-Federal sources: guarantee fees			-26
88.90 Total, offsetting collections (cash)			15
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements			15

This account reflects for section 538 multi-family housing loans the decrease in the subsidy as a result of eliminating the requirement that a certain percentage of guaranteed loans be subsidized through an interest rate buydown. Also, reflected is the decrease in the subsidy for section 502 guaranteed single family housing loans as a result of increase to the guarantee fee from one percent to one percent.

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loan commitments made in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4216-2-3-371	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury				-15
1999 Total assets				-15
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees				-15
2999 Total liabilities				-15
4999 Total liabilities and net position				-15

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4141-0-3-371	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Capital investment:			
00.02 Advances on behalf of borrowers	96	88	96
00.04 Purchases of certificates of beneficial ownership	1	7	
00.05 Collateral acquired by default	2	3	3
00.06 Judgments		1	1
00.07 Unclassified recoverable costs	13		
00.91 Total capital investment	111	99	100

Operating expenses:			
01.02 Interest on certificates of beneficial ownership	1	1	
01.03 Interest on FFB borrowings	857	566	450
01.06 Interest credits on loans sold to investors	2	2	1
01.07 Other costs incident to loans	4	3	3
01.91 Total operating expenses	865	572	454
10.00 Total new obligations	976	671	554

Budgetary resources available for obligation:			
22.00 New budget authority (gross)	976	671	553
22.10 Resources available from recoveries of prior year obligations	8		
22.60 Portion applied to repay debt	-8		
23.90 Total budgetary resources available for obligation	976	671	553
23.95 Total new obligations	-976	-671	-554

New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)	1,171	200	
60.47 Portion applied to repay debt	-195		
62.50 Appropriation (total mandatory)	976	200	
69.00 Offsetting collections (cash)	2,172	2,056	1,927
69.27 Capital transfer to general fund			-989
69.47 Portion applied to repay debt	-2,172	-1,585	-385
69.90 Spending authority from offsetting collections (total mandatory)		471	553
70.00 Total new budget authority (gross)	976	671	553

Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated fund balance with treasury, end of year	583	483	382
73.10 Total new obligations	976	671	554
73.20 Total outlays (gross)	-1,068	-771	-587
73.45 Adjustments in unexpired accounts	-8		
74.40 Unpaid obligations, end of year: Obligated fund balance with Treasury, end of year	483	382	349

Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	933	534	415
86.98 Outlays from mandatory balances	135	237	172
87.00 Total outlays (gross)	1,068	771	587

Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Repayments of loans and advances	-1,182	-1,116	-1,054
88.40 Proceeds from sale of acquired property	-32	-38	-40
88.40 Payments on judgments	-2	-3	-3
88.40 Interest payments from borrowers	-843	-778	-716
88.40 Recapture of subsidies	-116	-120	-113
88.40 Fees and other revenue	-5	-1	-1
88.40 Undistributed receipts	8		
88.90 Total, offsetting collections (cash)	-2,172	-2,056	-1,927

Net budget authority and outlays:			
89.00 Budget authority	-1,196	-1,385	-1,374
90.00 Outlays	-1,104	-1,285	-1,340

Status of Direct Loans (in millions of dollars)

Identification code 12-4141-0-3-371	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	19,704	18,373	17,246
1251 Repayments: Repayments and prepayments	-1,182	-1,116	-1,054
1261 Adjustments: Capitalized interest	66	56	52
Write-offs for default:			
1263 Direct loans	-69	-65	-61
1264 Other adjustments, net	-146	-2	11
1290 Outstanding, end of year	18,373	17,246	16,194

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4141-0-3-371	1999 actual	2000 est.	2001 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	27	23	21

Credit accounts—Continued

RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT—Continued

Status of Guaranteed Loans (in millions of dollars)—Continued

Identification code 12-4141-0-3-371	1999 actual	2000 est.	2001 est.
2251 Repayments and prepayments	-3	-3	-2
2290 Outstanding, end of year	23	21	18
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	21	19	16

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. New loan activity in 1992 and beyond (including credit sales of acquired property that resulted from obligations or commitments in any year) is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 12-4141-0-3-371	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	1,275	991	908	831
0102 Expense	-1,515	-958	-672	-552
0105 Net income or loss (-)	-240	33	236	279

Balance Sheet (in millions of dollars)

Identification code 12-4141-0-3-371	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	583	483	382	349
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	19,704	18,373	17,246	16,194
1602 Interest receivable	279	391	374	348
1603 Allowance for estimated uncollectible loans and interest (-)	-7,517	-6,349	-5,962	-5,597
1604 Direct loans and interest receivable, net	12,466	12,415	11,658	10,945
1606 Foreclosed property	43	52	54	51
1699 Value of assets related to direct loans	12,509	12,467	11,712	10,996
1901 Other Federal assets: Other assets	21	23	21	21
1999 Total assets	13,113	12,973	12,115	11,366
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	1	1	1	1
2102 Interest payable	525	398	297	264
2103 Debt	9,500	7,125	5,540	5,155
2104 Resources payable to Treasury	2,978	5,343	6,179	5,848
2105 Liabilities for loan guarantees	4	3	2	2
Non-Federal liabilities:				
2202 Interest payable	1	1	1	1
2203 Debt	10	9	2	2
2207 Other	93	93	93	93
2999 Total liabilities	13,112	12,973	12,115	11,366
4999 Total liabilities and net position	13,112	12,973	12,115	11,366

Object Classification (in millions of dollars)

Identification code 12-4141-0-3-371	1999 actual	2000 est.	2001 est.
25.2 Other services	4	3	3
33.0 Investments and loans	111	99	100
41.0 Grants, subsidies, and contributions	2	2	1
43.0 Interest and dividends	859	567	450

99.9 Total new obligations	976	671	554
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RURAL BUSINESS-COOPERATIVE SERVICE

Federal Funds

General and special funds:

[RURAL EMPOWERMENT ZONES]

[For grants for the rural empowerment zone and enterprise communities programs, as designated by the Secretary of Agriculture, \$15,000,000 to the Secretary of Agriculture for grants for designated empowerment zones in rural areas and for grants for designated rural enterprise communities, to remain available until expended.] (Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-0402-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)		30	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		15	
22.00 New budget authority (gross)	15	15	
23.90 Total budgetary resources available for obligation	15	30	
23.95 Total new obligations		-30	
24.40 Unobligated balance available, end of year	15		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	15	15	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year			24
73.10 Total new obligations		30	
73.20 Total outlays (gross)		-6	-12
74.40 Unpaid obligations, end of year: Obligated balance, end of year		24	12
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		6	12
Net budget authority and outlays:			
89.00 Budget authority	15	15	
90.00 Outlays		6	12

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority	15	15	
Outlays		6	12
Legislative proposal, subject to PAYGO:			
Budget Authority			15
Outlays			
Total:			
Budget Authority	15	15	15
Outlays		6	12

The goal of the Empowerment Zone/Enterprise Community (EZ/EC) initiative is to revitalize rural communities in a manner that attracts private sector investment and thereby provides self-sustaining community and economic development. The first two years of the authorized ten-year for EZ/EC's designated as part of the second round of this initiative was provided through the FY 1999 and 2000 appropriation acts. Legislation will be proposed to provide the outyear follow-on funding for the five new rural empowerment zones, and 20 new enterprise communities as authorized by the Taxpayer Relief Act of 1997, to create economic opportunity in the most distressed rural communities. A similar proposal is requested for urban zones through the Department of Housing and Urban Development.

The flexible grant funding is available for a wide variety of community and economic development purposes that link human capital needs with economic development initiatives. The purposes may include revolving loan funds for business capitalization or community development, job training and job counseling, infrastructure investment, home ownership and home ownership counseling, health care and related facilities, child care and administrative costs linked to redevelopment efforts.

Similar to the first round, the second round was a multi-year effort based on a comprehensive development plan involving community residents, the private sector, the non-profit community and local, State and Federal governments. Experience from the initial round of urban and rural designations demonstrates significant successes that are stimulating billions of dollars in private sector investment, reviving communities that had given up hope for economic opportunity and creating thousands of jobs, moving people from dependency to active participation in the economy. Round two is built on the successes of the initial round.

RURAL EMPOWERMENT ZONES
(Proposed legislation, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-0402-4-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)			15
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			15
23.95 Total new obligations			-15
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			15
Change in unpaid obligations:			
73.10 Total new obligations			15
74.40 Unpaid obligations, end of year: Obligated balance, end of year			15
Net budget authority and outlays:			
89.00 Budget authority			15
90.00 Outlays			

This account provides grants for 5 rural empowerment zones and 20 rural enterprise communities that are entities designated under section 1391(g) of the Internal Revenue Code of 1986, to continue a second round of the empowerment zone program in rural areas. Funds for the rural enterprise communities are not for tax treatment under the Internal Revenue Code. Second round EZ/EC recipients were designated in January 1999. Legislation will be proposed to provide mandatory funding in 2001 and the out years for these recipients.

SALARIES AND EXPENSES
(RURAL DEVELOPMENT ADMINISTRATION)

Program and Financing (in millions of dollars)

Identification code 12-3400-0-1-452	1999 actual	2000 est.	2001 est.
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	1	
73.20 Total outlays (gross)		-1	
73.40 Adjustments in expired accounts (net)	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1		
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		1	

Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays		1

Beginning in 1995, programs and services formerly provided by the Rural Development Administration are included in other Department accounts.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), [\$6,000,000, of which \$1,500,000] \$11,500,000, of which \$2,000,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program, and \$2,000,000 shall be available for cooperative research agreements: Provided, That [at least 25 percent] not to exceed \$1,500,000 of the total amount appropriated shall be made available to cooperatives or associations of cooperatives that assist small, minority producers: Provided further, that \$1,500,000 of the total amount appropriated shall be for grants to cooperatives that process and market bio-based products, of which \$1,000,000 is for a pilot program for Rural Utilities Service electric borrowers to demonstrate the efficiency of bio-mass fuel generation. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

Program and Financing (in millions of dollars)

Identification code 12-1900-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Rural cooperative development grants	2	3	8
00.02 Appropriate technology transfer for rural areas	1	2	2
00.03 Cooperative research agreements		1	2
10.00 Total new obligations (object class 41.0)	3	6	12
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3	6	12
23.95 Total new obligations	-3	-6	-12
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	3	6	12
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	4	3	4
73.10 Total new obligations	3	6	12
73.20 Total outlays (gross)	-3	-6	-7
74.40 Unpaid obligations, end of year: Obligated balance, end of year	3	4	8
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1	3	4
86.93 Outlays from discretionary balances	2	3	3
87.00 Total outlays (gross)	3	6	7
Net budget authority and outlays:			
89.00 Budget authority	3	6	12
90.00 Outlays	3	6	7

Grants for rural cooperative development were authorized under section 310B(e) of the Consolidated Farm and Rural Development Act by Public Law 104-127, April 4, 1996. These grants are made available to nonprofit corporations and institutions of higher education to fund the establishment and operation of centers for rural cooperative development. The primary purpose of the centers is the improvement of economic conditions of rural areas through the development of new cooperatives and improving operations of existing cooperatives. RBS can fund up to 75 percent of any project and associated administrative costs and requires at least a 25 percent matching share from the applicant which must be from non-Federal sources.

The Appropriate Technology Transfer to Rural Areas (ATTRA) program was first authorized by the Food Security

General and special funds—Continued

RURAL COOPERATIVE DEVELOPMENT GRANTS—Continued

Act of 1985. The program provides information and technical assistance to agricultural producers to adopt sustainable agricultural practices that are environmentally friendly and lower production costs.

Funds are requested for cooperative research agreements to help the Rural Development mission area maintain a predictable level of research on agricultural and non-agricultural cooperative issues. Also, \$2 million is requested for grants for cooperatives that process and market bio-based products. Of this amount, \$1 million is for a pilot program through the Rural Utilities Service to demonstrate the efficiency of bio-mass fuel generation.

RURAL ECONOMIC DEVELOPMENT GRANTS

Program and Financing (in millions of dollars)

Identification code 12-3105-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	11	4	4
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	17	7	4
22.00 New budget authority (gross)	2	3	3
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	20	10	7
23.95 Total new obligations	-11	-4	-4
24.40 Unobligated balance available, end of year	7	4	2
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	2	3	3
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	14	14	8
72.95 From Federal sources: Receivables and unpaid, unfilled orders	3	3	3
72.99 Total unpaid obligations, start of year	17	17	11
73.10 Total new obligations	11	4	4
73.20 Total outlays (gross)	-11	-10	-7
73.45 Adjustments in unexpired accounts	-1		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	14	8	5
74.95 From Federal sources: Receivables and unpaid, unfilled orders	3	3	3
74.99 Total unpaid obligations, end of year	17	11	8
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1		
86.98 Outlays from mandatory balances	11	9	7
87.00 Total outlays (gross)	11	10	7
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-2	-3	-3
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	11	7	4

This grant program is authorized under section 313 of the Rural Electrification Act, as amended, and provides funds for the purpose of promoting rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, incubator projects and other expenses for the purpose of fostering rural development.

Funding for this program is provided from the interest differential on Rural Utilities Service borrowers' cushion of credit accounts.

NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER REVOLVING FUND

For National Sheep Industry Improvement Center Revolving Fund authorized under section 375 of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 2008j), \$5,000,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 12-1906-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)		10	5
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	20	20	10
22.00 New budget authority (gross)			5
23.90 Total budgetary resources available for obligation	20	20	15
23.95 Total new obligations		-10	-5
24.40 Unobligated balance available, end of year	20	10	10
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			5
Change in unpaid obligations:			
73.10 Total new obligations		10	5
73.20 Total outlays (gross)		-10	-5
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			5
86.98 Outlays from mandatory balances		10	
87.00 Total outlays (gross)		10	5
Net budget authority and outlays:			
89.00 Budget authority			5
90.00 Outlays		10	5

The Federal Agriculture Improvement Act of 1996 established the National Sheep Industry Improvement Center to promote activities to strengthen and enhance production or marketing of sheep and goat products in the United States. The Center may provide loans or grants to eligible entities to provide assistance to the industry for infrastructure development, business development, production, resource development, and market and environmental research. The 1996 Act provided up to \$20 million in mandatory funding for the establishment and operation of the Center and authorized additional discretionary funding of \$30 million. In 2000, \$10 million was granted to an intermediary to provide assistance to the sheep and lamb industry. An additional \$5 million in discretionary funds are requested in 2001 to help the domestic lamb industry adjust to foreign competition, as part of the President's initiative supporting the domestic lamb industry.

Credit accounts:

RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4223-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	26	50	50
00.02 Interest on Treasury borrowings	3	4	6
00.03 Default claims		6	10
00.91 Subtotal, Operating program	29	60	66
Reestimates:			
08.01 Negative subsidy paid to receipt account	4	7	
08.02 Downward reestimate paid to receipt account	2		
08.91 Subtotal, Reestimates	6	7	

10.00	Total new obligations	35	67	66
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year		1	
22.00	New financing authority (gross)	35	66	66
22.10	Resources available from recoveries of prior year obligations		2	
22.70	Balance of authority to borrow withdrawn	-1		
23.90	Total budgetary resources available for obligation	36	67	66
23.95	Total new obligations	-35	-67	-66
24.40	Unobligated balance available, end of year	1		
New financing authority (gross), detail:				
Mandatory:				
67.15	Authority to borrow (indefinite)	32	58	50
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash)	3	8	14
68.10	From Federal sources: Change in receivables and unpaid, unfilled orders			2
68.90	Spending authority from offsetting collections (total discretionary)	3	8	16
70.00	Total new financing authority (gross)	35	66	66
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	15	21	40
73.10	Total new obligations	35	67	66
73.20	Total financing disbursements (gross)	-27	-48	-66
73.40	Adjustments in expired accounts (net)	-2		
73.45	Adjustments in unexpired accounts	-2		
Unpaid obligations, end of year:				
74.40	Obligated balance, end of year	21	40	38
74.95	Receivables from program account			2
74.99	Total unpaid obligations, end of year	21	40	40
87.00	Total financing disbursements (gross)	27	48	66
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.25	Interest on uninvested funds	-1		
Non-Federal sources:				
88.40	Repayments of principal	-1	-2	-4
88.40	Interest received on loans	-1	-6	-10
88.90	Total, offsetting collections (cash)	-3	-8	-14
Against gross financing authority only:				
88.95	Change in receivables from program accounts			-2
Net financing authority and financing disbursements:				
89.00	Financing authority	32	58	50
90.00	Financing disbursements	23	40	52

Status of Direct Loans (in millions of dollars)

Identification code 12-4223-0-3-452	1999 actual	2000 est.	2001 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	50	50	50
1112	Unobligated direct loan limitation	-24		
1150	Total direct loan obligations	26	50	50
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	19	38	61
1231	Disbursements: Direct loan disbursements	20	31	51
1251	Repayments: Repayments and prepayments	-1	-2	-4
1263	Write-offs for default: Direct loans		-6	-10
1290	Outstanding, end of year	38	61	98

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of these programs is funded through the Rural Community Advancement Program. Loans made prior to 1992 are

recorded in the Rural Development Insurance Fund Liquidating Account.

Direct business and industry loans are made to public, private, or cooperative organizations, Indian tribes or tribal groups, corporate entities, or individuals for the purpose of improving the economic climate in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4223-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.	
ASSETS:					
Federal assets:					
1101	Fund balances with Treasury	2	5	5	5
Investments in US securities:					
1107	Advances and prepayments		7		
1206	Non-Federal assets: Receivables, net		1		
Net value of assets related to post-1991 direct loans receivable:					
1401	Direct loans receivable, gross	19	38	61	98
1499	Net present value of assets related to direct loans	19	38	61	98
1999	Total assets	21	51	66	103
LIABILITIES:					
Federal liabilities:					
2101	Accounts payable	2	3	4	5
2104	Resources payable to Treasury	19	48	57	93
2999	Total liabilities	21	51	61	98
4999	Total liabilities and net position	21	51	61	98

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4227-0-3-452	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
00.01	Default claims	28	33	35
10.00	Total new obligations	28	33	35
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	54	107	127
22.00	New financing authority (gross)	80	54	35
23.90	Total budgetary resources available for obligation	134	161	162
23.95	Total new obligations	-28	-33	-35
24.40	Unobligated balance available, end of year	107	127	127
New financing authority (gross), detail:				
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash)	85	54	35
68.47	Portion applied to repay debt	-5		
68.90	Spending authority from offsetting collections (total discretionary)	80	54	35
Change in unpaid obligations:				
73.10	Total new obligations	28	33	35
73.20	Total financing disbursements (gross)	-28	-33	-35
87.00	Total financing disbursements (gross)	28	33	35
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources	-64	-29	-10
88.25	Interest on uninvested funds	-5	-5	-6
Non-Federal sources:				
88.40	Interest and principal on purchased loans from secondary market		-3	-3
88.40	Guarantee fees	-16	-17	-16
88.90	Total, offsetting collections (cash)	-85	-54	-35
Net financing authority and financing disbursements:				
89.00	Financing authority	-5		

Credit accounts—Continued

RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4227-0-3-452	1999 actual	2000 est.	2001 est.
90.00 Financing disbursements	- 57	- 21	.....

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4227-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	1,000	850	1,250
2112 Uncommitted loan guarantee limitation	262	.....	.....
2131 Guaranteed loan commitments exempt from limitation	19	19	.....
2150 Total guaranteed loan commitments	1,281	869	1,250
2199 Guaranteed amount of guaranteed loan commitments	866	791	791
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1,876	2,763	3,719
2231 Disbursements of new guaranteed loans	1,027	1,134	1,059
2251 Repayments and prepayments	- 107	- 145	- 188
2263 Adjustments: Terminations for default that result in claim payments	- 33	- 33	- 33
2290 Outstanding, end of year	2,763	3,719	4,557
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	2,228	2,807	3,434

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of this program is funded through the Rural Community Advancement Program. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account finances loan guarantee commitments for industrial development in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4227-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	54	103	86	86
1999 Total assets	54	103	86	86
LIABILITIES:				
2204 Non-Federal liabilities: Liabilities for loan guarantees	54	103	86	86
2999 Total liabilities	54	103	86	86
4999 Total liabilities and net position	54	103	86	86

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT (INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, **[\$16,615,000]** \$32,834,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which, \$2,036,000 shall be for Federally Recognized Native American Tribes; and \$4,072,000 shall be for the Mississippi Delta Region Counties (as defined by P.L. 100-460) Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of **[\$38,256,000]** \$64,495,000: Provided further, That of the total amount appropriated, **[\$3,216,000]** \$5,091,000 shall be available through June 30, **[2000]** 2001, for the cost of

direct loans for authorized empowerment zones and enterprise communities [and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones].

In addition, for administrative expenses to carry out the direct loan programs, **[\$3,337,000]** \$3,640,000 shall be transferred to and merged with the appropriation for "Rural [Business-Cooperative Service] Development, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-2069-0-1-452	1999 actual	2000 est.	2001 est.
0101 Rural development loans, downward reestimates of subsidies	8	.....	.....

Program and Financing (in millions of dollars)

Identification code 12-2069-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	17	17	33
00.05 Reestimates of direct loan subsidy	1	.....	.....
00.09 Administrative expense	3	3	3
10.00 Total new obligations	21	20	36
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	21	20	36
23.95 Total new obligations	- 21	- 20	- 36

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	20	20	36
Mandatory:			
60.05 Appropriation (indefinite)	1	.....	.....
70.00 Total new budget authority (gross)	21	20	36

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	61	55	50
73.10 Total new obligations	21	20	36
73.20 Total outlays (gross)	- 27	- 25	- 25
74.40 Unpaid obligations, end of year: Obligated balance, end of year	55	50	61

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	4	4	5
86.93 Outlays from discretionary balances	22	21	20
86.97 Outlays from new mandatory authority	1	.....	.....
87.00 Total outlays (gross)	27	25	25

Net budget authority and outlays:

89.00 Budget authority	21	20	36
90.00 Outlays	27	25	25

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-2069-0-1-452	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Intermediary Relending Loans	33	38	64
1159 Total direct loan levels	33	38	64
Direct loan subsidy (in percent):			
1320 Subsidy rate	50.35	43.43	50.91
1329 Weighted average subsidy rate	50.35	43.43	50.91
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	17	17	33
1339 Total subsidy budget authority	17	17	33
Direct loan subsidy outlays:			
1340 Subsidy outlays	24	22	21
1349 Total subsidy outlays	24	22	21
Administrative expense data:			
3510 Budget authority	3	3	3

3590	Outlays from new authority	3	3	3
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This account finances loans to intermediary borrowers, who in turn relend the funds to small rural businesses, community development corporations, and other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond, as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-2069-0-1-452	1999 actual	2000 est.	2001 est.
25.3 Purchases of goods and services from Government accounts	3	3	3
41.0 Grants, subsidies, and contributions	18	17	33
99.9 Total new obligations	21	20	36

RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4219-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	33	38	64
00.03 Interest on Treasury borrowing	9	11	17
00.91 Subtotal, Operating program	42	49	81
Non-operating program:			
08.02 Downward subsidy reestimates paid to the receipt account	7		
08.04 Interest on downward reestimate paid to receipt account	1		
08.91 Subtotal, Non-operating program	8		
10.00 Total new obligations	50	49	81
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	51	49	80
22.60 Portion applied to repay debt	1		
23.90 Total budgetary resources available for obligation	52	49	80
23.95 Total new obligations	-50	-49	-81
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	24	21	35
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	34	33	34
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-6	-5	11
68.47 Portion applied to repay debt	-1		
68.90 Spending authority from offsetting collections (total discretionary)	27	28	45
70.00 Total new financing authority (gross)	51	49	80
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	57	52	51
72.95 Receivables from program account	61	55	50
72.99 Total unpaid obligations, start of year	118	107	101
73.10 Total new obligations	50	49	81
73.20 Total financing disbursements (gross)	-62	-55	-61
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	52	51	60

74.95	Receivables from program account	55	50	61
74.99	Total unpaid obligations, end of year	107	101	121
87.00	Total financing disbursements (gross)	62	55	61
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Payments from program account	-24	-22	-21
88.25	Interest on uninvested funds	-2	-2	-2
Non-Federal sources:				
88.40	Non-Federal sources—repayment of principal	-6	-6	-7
88.40	Non-Federal sources—interest on loans	-2	-3	-4
88.90	Total, offsetting collections (cash)	-34	-33	-34
Against gross financing authority only:				
88.95	Change in receivables from program accounts	6	5	-11

Net financing authority and financing disbursements:

89.00	Financing authority	23	21	35
90.00	Financing disbursements	28	22	27

Status of Direct Loans (in millions of dollars)

Identification code 12-4219-0-3-452	1999 actual	2000 est.	2001 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	33	38	64
1150	Total direct loan obligations	33	38	64
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	209	249	285
1231	Disbursements: Direct loan disbursements	44	42	41
1251	Repayments: Repayments and prepayments	-4	-6	-8
1290	Outstanding, end of year	249	285	318

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

This account finances loans to intermediary borrowers, who in turn relend the funds to small rural businesses, community development corporations, or other organizations for the purpose of improving economic opportunities in rural areas. Through the use of local intermediaries, this program serves small-scale enterprises and gives preference to those communities with the greatest need.

Balance Sheet (in millions of dollars)

Identification code 12-4219-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury	24	20	22
Investments in US securities:				
1106	Receivables, net	61	55	69
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	209	248	289
1402	Interest receivable	1	1	3
1405	Allowance for subsidy cost (-)	-106	-118	-138
1499	Net present value of assets related to direct loans	104	131	154
1999	Total assets	189	206	245
LIABILITIES:				
Federal liabilities:				
2104	Resources payable to Treasury	128	151	180
2105	Other	61	55	65
2999	Total liabilities	189	206	245
4999	Total liabilities and net position	189	206	245

Credit accounts—Continued

RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4233-0-3-452	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	
22.00 New budget authority (gross)	1		
22.40 Capital transfer to general fund		-1	-1
23.90 Total budgetary resources available for obligation	2		-1
24.40 Unobligated balance available, end of year	1		
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	4	4	4
69.27 Capital transfer to general fund	-3	-4	-4
69.90 Spending authority from offsetting collections (total mandatory)	1		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	1	
73.20 Total outlays (gross)	-1	-1	
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1		
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	1	1	
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-4	-4	-4
Net budget authority and outlays:			
89.00 Budget authority	-3	-4	-4
90.00 Outlays	-3	-4	-4

Status of Direct Loans (in millions of dollars)

Identification code 12-4233-0-3-452	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	77	72	68
1231 Disbursements: Direct loan disbursements		1	1
1251 Repayments: Repayments and prepayments	-4	-4	-4
1263 Write-offs for default: Direct loans	-1	-1	-1
1290 Outstanding, end of year	72	68	64

¹ Amounts shown include advances on behalf of borrowers.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. New loan activity in 1992 and beyond is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 12-4233-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	1	1	1	1
0102 Expense	6	5	4	4
0105 Net income or loss (-)	7	6	5	5

Balance Sheet (in millions of dollars)

Identification code 12-4233-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	3	2	2	2
1206 Non-Federal assets: Receivables, net	1	1	1	1
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	77	73	70	65

1603 Allowance for estimated uncollectible loans and interest (-)	-31	-25	-20	-16
1604 Direct loans and interest receivable, net	46	48	50	49
1699 Value of assets related to direct loans	46	48	50	49
1999 Total assets	50	51	53	52
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	50	51	52	52
2999 Total liabilities	50	51	52	52
4999 Total liabilities and net position	50	51	52	52

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$15,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, **[\$3,453,000] \$3,911,000.**

Of the funds derived from interest on the cushion of credit payments in fiscal year [2000] 2001, as authorized by section 313 of the Rural Electrification Act of 1936, **[\$3,453,000] \$3,911,000** shall not be obligated and **[\$3,453,000] \$3,911,000** are rescinded. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-3108-0-1-452	1999 actual	2000 est.	2001 est.
0101 Rural economic development loans, downward reestimates of subsidies	2		

Program and Financing (in millions of dollars)

Identification code 12-3108-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	4	3	4
10.00 Total new obligations (object class 41.0)	4	3	4

Budgetary resources available for obligation:

22.00 New budget authority (gross)	4	3	4
23.95 Total new obligations	-4	-3	-4

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	4	3	4

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	6	4	3
73.10 Total new obligations	4	3	4
73.20 Total outlays (gross)	-6	-4	-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	4	3	4

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	1		1
86.93 Outlays from discretionary balances	5	4	3
87.00 Total outlays (gross)	6	4	4

Net budget authority and outlays:

89.00 Budget authority	4	3	4
90.00 Outlays	6	4	4

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-3108-0-1-452	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	15	15	15
1159 Total direct loan levels	15	15	15
Direct loan subsidy (in percent):			
1320 Subsidy rate	25.22	23.02	26.07
1329 Weighted average subsidy rate	25.22	23.02	26.07
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	4	3	4
1339 Total subsidy budget authority	4	3	4
Direct loan subsidy outlays:			
1340 Subsidy outlays	6	4	4
1349 Total subsidy outlays	6	4	4

Rural economic development loans are made for the purpose of promoting rural economic development and job creation projects. Loans are made to electric and telecommunication borrowers, who in turn finance rural development projects in their service areas. Program costs are derived from interest earnings on borrowers' "cushion of credit" loan prepayments.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, the subsidy costs associated with the direct loans obligated in 1992 and beyond. The subsidy amounts are estimated on a present value basis.

RURAL ECONOMIC DEVELOPMENT DIRECT LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-4176-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	15	15	15
00.03 Interest expense	4	6	7
00.91 Subtotal, Operating program	19	21	22
08.04 Interest on downward re-estimate	2	1	.....
10.00 Total new obligations	21	22	22
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	9	10	9
22.00 New financing authority (gross)	22	20	21
22.10 Resources available from recoveries of prior year obligations	3	.....	.....
22.70 Balance of authority to borrow withdrawn	-2	.....	.....
23.90 Total budgetary resources available for obligation	32	30	30
23.95 Total new obligations	-21	-22	-22
24.40 Unobligated balance available, end of year	10	9	9
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	13	12	12
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	15	15	16
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-2	.....	.....
68.47 Portion applied to repay debt	-4	-7	-7
68.90 Spending authority from offsetting collections (total discretionary)	9	8	9
70.00 Total new financing authority (gross)	22	20	21
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	20	11	10
72.95 Receivables from program account	6	4	4
72.99 Total unpaid obligations, start of year	26	15	14
73.10 Total new obligations	21	22	22

73.20 Total financing disbursements (gross)	-30	-21	-21
73.45 Adjustments in unexpired accounts	-3	.....	.....
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	11	10	11
74.95 Receivables from program account	4	4	4
74.99 Total unpaid obligations, end of year	15	14	15
87.00 Total financing disbursements (gross)	30	21	21

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal Funds: Program Account	-6	-4	-4
88.25 Interest on uninvested funds	-1	-1	-1
88.40 Non-Federal sources: Repayment of Principal	-8	-10	-11
88.90 Total, offsetting collections (cash)	-15	-15	-16
Against gross financing authority only:			
88.95 Change in receivables from program accounts	2	.....	.....
Net financing authority and financing disbursements:			
89.00 Financing authority	9	5	5
90.00 Financing disbursements	14	6	5

Status of Direct Loans (in millions of dollars)

Identification code 12-4176-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	15	15	15
1150 Total direct loan obligations	15	15	15
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	50	66	72
1231 Disbursements: Direct loan disbursements	23	16	15
1251 Repayments: Repayments and prepayments	-7	-10	-10
1290 Outstanding, end of year	66	72	77

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4176-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	9	8	8	8
Investments in US securities:				
1106 Program Account	6	4	5	5
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	50	66	72	75
1405 Allowance for subsidy cost (-)	-11	-12	-4	-4
1499 Net present value of assets related to direct loans	39	54	68	71
1999 Total assets	54	66	81	84
LIABILITIES:				
Federal liabilities:				
2104 Resources payable to Treasury	49	62	76	76
2105 Other	6	4	5	8
2999 Total liabilities	55	66	81	84
4999 Total liabilities and net position	55	66	81	84

RURAL ECONOMIC DEVELOPMENT LOANS LIQUIDATING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 12-3104-0-1-271	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	8	1	.....

Credit accounts—Continued

RURAL ECONOMIC DEVELOPMENT LOANS LIQUIDATING ACCOUNT—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-3104-0-1-271	1999 actual	2000 est.	2001 est.
22.00 New budget authority (gross)		1	1
22.40 Capital transfer to general fund	-7	-1	
23.90 Total budgetary resources available for obligation	1	1	1
23.95 Total new obligations			
24.40 Unobligated balance available, end of year	1		
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	1	1	1
69.27 Capital transfer to general fund	-1		
69.90 Spending authority from offsetting collections (total mandatory)		1	1
Change in unpaid obligations:			
73.20 Total outlays (gross)	1	1	1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	-1	-1	-1
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources: Repayment of principal	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	-1		
90.00 Outlays	-1	-2	-2

Status of Direct Loans (in millions of dollars)

Identification code 12-3104-0-1-271	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3	2	1
1251 Repayments: Repayments and prepayments	-1	-1	-1
1290 Outstanding, end of year	2	1	

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated prior to 1992. All new activity in this program is recorded in corresponding program and financing accounts.

Statement of Operations (in millions of dollars)

Identification code 12-3104-0-1-271	1998 actual	1999 actual	2000 est.	2001 est.
0111 Revenue	1	1	1	1
0112 Expense	-1	-1		
0115 Net income or loss (-)			1	1
0195 Total income or loss (-)			1	1

Balance Sheet (in millions of dollars)

Identification code 12-3104-0-1-271	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	1	1		1
1601 Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable: Direct loans, gross	2	2	1	2
1999 Total assets	3	3	1	3
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	3	3	1	3
2999 Total liabilities	3	3	1	3

4999 Total liabilities and net position	3	3	1	3
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Public enterprise funds:

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 12-4144-0-3-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Administrative expense	1	1	
00.02 Program activity	5		
10.00 Total new obligations	6	1	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	2	1	
22.00 New budget authority (gross)	5		
23.90 Total budgetary resources available for obligation	7	1	
23.95 Total new obligations	-6	-1	
24.40 Unobligated balance available, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	4		
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	5		
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	2	
73.10 Total new obligations	6	1	
73.20 Total outlays (gross)	-5	-3	
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2		
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	4		
86.93 Outlays from discretionary balances	1	3	
87.00 Total outlays (gross)	5	3	
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1		
Net budget authority and outlays:			
89.00 Budget authority	4		
90.00 Outlays	5	3	

These funds support programs authorized by the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901 et seq.). This Act authorizes the provision of assistance on a competitive basis to foster the development and commercialization of new nonfood, nonfeed products derived from agricultural and forestry material and animal by-products. No funds were appropriated in 2000 and no funding is requested in 2001.

Object Classification (in millions of dollars)

Identification code 12-4144-0-3-352	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	1	1	
41.0 Grants, subsidies, and contributions	5		
99.9 Total new obligations	6	1	

Personnel Summary

Identification code 12-4144-0-3-352	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	6	6	

RURAL UTILITIES SERVICE

Federal Funds

Credit accounts:

RURAL WATER AND WASTE DISPOSAL DIRECT LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4226-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	721	679	1,032
00.03 Interest on Treasury borrowing	206	229	284
00.04 Restoration of prior cancellation	5		
00.91 Subtotal, Operating program	932	908	1,316
Reestimates:			
08.02 Downward reestimate paid to receipt account	16		
08.04 Interest on downward reestimate	2		
08.91 Subtotal reestimates	18		
10.00 Total new obligations	950	908	1,316
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	14	10	
22.00 New financing authority (gross)	934	898	1,316
22.10 Resources available from recoveries of prior year obligations	54		
22.70 Balance of authority to borrow withdrawn	-42		
23.90 Total budgetary resources available for obligation	960	908	1,316
23.95 Total new obligations	-950	-908	-1,316
24.40 Unobligated balance available, end of year	10		
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	620	385	788
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	381	450	481
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	37	63	47
68.47 Portion applied to repay debt	-104		
68.90 Spending authority from offsetting collections (total discretionary)	314	513	528
70.00 Total new financing authority (gross)	934	898	1,316
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	1,662	1,679	1,459
72.95 Receivables from program account	225	262	325
72.99 Total unpaid obligations, start of year	1,887	1,941	1,784
73.10 Total new obligations	950	908	1,316
73.20 Total financing disbursements (gross)	-842	-1,064	-1,145
73.45 Adjustments in unexpired accounts	-54		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	1,679	1,459	1,583
74.95 Receivables from program account	262	325	372
74.99 Total unpaid obligations, end of year	1,941	1,784	1,955
87.00 Total financing disbursements (gross)	842	1,064	1,145
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources	-116	-129	-94
88.25 Interest on uninvested funds	-41	-64	-83
Non-Federal sources:			
88.40 Repayment of principal	-83	-49	-59
88.40 Interest received on loans	-141	-208	-245
88.90 Total, offsetting collections (cash)	-381	-450	-481
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-37	-63	-47
Net financing authority and financing disbursements:			
89.00 Financing authority	516	385	788

90.00	Financing disbursements	461	614	664
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Status of Direct Loans (in millions of dollars)

Identification code 12-4226-0-3-452	1999 actual	2000 est.	2001 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	707	679	1,032
1131	Direct loan obligations exempt from limitation	14		
1150	Total direct loan obligations	721	679	1,032
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2,810	3,345	4,131
1231	Disbursements: Direct loan disbursements	619	835	862
1251	Repayments: Repayments and prepayments	-84	-49	-59
1290	Outstanding, end of year	3,345	4,131	4,934

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. The subsidy cost of these loans is provided through the Rural Community Advancement Program. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

The water and waste disposal program makes loans and grants to finance water and waste disposal facilities in rural areas.

Balance Sheet (in millions of dollars)

Identification code 12-4226-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101	Fund balances with Treasury	200	126	126
1106	Investments in US securities: Receivables, net	225	262	262
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	2,807	3,345	4,131
1402	Interest receivable	36	42	48
1405	Allowance for subsidy cost (-)	-430	-588	-899
1499	Net present value of assets related to direct loans	2,413	2,799	3,280
1999	Total assets	2,838	3,187	3,668
LIABILITIES:				
2103	Federal liabilities: Debt	2,760	2,917	3,335
2203	Non-Federal liabilities: Debt	1	8	8
2999	Total liabilities	2,761	2,925	3,343
NET POSITION:				
3100	Appropriated capital	77	262	325
3999	Total net position	77	262	325
4999	Total liabilities and net position	2,838	3,187	3,668

RURAL WATER AND WASTE DISPOSAL GUARANTEED LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4218-0-3-452	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
22.00	New financing authority (gross)	1	1
22.10	Resources available from recoveries of prior year obligations	1	
22.70	Balance of authority to borrow withdrawn	-1	
23.90	Total budgetary resources available for obligation	1	1
23.95	Total new obligations		

Credit accounts—Continued

**RURAL WATER AND WASTE DISPOSAL GUARANTEED LOANS
FINANCING ACCOUNT—Continued**

Program and Financing (in millions of dollars)—Continued

Identification code 12-4218-0-3-452	1999 actual	2000 est.	2001 est.
New financing authority (gross), detail:			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)		1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1		
73.10 Total new obligations			
73.20 Total financing disbursements (gross)		-1	-1
73.45 Adjustments in unexpired accounts	-1		
87.00 Total financing disbursements (gross)		1	1
Offsets:			
Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Fees		-1	-1
Net financing authority and financing disbursements:			
89.00 Financing authority			
90.00 Financing disbursements			

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4218-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	75	75	75
2112 Uncommitted loan guarantee limitation	-69		
2150 Total guaranteed loan commitments	6	75	75
2199 Guaranteed amount of guaranteed loan commitments		60	60
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	1	20	87
2231 Disbursements of new guaranteed loans	20	69	44
2251 Repayments and prepayments	-1	-2	-3
2290 Outstanding, end of year	20	87	128
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	13	78	110

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals. Loans made prior to 1992 are recorded in the Rural Development Insurance Fund Liquidating Account.

This account finances loan guarantee commitments for water systems, and waste disposal facilities in rural areas.

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS
PROGRAM ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, [\$121,500,000] \$50,000,000; 5 percent rural telecommunications loans, \$75,000,000; cost of money rural telecommunications loans, \$300,000,000; municipal rate rural electric loans, [\$295,000,000] \$300,000,000; and loans made pursuant to section 306 of that Act, rural electric, [\$1,700,000,000] \$1,200,000,000 and rural telecommunications, \$120,000,000, to remain available until expended].

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and

guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of [direct loans, \$1,935,000; cost of municipal rate loans, \$10,827,000; cost of money rural telecommunications loans, \$2,370,000] rural electric loans, \$25,870,000, and the cost of telecommunications loans; \$7,770,000. Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, [\$31,046,000], \$34,716,000, which shall be transferred to and merged with the appropriation for "Rural [Utilities Service] Development, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1230-0-1-271	1999 actual	2000 est.	2001 est.
0101 Rural electrification and telephone loans, negative subsidies		5	8
0102 Rural electrification and telephone loans, downward reestimates of subsidies	167		

Program and Financing (in millions of dollars)

Identification code 12-1230-0-1-271	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	43	15	34
00.05 Reestimate of the direct loan subsidy	94		
00.06 Interest on reestimates of direct loan subsidy	6		
00.09 Administrative expenses subject to limitation	30	31	35
10.00 Total new obligations	174	46	68

Budgetary resources available for obligation:

22.00 New budget authority (gross)	174	46	68
23.95 Total new obligations	-174	-46	-68

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	73	46	68
Mandatory:			
60.05 Appropriation (indefinite)	101		
70.00 Total new budget authority (gross)	174	46	68

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	132	118	76
73.10 Total new obligations	174	46	68
73.20 Total outlays (gross)	-183	-88	-74
73.40 Adjustments in expired accounts (net)	-4		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	118	76	71

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	40	33	39
86.93 Outlays from discretionary balances	42	55	35
86.97 Outlays from new mandatory authority	101		
87.00 Total outlays (gross)	183	88	74

Net budget authority and outlays:

89.00 Budget authority	174	46	68
90.00 Outlays	184	88	74

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1230-0-1-271	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loans, hardship electric	72	122	50
1150 Direct loans, municipal electric	295	294	300
1150 Direct loans, FFB electric	1,050	1,700	800
1150 Direct loans, hardship telephone	75	75	75
1150 Direct loans, Treasury telephone	217	300	300
1150 Direct loans, FFB telephone	55	120	120
1159 Total direct loan levels	1,763	2,610	1,645
Direct loan subsidy (in percent):			
1320 Direct loans, hardship electric	13.04	0.90	9.96

1320	Direct loans, municipal electric	8.76	3.67	6.95
1320	Direct loans, FFB electric	-0.38	-1.18	-3.09
1320	Direct loans, hardship telephone	9.79	1.12	10.36
1320	Direct loans, Treasury telephone	0.27	0.79	-1.00
1320	Direct loans, FFB telephone	-0.81	-0.46	-2.04
1329	Weighted average subsidy rate	7.88	-0.23	0.24
Direct loan subsidy budget authority:				
1330	Direct loans, hardship electric	11	1	5
1330	Direct loans, municipal electric	113	11	21
1330	Direct loans, FFB electric	-3	-20	-25
1330	Direct loans, hardship telephone	10	1	8
1330	Direct loans, Treasury telephone	6	2	-3
1330	Direct loans, FFB telephone	2	-1	-2
1339	Total subsidy budget authority	139	-6	4
Direct loan subsidy outlays:				
1340	Direct loans, hardship electric	11	12	5
1340	Direct loans, municipal electric	123	27	20
1340	Direct loans, FFB electric	2	3	1
1340	Direct loans, hardship telephone	10	14	13
1340	Direct loans, Treasury telephone	5		
1340	Direct loans, FFB telephone	2		
1349	Total subsidy outlays	153	57	39
Guaranteed loan levels supportable by subsidy budget authority:				
2150	Guaranteed loans, electric	150	500	400
2159	Total loan guarantee levels	150	500	400
Guaranteed loan subsidy (in percent):				
2320	Guaranteed loans, electric	0.00	0.01	0.01
2329	Weighted average subsidy rate	0.00	0.01	0.01
Administrative expense data:				
3510	Budget authority	30	31	35
3590	Outlays	30	31	35

The Rural Utilities Service conducts the rural electrification and the rural telecommunications loan programs. The rural electrification loan program is financed through RUS direct and guaranteed loans for the operation of generating plants, electric transmission, and distribution lines or systems. The rural telecommunications loan program is financed through RUS direct loans for construction, expansion, and operation of telecommunications lines and facilities or systems.

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, the subsidy costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-1230-0-1-271	1999 actual	2000 est.	2001 est.
25.3 Purchases of goods and services from Government accounts	30	31	35
41.0 Grants, subsidies, and contributions	144	15	34
99.9 Total new obligations	174	46	68

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4208-0-3-271	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	1,763	2,610	1,645
00.02 Interest on Treasury borrowing	371	459	553

00.91 Subtotal, Operating program	2,134	3,069	2,198
Non-operating program:			
08.01 Negative subsidy paid to receipt account	4	21	30
08.02 Downward reestimate paid to receipt account	133		
08.04 Interest on downward reestimate paid to receipt account	35		
08.91 Subtotal, Non-operating program	172	21	30
10.00 Total new obligations	2,306	3,090	2,228
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	25	29	
22.00 New financing authority (gross)	2,307	3,061	2,228
22.10 Resources available from recoveries of prior year obligations	146		
22.70 Balance of authority to borrow withdrawn	-143		
23.90 Total budgetary resources available for obligation	2,335	3,090	2,228
23.95 Total new obligations	-2,306	-3,090	-2,228
24.40 Unobligated balance available, end of year	29		

New financing authority (gross), detail:

Mandatory:			
67.15 Authority to borrow (indefinite)	1,892	2,414	1,444
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	831	689	789
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-9	-42	-5
68.47 Portion applied to repay debt	-407		
68.90 Spending authority from offsetting collections (total discretionary)	414	648	784
70.00 Total new financing authority (gross)	2,307	3,061	2,228

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	3,607	4,164	5,136
72.95 Receivables from program account	127	118	76
72.99 Total unpaid obligations, start of year	3,734	4,282	5,213
73.10 Total new obligations	2,306	3,090	2,228
73.20 Total financing disbursements (gross)	-1,612	-2,160	-2,144
73.45 Adjustments in unexpired accounts	-146		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	4,164	5,136	5,226
74.95 Receivables from program account	118	76	71
74.99 Total unpaid obligations, end of year	4,282	5,213	5,296
87.00 Total financing disbursements (gross)	1,612	2,160	2,144

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payment from program account	-153	-57	-39
88.25 Interest on uninvested funds	-44	-57	-68
Non-Federal sources:			
88.40 Repayment of principal	-328	-142	-170
88.40 Interest received on loans	-297	-433	-512
88.40 Miscellaneous Income	-9		
88.90 Total, offsetting collections (cash)	-831	-689	-789
Against gross financing authority only:			
88.95 Change in receivables from program accounts	9	42	5

Net financing authority and financing disbursements:

89.00 Financing authority	1,485	2,414	1,444
90.00 Financing disbursements	781	1,470	1,355

Status of Direct Loans (in millions of dollars)

Identification code 12-4208-0-3-271	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	1,911	2,610	1,645
1112 Unobligated direct loan limitation	-148		
1150 Total direct loan obligations	1,763	2,610	1,645
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	5,189	5,949	7,496
1231 Disbursements: Direct loan disbursements	1,093	1,689	1,582
1251 Repayments: Repayments and prepayments	-328	-142	-170

Credit accounts—Continued

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN FINANCING ACCOUNT—Continued

Status of Direct Loans (in millions of dollars)—Continued

Identification code 12-4208-0-3-271	1999 actual	2000 est.	2001 est.
1262 Adjustments: Discount on loan asset sales to the public or discounted	-5		
1290 Outstanding, end of year	5,949	7,496	8,908

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from electric and telecommunication direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4208-0-3-271	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	170	10	15	166
Investments in US securities:				
1106 Receivables, net	78			
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	4,351	5,007	6,136	7,170
1405 Allowance for subsidy cost (-)	-433	-473	-520	-546
1499 Net present value of assets related to direct loans	3,918	4,534	5,616	6,624
1999 Total assets	4,088	4,622	5,631	6,790
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	9			
2103 Debt	3,963	4,535	5,553	6,713
2999 Total liabilities	3,963	4,543	5,553	6,713
NET POSITION:				
3100 Appropriated capital	125	79	78	77
3999 Total net position	125	79	78	77
4999 Total liabilities and net position	4,088	4,622	5,631	6,790
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	136	1	10	42
Investments in US securities:				
1106 Receivables, net	43			
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	755	941	1,360	1,737
1405 Allowance for subsidy cost (-)	-63	-50	-96	-98
1499 Net present value of assets related to direct loans	692	891	1,264	1,639
1999 Total assets	828	935	1,274	1,681
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	3			
2103 Debt	770	877	1,229	1,642
2999 Total liabilities	770	881	1,229	1,642
NET POSITION:				
3100 Appropriated capital	58	54	45	39
3999 Total net position	58	54	45	39
4999 Total liabilities and net position	828	935	1,274	1,681

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS GUARANTEED LOANS FINANCING ACCOUNT

(Legislative proposal, not subject to PAYGO)

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4209-0-3-271	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders	150	500	400
2150 Total guaranteed loan commitments	150	500	400
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year		16	147
2231 Disbursements of new guaranteed loans	16	133	176
2251 Repayments and prepayments		-2	-3
2290 Outstanding, end of year	16	147	320
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	16	147	320

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from guaranteed loans committed in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

This account finances loan guarantee commitments.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4230-0-3-271	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Interest expense on certificates of beneficial ownership	466	762	437
00.02 Interest expense, FFB direct	854	811	771
00.03 Other interest expense	251	9	9
00.05 Other	9	7	7
10.00 Total new obligations	1,580	1,589	1,224
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,568	1,589	1,224
22.10 Resources available from recoveries of prior year obligations	24		
22.70 Balance of authority to borrow withdrawn	-12		
23.90 Total budgetary resources available for obligation	1,580	1,589	1,224
23.95 Total new obligations	-1,580	-1,589	-1,224
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance rescinded			-4
Mandatory:			
60.36 Unobligated balance rescinded	-4	-3	
62.00 Transferred from other accounts	26	25	24
62.50 Appropriation (total mandatory)	22	22	24
67.15 Authority to borrow (indefinite)	500		
67.16 Authority to borrow (indefinite) (12 U.S.C. 2281-96)	5		
67.90 Authority to borrow (total mandatory)	505		
69.00 Offsetting collections (cash)	2,788	4,411	3,138
69.10 From Federal sources: Change in receivables and unpaid, unfilled orders	-1,008		
69.47 Portion applied to repay debt	-739	-2,844	-1,934
69.90 Spending authority from offsetting collections (total mandatory)	1,041	1,567	1,204
70.00 Total new budget authority (gross)	1,568	1,589	1,224
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	96	517	591

72.95	From Federal sources: Receivables and unpaid, unfilled orders	1,053	45	45
72.99	Total unpaid obligations, start of year	1,149	562	636
73.10	Total new obligations	1,580	1,589	1,224
73.20	Total outlays (gross)	-2,143	-1,516	-1,370
73.45	Adjustments in unexpired accounts	-24		
	Unpaid obligations, end of year:			
74.40	Obligated balance, end of year	517	591	445
74.95	From Federal sources: Receivables and unpaid, unfilled orders	45	45	45
74.99	Total unpaid obligations, end of year	562	636	490
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	994	954	782
86.98	Outlays from mandatory balances	1,149	562	588
87.00	Total outlays (gross)	2,143	1,516	1,370
Offsets:				
	Against gross budget authority and outlays:			
	Offsetting collections (cash) from:			
	Non-Federal sources:			
88.40	Loans repaid	-1,432	-1,751	-1,663
88.40	Interest from loans	-1,428	-1,553	-1,475
88.40	Other	72	-1,107	
88.90	Total, offsetting collections (cash)	-2,788	-4,411	-3,138
	Against gross budget authority only:			
88.95	From Federal sources: Change in receivables and unpaid, unfilled orders	1,008		
Net budget authority and outlays:				
89.00	Budget authority	-212	-2,822	-1,914
90.00	Outlays	-645	-2,895	-1,768

Status of Direct Loans (in millions of dollars)

Identification code 12-4230-0-3-271	1999 actual	2000 est.	2001 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	27,076	25,867	24,837
1231	Disbursements: Direct loan disbursements	19	8	19
1251	Repayments: Repayments and prepayments	-1,432	-1,031	-1,204
1264	Write-offs for default: Other adjustments, net	204	-7	-4
1290	Outstanding, end of year	25,867	24,837	23,648

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4230-0-3-271	1999 actual	2000 est.	2001 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	561	409	389
2251	Repayments and prepayments	-45	-20	-20
2263	Adjustments: Terminations for default that result in claim payments	-107		
2290	Outstanding, end of year	409	389	369
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	409	389	369

STATUS OF AGENCY DEBT

[In millions of dollars]

Agency Debt Held by FFB:	1999 actual	2000 est.	2001 est.
Outstanding FFB Direct, start of year	12,594	12,130	10,575
Outstanding Certificate of Beneficial Ownership (CBO's), start of year	4,599	4,599	4,327
Repayments and prepayments, FFB Direct	-464	-1,555	-402
Outstanding FFB Direct, end of year	12,130	10,575	10,173
Outstanding CBO's, end of year	4,599	4,327	4,270

As required by the Federal Credit Reform Act of 1990, this account records, for rural electrification and telecommunications programs, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in RETRF in 1992 and beyond is recorded in corresponding program and financing accounts.

The Rural Utilities Service will continue to service all loans in this account providing business management and technical assistance to the borrowers on a regular basis over the life of the loans.

Rural electric.—This program is financed through RUS direct loans for the construction and operation of generating plants, electric transmission, and distribution lines or systems.

The following tables reflect statistics on loans made through the liquidating account only. Since 1992 new electric and telephone loans have been made through a separate, program account.

ELECTRIC PROGRAM STATISTICS

[dollars in millions]

	1999 actual	2000 est.	2001 est.
Cumulative RUS financed direct loans	21,857	21,857	21,857
Cumulative FFB financed direct loans	27,136	27,136	27,136
Cumulative RUS funds advanced	21,831	21,832	21,833
Unadvanced RUS funds, end of year	22	21	20
Cumulative RUS principal repaid	13,446	14,271	15,234
Cumulative RUS interest paid	11,041	12,283	13,463
Cumulative loan guarantee commitments ¹	3,967	3,967	3,967
Number of borrowers	807	728	635

¹ Represents loans financed by private lenders, including refinanced direct loans, FFB.

Rural telecommunications.—This loan program is financed through RUS direct loans for the construction, expansion, and operation of telecommunications lines and facilities or systems.

TELECOMMUNICATIONS PROGRAM STATISTICS

[dollars in millions]

	1999 actual	2000 est.	2001 est.
Cumulative RUS financed direct loans	6,053	6,053	6,053
Cumulative FFB financed direct loans	579	579	579
Cumulative RUS funds advanced	5,869	5,876	5,894
Unadvanced RUS funds, end of period	186	179	161
Cumulative RUS principal repaid	3,325	3,531	3,772
Cumulative RUS interest paid	2,646	2,957	3,252
Cumulative loan guarantee commitments ¹	3	3	3
Number of borrowers	800	735	675

¹ Other lenders—privately financed direct loans, FFB.**Statement of Operations (in millions of dollars)**

Identification code 12-4230-0-3-271	1998 actual	1999 actual	2000 est.	2001 est.	
ELECTRIC PROGRAM:					
0111	Revenue	1,812	1,352	2,504	1,327
0112	Expense	-147	-596	-545	-317
0115	Net income or loss (-)	1,665	756	1,959	1,010
TELEPHONE PROGRAM:					
0121	Revenue	188	159	155	147
0122	Expense	-178	-246	-477	-367
0125	Net income or loss (-)	10	-87	-322	-220
0191	Total revenues	2,000	1,511	2,659	1,474
0192	Total expenses	-325	-842	-1,022	-684
0195	Total income or loss (-)	1,675	669	1,637	790
0199	Net loss (-)	1,675	669	1,637	790

Balance Sheet (in millions of dollars)

Identification code 12-4230-0-3-271	1998 actual	1999 actual	2000 est.	2001 est.	
ASSETS:					
1101	Federal assets: Fund balances with Treasury		247	247	247
	Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601	Direct loans, gross (Electric)	24,203	23,214	22,279	21,212
1602	Interest receivable	15	19	19	19
1603	Allowance for estimated uncollectible loans and interest (-)	-3,087	-2,439	-2,340	-2,228

Credit accounts—Continued

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LIQUIDATING ACCOUNT—Continued

Balance Sheet (in millions of dollars)—Continued

Identification code 12-4230-0-3-271	1998 actual	1999 actual	2000 est.	2001 est.
1604 Direct loans and interest receivable, net	21,131	20,794	19,958	19,003
1699 Value of assets related to direct loans	21,131	20,794	19,958	19,003
1901 Other Federal assets: Other assets	3,527			
1999 Total assets	24,658	21,041	20,205	19,250
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable		659	632	603
2103 Debt	21,198	20,853	19,935	18,863
2104 Resources payable to Treasury		-608	-497	-344
2105 Other	837	3		
Non-Federal liabilities:				
2202 Interest payable	9	11	11	11
2203 Debt	807			
2204 Liabilities for loan guarantees	142	18	18	17
2207 Other		105	106	100
2999 Total liabilities	22,993	21,041	20,205	19,250
NET POSITION:				
3300 Cumulative results of operations	1,665			
3999 Total net position	1,665			
4999 Total liabilities and net position	24,658	21,041	20,205	19,250
ASSETS:				
1101 Federal assets: Fund balances with Treasury		189	189	189
Non-Federal assets:				
1201 Investments in non-Federal securities, net	528	502	527	551
1206 Receivables, net	662	660	780	359
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross (Telephone)	2,874	2,653	2,558	2,436
1602 Interest receivable	6	6	6	6
1603 Allowance for estimated uncollectible loans and interest (-)	126	-32	-30	-29
1604 Direct loans and interest receivable, net	3,006	2,627	2,534	2,413
1699 Value of assets related to direct loans	3,006	2,627	2,534	2,413
1999 Total assets	4,196	3,978	4,030	3,512
LIABILITIES:				
Federal liabilities:				
2103 Debt	2,163	2,061	1,947	1,815
2104 Resources payable to Treasury	2,019	1,903	2,073	1,687
2105 Other	4	4		
2999 Total liabilities	4,186	3,968	4,020	3,502
NET POSITION:				
3300 Cumulative results of operations	10	10	10	10
3999 Total net position	10	10	10	10
4999 Total liabilities and net position	4,196	3,978	4,030	3,512

Object Classification (in millions of dollars)

Identification code 12-4230-0-3-271	1999 actual	2000 est.	2001 est.
25.2 Other services	9	7	7
33.0 Investments and loans	251	9	9
43.0 Interest and dividends	1,320	1,573	1,208
99.9 Total new obligations	1,580	1,589	1,224

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds 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 may be necessary in carrying out its authorized programs. During fiscal year [2000] 2001 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be \$175,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), [\$3,290,000] \$2,590,000, to be derived by transfer from the shareholders' equity as contained in the unobligated balances in the Rural Telephone Bank Liquidating Account.

In addition, for administrative expenses, including audits, necessary to carry out the loan programs, \$3,000,000, to be derived by transfer from the shareholders' equity as contained in the unobligated balances in the Rural Telephone Bank Liquidating Account, which shall be transferred to and merged with the appropriation for "Rural [Utilities Service] Development, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1231-0-1-452	1999 actual	2000 est.	2001 est.
0101 Rural telephone bank loans, downward reestimate of subsidies	12	1	

Program and Financing (in millions of dollars)

Identification code 12-1231-0-1-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loan subsidy	3	3	3
00.05 Reestimates on direct loan subsidy		1	
00.09 Administrative expenses subject to limitation	3	3	3
10.00 Total new obligations	6	7	6

Budgetary resources available for obligation:

22.00 New budget authority (gross)	8	7	6
23.95 Total new obligations	-6	-7	-6
23.98 Unobligated balance expiring or withdrawn	-1		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation	7	6	
42.00 Transferred from other accounts			6
43.00 Appropriation (total discretionary)	7	6	6
Mandatory:			
60.05 Appropriation (indefinite)		1	
70.00 Total new budget authority (gross)	8	7	6

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	10	12	14
73.10 Total new obligations	6	7	6
73.20 Total outlays (gross)	-4	-6	-5
74.40 Unpaid obligations, end of year: Obligated balance, end of year	12	14	15

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	3	3	3
86.93 Outlays from discretionary balances	1	2	2
86.98 Outlays from mandatory balances		1	
87.00 Total outlays (gross)	4	6	5

Net budget authority and outlays:

89.00 Budget authority	8	7	6
90.00 Outlays	4	6	5

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-1231-0-1-452	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels	114	175	175
1159 Total direct loan levels	114	175	175
Direct loan subsidy (in percent):			
1320 Subsidy rate	2.65	1.88	1.48
1329 Weighted average subsidy rate	2.65	1.88	1.48
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	3	4	3
1339 Total subsidy budget authority	3	4	3
Direct loan subsidy outlays:			
1340 Subsidy outlays	1	3	2
1349 Total subsidy outlays	1	3	2
Administrative expense data:			
3510 Budget authority	3	3	3
3590 Outlays	3	3	3

In 2001, the Rural Telephone Bank (RTB) is proposed to become a Performance Based Organization to establish its financial and operational independence prior to its being privatized within ten years. Funding for the RTB's loan subsidies and administrative expenses will be transferred from the unobligated balances in the RTB liquidating account.

As required by the Federal Credit Reform Act of 1990, this account records, for the Rural Telephone Bank, the subsidy costs associated with the direct loans obligated in 1992 and beyond as well as administrative expenses for the program. The subsidy amounts are estimated on a present value basis; administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-1231-0-1-452	1999 actual	2000 est.	2001 est.
25.2 Other services	3	3	3
41.0 Grants, subsidies, and contributions	3	4	3
99.9 Total new obligations	6	7	6

RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4210-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating program:			
00.01 Direct loans	114	175	175
00.03 Interest on Treasury borrowing	16	19	27
00.91 Subtotal, Operating program	130	194	202
Reestimate:			
08.02 Downward reestimate	9	1	
08.04 Interest on downward reestimate	3		
08.91 Subtotal, reestimate	12	1	
10.00 Total new obligations	142	195	202
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	143	195	202
22.10 Resources available from recoveries of prior year obligations	31		
22.70 Balance of authority to borrow withdrawn	-32		
23.90 Total budgetary resources available for obligation	142	195	202
23.95 Total new obligations	-142	-195	-202
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	123	153	151

Spending authority from offsetting collections:

Discretionary:			
68.00 Offsetting collections (cash)	28	40	50
68.10 From Federal sources: Change in receivables and unpaid, unfilled orders	2	2	1
68.47 Portion applied to repay debt	-9		
68.90 Spending authority from offsetting collections (total discretionary)	21	42	51
70.00 Total new financing authority (gross)	143	195	202
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	775	818	875
72.95 Receivables from program account	10	12	14
72.99 Total unpaid obligations, start of year	786	830	889
73.10 Total new obligations	142	195	202
73.20 Total financing disbursements (gross)	-66	-137	-172
73.45 Adjustments in unexpired accounts	-31		
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	818	875	903
74.95 Receivables from program account	12	14	15
74.99 Total unpaid obligations, end of year	830	889	918
87.00 Total financing disbursements (gross)	66	137	172

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources: Payment from Program Account	-1	-3	-2
88.25 Interest on uninvested funds	-4	-3	-4
Non-Federal sources:			
88.40 Principal received on loans	-8	-10	-11
88.40 Interest received on loans	-13	-19	-26
88.40 Sale of RTB Stock	-2	-5	-7
88.90 Total, offsetting collections (cash)	-28	-40	-50
Against gross financing authority only:			
88.95 Change in receivables from program accounts	-2	-2	-1

Net financing authority and financing disbursements:

89.00 Financing authority	113	153	151
90.00 Financing disbursements	39	97	122

Status of Direct Loans (in millions of dollars)

Identification code 12-4210-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	158	175	175
1112 Unobligated direct loan limitation	-44		
1150 Total direct loan obligations	114	175	175
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	197	246	353
1231 Disbursements: Direct loan disbursements	58	117	145
1251 Repayments: Repayments and prepayments	-8	-10	-11
1290 Outstanding, end of year	246	353	487

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4210-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	322	423	600	702
Investments in US securities:				
1106 Program Account	11	12	14	15
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	232	246	353	487
1402 Interest receivable	11	13	19	26
1405 Allowance for subsidy cost (-)	-17	-19	-17	-15

Credit accounts—Continued**RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT—
Continued****Balance Sheet (in millions of dollars)—Continued**

Identification code 12-4210-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
1499 Net present value of assets related to direct loans	226	240	355	498
1999 Total assets	559	675	969	1,215
LIABILITIES:				
2103 Federal liabilities: Debt	544	659	952	1,197
2201 Non-Federal liabilities: Accounts payable	11	12	14	15
2999 Total liabilities	555	671	966	1,212
NET POSITION:				
3100 Appropriated capital	4	4	3	3
3999 Total net position	4	4	3	3
4999 Total liabilities and net position	559	675	969	1,215

RURAL TELEPHONE BANK LIQUIDATING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 12-4231-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Dividends	14	15	16
10.00 Total new obligations (object class 43.0)	14	15	16
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	396	508	609
22.00 New budget authority (gross)	129	126	176
22.10 Resources available from recoveries of prior year obligations	8		
22.40 Capital transfer to general fund	-11	-10	-9
23.90 Total budgetary resources available for obligation	522	624	776
23.95 Total new obligations	-14	-15	-16
24.40 Unobligated balance available, end of year	508	609	760
New budget authority (gross), detail:			
Discretionary:			
41.00 Transferred to other accounts			-6
Mandatory:			
61.00 Transferred to other accounts	-26	-25	-24
69.00 Offsetting collections (cash)	318	233	226
69.47 Portion applied to repay debt	-163	-82	-20
69.90 Spending authority from offsetting collections (total mandatory)	155	151	206
70.00 Total new budget authority (gross)	129	126	176
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	175	149	134
73.10 Total new obligations	14	15	16
73.20 Total outlays (gross)	-32	-30	-29
73.45 Adjustments in unexpired accounts	-8		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	149	134	121
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	14	15	16
86.98 Outlays from mandatory balances	18	15	13
87.00 Total outlays (gross)	32	30	29
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-36	-41	-47
Non-Federal sources:			
88.40 Loans repaid	-203	-125	-119
88.40 Interest from loans	-78	-66	-59
88.40 Sales of stock	-1	-1	-1
88.90 Total, offsetting collections (cash)	-318	-233	-226

Net budget authority and outlays:			
89.00 Budget authority	-189	-107	-50
90.00 Outlays	-286	-203	-197

Status of Direct Loans (in millions of dollars)

Identification code 12-4231-0-3-452	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,172	986	876
1231 Disbursements: Direct loan disbursements	17	15	13
1251 Repayments: Repayments and prepayments	-203	-125	-119
1290 Outstanding, end of year	986	876	770

As required by the Federal Credit Reform Act of 1990, this account records, for the Rural Telephone Bank (RTB), all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond is recorded in corresponding program and financing accounts. Funding for both subsidy budget authority and the related salaries and expenses will be transferred from the unobligated balances in the RTB liquidating account in 2001.

The RTB provides a supplemental source of financing for rural telecommunications borrowers. The Bank charges an interest rate based on the cost of money to the Bank, as prescribed by law, but not less than 5 percent per annum.

In accordance with section 406(c) of the Rural Electrification Act of 1936, as amended, the first redemption of class A stock occurred on September 30, 1996. Redemption of class A stock will continue, as allowed by law, toward the full privatization of the Rural Telephone Bank required by law. In 2001, the RTB is proposed to become a Performance Based Organization to establish its commercial viability prior to its being privatized within ten years.

Administrative support is provided for the general operations of the Bank by RUS employees and the Office of the General Counsel.

PROGRAM STATISTICS

[dollars in millions]

	1999 actual	2000 est.	2001 est.
Cumulative net loans	2,584	2,583	2,583
Cumulative loan funds, advanced	2,449	2,464	2,477
Unadvanced loan funds, end of year	134	119	106
Cumulative principal repaid	1,463	1,588	1,707
Cumulative interest paid	2,165	2,231	2,290
Number of borrowers	398	390	385

Statement of Operations (in millions of dollars)

Identification code 12-4231-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	130	126	119	118
0102 Expense	-25	-11	-5	-1
0105 Net income or loss (-)	105	115	114	117

Balance Sheet (in millions of dollars)

Identification code 12-4231-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	571	657	743	887
1206 Non-Federal assets: Receivables, net	3	3	3	3
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	1,172	986	876	770
1603 Allowance for estimated uncollectible loans and interest (-)	-8	-7	-6	-5
1604 Direct loans and interest receivable, net	1,164	979	870	765

1699	Value of assets related to direct loans	1,164	979	870	765
1999	Total assets	1,738	1,639	1,616	1,655
LIABILITIES:					
2103	Federal liabilities: Debt	265	102	20	.....
2207	Non-Federal liabilities: Other	945	1,035	1,119	1,202
2999	Total liabilities	1,210	1,137	1,139	1,202
NET POSITION:					
3100	Appropriated capital	528	502	477	453
3999	Total net position	528	502	477	453
4999	Total liabilities and net position	1,738	1,639	1,616	1,655

1329	Weighted average subsidy rate	0.12	0.35	-0.61
Direct loan subsidy budget authority:				
1330	Subsidy budget authority		1	-2
1339	Total subsidy budget authority		1	-2

The loan and grant program provides access to advanced telecommunications services for improved education and health care in rural areas throughout the country. The loans and grants help education and health care providers bring the most modern technology, level of care, and education to rural America so its citizens can compete regionally, nationally, and globally. Additionally, the budget proposes a pilot program for grants and loans to finance installation of broadband transmission capacity (i.e. the necessary fiber optic cable capacity needed in order to provide any enhanced services such as the Internet or high speed modems) to and through rural communities, and to provide local dial-up Internet service to under-served rural areas.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., [S20,700,000] \$25,000,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas; in addition, for the cost of direct loans and grants, for a pilot program to finance broadband transmission and local dial-up Internet service \$2,000,000, to remain available until expended: Provided, That the definition of "rural area" contained in section 203(b) of the Rural Electrification Act (7 U.S.C. 924(b)) shall be applicable in carrying out this pilot program: Provided further, That the costs of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)

DISTANCE LEARNING AND TELEMEDICINE LINK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-1232-0-1-452	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Operating program:				
00.01	Direct loan subsidy	1	.....
00.02	Distance learning and telemedicine grants	13	21	27
10.00	Total new obligations (object class 41.0)	13	21	27
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	1	1	.....
22.00	New budget authority (gross)	13	21	27
23.90	Total budgetary resources available for obligation	14	21	27
23.95	Total new obligations	-13	-21	-27
24.40	Unobligated balance available, end of year	1	.....	.....
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation grant budget authority	13	21	27
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	27	30	36
73.10	Total new obligations	13	21	27
73.20	Total outlays (gross)	-9	-15	-18
74.40	Unpaid obligations, end of year: Obligated balance, end of year	30	36	46
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	1	1	.....
86.93	Outlays from discretionary balances	9	14	17
87.00	Total outlays (gross)	9	15	18
Net budget authority and outlays:				
89.00	Budget authority	13	21	27
90.00	Outlays	9	15	18
Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)				
Identification code 12-1232-0-1-452	1999 actual	2000 est.	2001 est.	
Direct loan levels supportable by subsidy budget authority:				
1150	Direct loan levels	55	200	400
1159	Total direct loan levels	55	200	400
Direct loan subsidy (in percent):				
1320	Subsidy rate	0.12	0.35	-0.61

Identification code 12-4146-0-3-452	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Operating program:				
00.01	Direct loans	55	200	400
00.02	Interest on Treasury borrowing		4	17
00.91	Subtotal, operating program	55	204	417
08.01	Negative subsidy			2
10.00	Total new obligations	55	204	419
Budgetary resources available for obligation:				
22.00	New financing authority (gross)	55	204	418
22.10	Resources available from recoveries of prior year obligations	1	.....	.....
22.70	Balance of authority to borrow withdrawn	-1	.....	.....
23.90	Total budgetary resources available for obligation	55	204	418
23.95	Total new obligations	-55	-204	-419
New financing authority (gross), detail:				
Mandatory:				
67.15	Authority to borrow (indefinite)	55	188	370
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash)		15	49
68.10	From Federal sources: Change in receivables and unpaid, unfilled orders		1	-1
68.90	Spending authority from offsetting collections (total discretionary)		15	48
70.00	Total new financing authority (gross)	55	204	418
Change in unpaid obligations:				
Unpaid obligations, start of year:				
72.40	Obligated balance, start of year	5	58	161
72.95	Receivables from program account			1
72.99	Total unpaid obligations, start of year	5	58	161
73.10	Total new obligations	55	204	419
73.20	Total financing disbursements (gross)	-1	-101	-233
73.45	Adjustments in unexpired accounts	-1	.....	.....
Unpaid obligations, end of year:				
74.40	Obligated balance, end of year	58	161	347
74.95	Receivables from program account		1	.....
74.99	Total unpaid obligations, end of year	58	161	347
87.00	Total financing disbursements (gross)	1	101	233
Offsets:				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.25	Interest on uninvested funds		-1	-5

Credit accounts—Continued

**DISTANCE LEARNING AND TELEMEDICINE LINK DIRECT LOAN
FINANCING ACCOUNT—Continued**

Program and Financing (in millions of dollars)—Continued

Identification code 12-4146-0-3-452	1999 actual	2000 est.	2001 est.
Non-Federal sources:			
88.40 Repayment of principal		-8	-26
88.40 Interest received on loans		-6	-18
88.90 Total, offsetting collections (cash)		-15	-49
Against gross financing authority only:			
88.95 Change in receivables from program accounts		-1	1
Net financing authority and financing disbursements:			
89.00 Financing authority	55	188	370
90.00 Financing disbursements	1	86	184

Status of Direct Loans (in millions of dollars)

Identification code 12-4146-0-3-452	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	55	200	400
1150 Total direct loan obligations	55	200	400
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year		1	94
1231 Disbursements: Direct loan disbursements	1	101	232
1251 Repayments: Repayments and prepayments		-8	-26
1290 Outstanding, end of year	1	94	300

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4146-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Investments in US securities:				
1106 Federal assets: Receivables, net			1	
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross		1	93	299
1402 Interest receivable			6	18
1405 Allowance for subsidy cost (-)			-5	-18
1499 Net present value of assets related to direct loans		1	94	299
1999 Total assets		1	94	299
LIABILITIES:				
2101 Federal liabilities: Accounts payable		1	93	299
2999 Total liabilities		1	93	299
NET POSITION:				
3999 Total net position			1	
4999 Total liabilities and net position		1	93	299

RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4155-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Operating expenses:			
00.02 Purchase of loans from investors		1	1
00.03 Redemption of public certificate of beneficial ownership debt	1	1	
00.91 Total operating expenses	1	2	1

Capital investment:			
01.01 Interest on FFB borrowings	502	478	429
01.05 Interest on Treasury borrowings	163	95	67
01.06 Loss settlement expense on guaranteed loans	-2	5	6
01.08 Other expenses	2		
01.09 Undistributed charges	2		
01.91 Total capital investment	667	578	502
10.00 Total new obligations	668	580	503

Budgetary resources available for obligation:

21.40 Unobligated balance available, start of year	18		
22.00 New budget authority (gross)	650	588	503
22.70 Balance of authority to borrow withdrawn		-8	
23.90 Total budgetary resources available for obligation	668	580	503
23.95 Total new obligations	-668	-580	-503

New budget authority (gross), detail:

Mandatory:			
60.05 Appropriation (indefinite)	449	210	1,304
60.47 Portion applied to repay debt			-801
62.50 Appropriation (total mandatory)	449	210	503
69.00 Offsetting collections (cash)	541	483	439
69.47 Portion applied to repay debt	-340	-105	-439
69.90 Spending authority from offsetting collections (total mandatory)	201	378	
70.00 Total new budget authority (gross)	650	588	503

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	188	229	229
73.10 Total new obligations	668	580	503
73.20 Total outlays (gross)	-627	-580	-329
74.40 Unpaid obligations, end of year: Obligated balance, end of year	229	229	403

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	627	580	329
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Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Non-Federal sources	-339	-278	-255
88.40 Repayments of guaranteed loans purchased from investors	-3	-6	-2
88.40 Interest revenue	-202	-194	-177
88.40 Interest Income on Investment		-5	-5
88.40 Undistributed	3		
88.90 Total, offsetting collections (cash)	-541	-483	-439

Net budget authority and outlays:

89.00 Budget authority	109	105	64
90.00 Outlays	86	97	-110

Status of Direct Loans (in millions of dollars)

Identification code 12-4155-0-3-452	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	3,808	3,470	3,189
1231 Disbursements: Direct loan disbursements	2		
1251 Repayments: Repayments and prepayments	-339	-278	-255
1261 Adjustments: Capitalized interest	1		
1263 Write-offs for default: Direct loans	-2	-3	-3
1290 Outstanding, end of year	3,470	3,189	2,931

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4155-0-3-452	1999 actual	2000 est.	2001 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	227	131	80
2251 Repayments and prepayments	-38	-33	-20
Adjustments:			
2263 Terminations for default that result in claim payments	-1	-18	-11
2264 Other adjustments, net	-57		

2290	Outstanding, end of year	131	80	49
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	116	71	43

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).

The fund is used to insure or guarantee loans for water systems and waste disposal facilities, community facilities, and industrial development in rural areas. Communities unable to afford low interest loans for water and waste disposal facilities are also able to obtain water and waste disposal grants.

As required by the Federal Credit Reform Act of 1990, this account records, for this program, all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in this program is recorded in corresponding program accounts and financing accounts.

In 1994, these loan programs were administered by the Rural Development Administration. Under reorganization of the Department of Agriculture, the water and waste direct and guaranteed loan programs are administered by the Rural Utilities Service, the community facility direct and guaranteed loan programs are administered by the Rural Housing Service, and the business and industry direct and guaranteed loan programs are administered by the Rural Business-Cooperative Service.

Statement of Operations (in millions of dollars)

Identification code 12-4155-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	226	205	193	193
0102 Expense	-664	-277	-681	-681
0105 Net income or loss (-)	-438	-72	-488	-488

Balance Sheet (in millions of dollars)

Identification code 12-4155-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	223	229	210	210
Non-Federal assets:				
1201 Investments in non-Federal securities, net	34	34	34	34
1206 Receivables, net	56	53	45	45
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	3,808	3,470	3,189	2,931
1603 Allowance for estimated uncollectible loans and interest (-)	-1,245	-1,058	-1,022	-1,022
1604 Direct loans and interest receivable, net	2,563	2,412	2,167	1,909
1699 Value of assets related to direct loans	2,563	2,412	2,167	1,909
1901 Other Federal assets: Other assets	29	23	4	4
1999 Total assets	2,905	2,751	2,460	2,202
LIABILITIES:				
Federal liabilities:				
2103 Debt	4,753	4,412	4,306	4,306
2104 Resources payable to Treasury	7	3		
2105 Other	17	7	13	13
Non-Federal liabilities:				
2201 Public	98	56	119	119
2202 Interest payable	104	189	70	70
2999 Total liabilities	4,980	4,667	4,508	4,508
NET POSITION:				
3300 Cumulative results of operations	-2,075	-1,916	-2,048	-2,306
3999 Total net position	-2,075	-1,916	-2,048	-2,306

4999	Total liabilities and net position	2,904	2,751	2,460	2,202
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Object Classification (in millions of dollars)

Identification code 12-4155-0-3-452	1999 actual	2000 est.	2001 est.
25.2 Other services		5	6
33.0 Investments and loans		1	1
43.0 Interest and dividends	666	574	496
92.0 Undistributed	2		
99.9 Total new obligations	668	580	503

RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4142-0-3-452	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 43.0)	3	3	3
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3	3	3
23.95 Total new obligations	-3	-3	-3
New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)	2	2	2
69.00 Offsetting collections (cash)	1	1	1
70.00 Total new budget authority (gross)	3	3	3
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	1
73.10 Total new obligations	3	3	3
73.20 Total outlays (gross)	-3	-3	-3
74.40 Unpaid obligations, end of year: Obligated balance, end of year	1	1	1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	2	3	3
86.98 Outlays from mandatory balances	1		
87.00 Total outlays (gross)	3	3	3
Offsets:			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net budget authority and outlays:			
89.00 Budget authority	2	2	2
90.00 Outlays	2	2	2

Status of Direct Loans (in millions of dollars)

Identification code 12-4142-0-3-452	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	8	7	6
1251 Repayments: Repayments and prepayments	-1	-1	-1
1290 Outstanding, end of year	7	6	6

Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4142-0-3-452	1999 actual	2000 est.	2001 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	5	4	4
2290 Outstanding, end of year	4	4	4
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	4	4	4

The Rural Communication Development Fund was established pursuant to the Secretary's Memorandum No. 1988,

Credit accounts—Continued

**RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING
ACCOUNT—Continued**

approved May 22, 1979. No loans have been made through this account since before 1992.

Statement of Operations (in millions of dollars)

Identification code 12-4142-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
0101 Revenue	1	3	1	1
0102 Expense	-3	-6	-3	-3
0105 Net income or loss (-)	-2	-3	-2	-2

Balance Sheet (in millions of dollars)

Identification code 12-4142-0-3-452	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	1	1	3	3
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross	8	8	7	7
1603 Allowance for estimated uncollectible loans and interest (-)	-3	-2	-3	-3
1604 Direct loans and interest receivable, net	5	6	4	4
1699 Value of assets related to direct loans	5	6	4	4
1999 Total assets	6	7	7	7
LIABILITIES:				
Federal liabilities:				
2102 Interest payable	1	1	3	3
2103 Debt	24	25	23	23
2204 Non-Federal liabilities: Liabilities for loan guarantees	1	-16	1	1
2999 Total liabilities	26	10	27	27
NET POSITION:				
3100 Appropriated capital	14		18	18
3300 Cumulative results of operations	-34	-3	-38	-38
3999 Total net position	-20	-3	-20	-20
4999 Total liabilities and net position	6	7	7	7

FOREIGN AGRICULTURAL SERVICE

Federal Funds

General and special funds:

**FOREIGN AGRICULTURAL SERVICE [AND GENERAL SALES MANAGER
(INCLUDING TRANSFERS OF FUNDS)]**

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (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 \$128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$109,203,000] \$113,587,000: Provided,** That the Service 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. 1737) and the foreign assistance programs of the United States Agency for International Development.

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products. (*Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-2900-0-1-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Market access	26	26	27
00.02 Market development	60	32	34
00.03 Market intelligence	23	23	24
00.04 Financial marketing assistance	9	9	9
00.05 Long-term market and infrastructure development	18	19	20
09.00 Reimbursable program	69	60	58
10.00 Total new obligations	205	169	172
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	15	24	24
22.00 New budget authority (gross)	212	169	172
22.22 Unobligated balance transferred from other accounts	2		
23.90 Total budgetary resources available for obligation	229	193	196
23.95 Total new obligations	-205	-169	-172
24.40 Unobligated balance available, end of year	24	24	24
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	136	109	114
42.00 Transferred from other accounts	11		
43.00 Appropriation (total discretionary)	147	109	114
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	65	60	58
70.00 Total new budget authority (gross)	212	169	172
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	34	45	50
73.10 Total new obligations	205	169	172
73.20 Total outlays (gross)	-194	-164	-171
74.40 Unpaid obligations, end of year: Obligated balance, end of year	45	50	51
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	176	164	166
86.93 Outlays from discretionary balances	18		5
87.00 Total outlays (gross)	194	164	171
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-65	-60	-58
Net budget authority and outlays:			
89.00 Budget authority	147	109	114
90.00 Outlays	131	104	113

The mission of the Foreign Agricultural Service (FAS) is to open, expand and maintain global market opportunities through international trade, cooperation, and sustainable development activities which secure the long-term economic vitality and global competitiveness of America's rural communities and related food and agricultural enterprises.

FAS conducts a demand-driven export strategy, deploying five major policy objectives to execute the strategy, while integrating commodity and country market priorities for allocating scarce export assistance resources. These objectives include:

Market Access: FAS initiates, directs and coordinates the Department's formulation of trade policies and programs with the goal of maintaining and expanding world markets for U.S. agricultural products. It monitors international compliance with bilateral and multilateral trade agreements. It identifies restrictive tariff and trade practices which act as barriers to the import of U.S. agricultural commodities, then supports negotiations to remove them. It acts to counter and eliminate unfair trade practices of other countries that hinder U.S. agricultural exports to those markets. In virtually every foreign market, U.S. agricultural exports are subject to import duties and non-tariff trade restrictions. Trade information

sent to Washington from FAS personnel overseas is used to map strategies for improving market access, pursuing U.S. rights under trade agreements, and developing programs and policies to make U.S. farm products more competitive. Staff increases to improve market access work will be achieved by shifting resources from FAS' financial marketing efforts.

Market Development, Promotion and Outreach: FAS develops foreign markets for U.S. farm products through aggressive market expansion activities. It provides services to the U.S. and foreign agricultural trade sectors that are necessary to establish, build and maintain overseas markets for U.S. agricultural products. Public Law 83-690, approved August 28, 1954, includes authority to establish up to 25 Agricultural Trade Offices. Currently 17 such offices are in operation at key foreign trading centers to assist U.S. exporters, trade groups and state export marketing officials in trade promotion. Promotional activities are carried out chiefly in cooperation with non-profit agricultural trade associations and firms on a cost-sharing basis. The largest of FAS's promotional programs is the Foreign Market Development Cooperator Program and Market Access Program. In addition, FAS sponsors U.S. participation in several major trade shows and a number of single-industry exhibitions each year. These programs are designed to create demand for U.S. agricultural products in foreign markets, introduce U.S. food and agricultural products to potential foreign customers, and show foreign customers how to use U.S. products.

FAS strategic outreach efforts focus on facilitating export readiness and help link both export-ready and new-to-export firms to market entry opportunities, and increase domestic awareness of export opportunities/global consumer quality and product safety expectations. These efforts are designed to strengthen the export knowledge/skills of producers and exporters so they can compete more effectively in the international marketplace. Outreach also includes targeting foreign buyers in educating them about the merits of U.S. products and how they can be purchased.

Market Intelligence: FAS provides U.S. farmers and traders with information on world agricultural production and trade that they can use to adjust to changes in world demand for U.S. agricultural products. This is done through a continuous program of reporting by 63 posts located throughout the world covering some 130 countries. Reporting includes information and/or data on foreign government policies, analysis of supply and demand conditions, commercial trade relationships and market opportunities. Advanced computer and telecommunications technology is used to improve and speed the flow of information between the posts and Washington. FAS analyzes agricultural information essential to the assessment of foreign supply and demand conditions in order to provide estimates of the current situation and to forecast the export potential for specific U.S. agricultural commodities.

Financial Marketing Assistance: FAS administers a number of price/credit and risk assistance programs designed to develop overseas markets and expand the levels of U.S. agricultural commodities. These programs include CCC Export Credit Guarantee Programs, export subsidy programs, including the Export Enhancement Program and Dairy Export Incentive Program, and food assistance activities such as Public Law 480, Food for Progress and the Section 416(b) program. These programs are designed to help developing nations make the transition from concessional financing to cash purchases, give U.S. producers the ability to counter export subsidies of foreign competitors and allow U.S. exporters to compete with sales terms offered by foreign competitors.

Long-term Market and Infrastructure Development: FAS helps USDA and other federal agencies, U.S. universities and others enhance the global competitiveness of U.S. agriculture and helps increase income and food availability in developing

nations by mobilizing expertise for agriculturally led economic growth. Through the administration of a number of collaborative programs, FAS works to enhance U.S. agriculture's competitiveness by providing linkages to world resources and international organizations and building a spirit of cooperation. These linkages produce new technologies that are vital to improving the agricultural demand base and producing new and alternative products. Direct program activities include the administration of the Cochran Fellowship Program and management of USDA's bilateral exchange and cooperative research programs with foreign governments and institutions. Another activity is the Emerging Markets Program under which technical assistance and related activities are carried out in emerging markets aimed at enhancing their food and rural business systems and expanding U.S. agricultural exports. At the request of the Agency for International Development, international organizations and foreign governments, technical assistance and training in agriculture and rural development are provided on a reimbursable or advance of funds basis.

In 2000 and 2001, the Foreign market development cooperator program and the Quality samples program will receive mandatory funding from CCC, administered by FAS.

The new Quality samples program will provide samples of U.S. agricultural products to foreign importers to display the high quality of U.S. products.

Object Classification (in millions of dollars)

Identification code 12-2900-0-1-352	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	41	45	47
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	1	1	1
11.8 Special personal services payments	2	2	2
11.9 Total personnel compensation	46	50	52
12.1 Civilian personnel benefits	12	14	15
21.0 Travel and transportation of persons	4	4	4
22.0 Transportation of things	1	1	1
23.2 Rental payments to others	7	7	7
23.3 Communications, utilities, and miscellaneous charges	4	4	4
24.0 Printing and reproduction	1	1	1
25.2 Other services	58	26	28
26.0 Supplies and materials	2	2	2
31.0 Equipment	1		
99.0 Subtotal, direct obligations	136	109	114
99.0 Reimbursable obligations	69	60	58
99.9 Total new obligations	205	169	172

Personnel Summary

Identification code 12-2900-0-1-352	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	730	760	780
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	193	193	193

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER
(Legislative proposal, not subject to PAYGO)

In 2001, FAS will establish an account to manage unanticipated fluctuations in foreign currency exchange rates. Under this proposal, up to \$2,000,000 in annual gains from favorable exchange rate movement will be transferred to a FAS account to be used solely for the purpose of offsetting future exchange rate losses.

General and special funds—Continued

SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)

Program and Financing (in millions of dollars)

Identification code 12-1404-0-1-352	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
23.95 Total new obligations			
24.40 Unobligated balance available, end of year	1	1	1
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year			
73.20 Total outlays (gross)	-1	-1	-1
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	1	1
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	1	1	1
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	1	1	1

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 1991 no new foreign currency programs have been or are proposed to be initiated.

FOREIGN ASSISTANCE PROGRAMS

The funds and facilities of the Commodity Credit Corporation may, by law, be used in carrying out programs to encourage the export of 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, 83rd Congress, as amended (P.L. 480): Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104 (title I); for dispositions abroad (titles II and III); and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended. Agreements may provide for commodities to be made available on a multi-year basis.

**[PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS]
[(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 (7 U.S.C. 1691, 1701-1704, 1721-1726a, 1727-1727e, 1731-1736g-3, and 1737), as follows: (1) \$155,000,000 for Public Law 480 title I credit, including Food for Progress programs; (2) \$21,000,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; and (3) \$800,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act: *Provided*, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: *Provided further*, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, \$127,813,000.

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of

1985, to the extent funds appropriated for Public Law 480 are utilized, \$1,850,000, of which \$1,035,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and \$815,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

For expense 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, \$20,322,000, to remain available until expended, for ocean freight differential costs for the shipment of agricultural commodities under title I of said Act: Provided, That funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably between the two accounts. (7 U.S.C. 1701b, 2209b)

Program and Financing (in millions of dollars)

Identification code 12-2271-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 P.L. 480 Grant—Title I: Ocean freight differential (OFD)	38	114	20
10.00 Total new obligations (object class 41.0)	38	114	20
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	21	93	
22.00 New budget authority (gross)	16	21	20
22.10 Resources available from recoveries of prior year obligations	4		
22.22 Unobligated balance transferred from other accounts	88		
23.90 Total budgetary resources available for obligation	129	114	20
23.95 Total new obligations	-38	-114	-20
24.40 Unobligated balance available, end of year	93		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	16	21	20
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	46	38	46
73.10 Total new obligations	38	114	20
73.20 Total outlays (gross)	-41	-105	-34
73.45 Adjustments in unexpired accounts	-4		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	38	46	33
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	16	12	11
86.93 Outlays from discretionary balances	25	93	23
87.00 Total outlays (gross)	41	105	34
Net budget authority and outlays:			
89.00 Budget authority	16	21	20
90.00 Outlays	41	105	34

This account funds the title I ocean freight differential program.

PUBLIC LAW 480 GRANTS—TITLES II AND III

For expense 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, \$837,000,000, to remain available until expended, for commodities supplied in connection with dispositions abroad under title II of said Act, of which up to 15 percent may be used for commodities supplied in connection with dispositions abroad under title III of said Act. (7 U.S.C. 1691, 1721-26a, 1727-27e, 1731-36g-3, 1737, 2209b)

Program and Financing (in millions of dollars)

Identification code 12-2278-0-1-151	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Commodities supplied in connection with dispositions abroad (Title II)	949	962	837
00.02 Commodities supplied in connection with dispositions abroad (Title III)	28	5	
10.00 Total new obligations (object class 41.0)	977	967	837
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	23	128	
22.00 New budget authority (gross)	1,011	800	837
22.10 Resources available from recoveries of prior year obligations	71		
22.22 Unobligated balance transferred from other accounts	1	39	
23.90 Total budgetary resources available for obligation	1,106	967	837
23.95 Total new obligations	-977	-967	-837
24.40 Unobligated balance available, end of year	128		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	1,011	800	837
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	691	671	607
73.10 Total new obligations	977	967	837
73.20 Total outlays (gross)	-926	-1,031	-863
73.45 Adjustments in unexpired accounts	-71		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	671	607	581
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	503	420	439
86.93 Outlays from discretionary balances	423	611	424
87.00 Total outlays (gross)	926	1,031	863
Net budget authority and outlays:			
89.00 Budget authority	1,011	800	837
90.00 Outlays	926	1,031	863

This account funds the non-credit components of Public Law 480, title II and title III.

Credit accounts:

PUBLIC LAW 480 PROGRAM ACCOUNT

For the cost as defined in section 502 of the Congressional Budget Act of 1974, of agreements under the Agricultural Trade Development and Assistance Act of 1954, as amended, and the Food For Progress Act of 1985, as amended, including the cost of modifying credit arrangements under said Acts, \$114,186,000, to remain available until expended.

In addition, for administrative expenses to carry out the credit program of title I, Public Law 83-480, and the Food for Progress Act of 1985, as amended, to the extent funds appropriated for Public Law 83-480 are utilized, \$1,850,000, of which not to exceed \$1,035,000 may be transferred to and merged with "Salaries and expenses," Foreign Agricultural Service, and of which not to exceed \$815,000 may be transferred to and merged with "Salaries and expenses," Farm Service Agency. (7 U.S.C. 1691, 1701-04, 1731-36g-3, 2209b).

Program and Financing (in millions of dollars)

Identification code 12-2277-0-1-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct credit subsidy	119	202	114
00.02 Direct credit subsidy: Russia food assistance	149	480	
00.05 Reestimates of direct credit subsidy		20	
00.06 Interest on reestimates of direct credit subsidy		3	
00.09 Administrative expenses	2	2	2
00.10 Monitor expenses: Russia food assistance	1	2	
10.00 Total new obligations	271	709	116

Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	58	603	
22.00 New budget authority (gross)	178	145	116
22.21 Unobligated balance transferred to other accounts	-1	-39	
22.22 Unobligated balance transferred from other accounts	638		
23.90 Total budgetary resources available for obligation	873	709	116
23.95 Total new obligations	-271	-709	-116
24.40 Unobligated balance available, end of year	603		

New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	178	130	116
40.76 Reduction pursuant to P.L. 106-113		-8	
43.00 Appropriation (total discretionary)	178	122	116
Mandatory:			
60.05 Appropriation (indefinite)		23	
70.00 Total new budget authority (gross)	178	145	116

Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	131	72	90
73.10 Total new obligations	271	709	116
73.20 Total outlays (gross)	-329	-691	-142
74.40 Unpaid obligations, end of year: Obligated balance, end of year	72	90	64

Outlays (gross), detail:			
86.90 Outlays from new current authority	121	70	67
86.93 Outlays from current balances	208	598	75
86.97 Outlays from new mandatory authority		23	
87.00 Total outlays (gross)	329	691	142

Net budget authority and outlays:			
89.00 Budget authority	178	145	116
90.00 Outlays	329	691	142

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 12-2277-0-1-351	1999 actual	2000 est.	2001 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct credit levels	203	145	160
1150 Direct credit levels: Russia food assistance	760		
1159 Total direct loan levels	963	145	160
Direct loan subsidy (in percent):			
1320 Subsidy rate	86.79	82.46	71.51
1329 Weighted average subsidy rate	86.79	82.46	71.51
Direct loan subsidy budget authority:			
1330 Subsidy budget authority	176	120	114
1330 Subsidy budget authority: Russia food assistance	635		
1339 Total subsidy budget authority	811	120	114
Direct loan subsidy outlays:			
1340 Subsidy outlays	326	667	140
1349 Total subsidy outlays	326	667	140
Administrative expense data:			
3510 Budget authority	4	2	2
3590 Outlays from new authority	3	2	2

Food Aid to Russia.—As part of a comprehensive package of U.S. assistance for Russia announced by the Secretary of Agriculture in 1998, \$638 million and \$88 million was transferred from CCC to the P.L. 480, Title I Program, and Title I Ocean Freight Differential, respectively, under provisions of the Secretary of Agriculture's Interchange Authority (7 U.S.C. 2257). The package of assistance announced for Russia includes a proposed concessional credit program USDA will carry out under the authority of Title I of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 83-480) and a Food for Progress grant program funded under Title I.

As required by the Federal Credit Reform Act of 1990, this account records, for the P.L. 480 Program, the subsidy

Credit accounts—Continued

PUBLIC LAW 480 PROGRAM ACCOUNT—Continued

costs associated with the direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligation in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Object Classification (in millions of dollars)

Identification code 12-2277-0-1-351	1999 actual	2000 est.	2001 est.
25.3 Purchases of goods and services from Government accounts	3	3	2
41.0 Grants, subsidies, and contributions	268	706	114
99.9 Total new obligations	271	709	116

P.L. 480 DIRECT CREDIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4049-0-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Direct loans	282	907	160
00.02 Interest on Treasury borrowing	38	33	32
00.05 Reestimates of direct loan subsidy	55	.....	.....
00.06 Interest on reestimates of direct loan subsidy	26	.....	.....
10.00 Total new obligations	320	1,021	192
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	45	188	108
22.00 New financing authority (gross)	464	941	192
23.90 Total budgetary resources available for obligation	509	1,129	300
23.95 Total new obligations	-320	-1,021	-192
24.40 Unobligated balance available, end of year	188	108	108
New financing authority (gross), detail:			
Mandatory:			
67.15 Authority to borrow (indefinite)	164	267	28
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash)	392	678	164
68.10 Change in receivables from program account	-58	-4	.....
68.47 Portion applied to repay debt	-34	.....	.....
68.90 Spending authority from offsetting collections (total discretionary)	300	674	164
70.00 Total new financing authority (gross)	464	941	192
Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40 Obligated balance, start of year	2	-59	108
72.95 Receivables from program account	130	72	68
72.99 Total unpaid obligations, start of year	132	13	176
73.10 Total new obligations	320	1,021	192
73.20 Total financing disbursements (gross)	-439	-858	-195
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	-59	108	105
74.95 Receivables from program account	72	68	68
74.99 Total unpaid obligations, end of year	13	176	173
87.00 Total financing disbursements (gross)	439	858	195
Offsets:			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.00 Payments from program account	-347	-665	-148
88.40 Interest received on loans	-34	-8	-8
88.40 Principal received on loans	-11	-5	-8
88.90 Total, offsetting collections (cash)	-392	-678	-164
Against gross financing authority only:			
88.95 Change in receivables from program accounts	58	4	.....

Net financing authority and financing disbursements:			
89.00 Financing authority	130	267	28
90.00 Financing disbursements	47	180	31

Status of Direct Loans (in millions of dollars)

Identification code 12-4049-0-3-351	1999 actual	2000 est.	2001 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	282	907	160
1150 Total direct loan obligations	282	907	160
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1,529	1,927	2,699
1231 Disbursements: Direct loan disbursements	401	777	195
1251 Repayments: Repayments and prepayments	-3	-5	-8
1290 Outstanding, end of year	1,927	2,699	2,886

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4049-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Federal assets:				
1101 Fund balances with Treasury	45	188	188	188
Investments in US securities:				
1106 Receivables, net	131	72	68	68
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	1,529	1,927	2,699	2,886
1402 Interest receivable	23	34	8	8
1405 Allowance for subsidy cost (-)	-1,220	-1,566	-2,205	-2,346
1499 Net present value of assets related to direct loans	332	395	502	548
1901 Other Federal assets: Other assets	20	.....	.....	.....
1999 Total assets	528	655	758	804
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable	4	8	8	8
2103 Debt	417	539	560	560
2105 Other	122	102	105	105
2999 Total liabilities	543	649	673	673
4999 Total liabilities and net position	543	649	673	673

DEBT REDUCTION—FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4143-0-3-351	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Payment to liquidating account .....	.....	24	32
00.02 Interest on debt to Treasury .....	.....	4	4
00.05 Reestimates of direct loan subsidy .....	.....	1	.....
00.06 Interest on reestimates of direct loan subsidy .....	.....	1	.....
10.00 Total new obligations .....	.....	30	36
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year .....	.....	2	19
22.00 New financing authority (gross)	9	45	51
22.40 Capital transfer to general fund	-7	.....	.....
23.90 Total budgetary resources available for obligation	2	47	70
23.95 Total new obligations .....	.....	-30	-36
24.40 Unobligated balance available, end of year	2	19	34

New financing authority (gross), detail:

Mandatory:			
67.15	Authority to borrow (indefinite)	11	
Discretionary:			
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	9	34 51
70.00	Total new financing authority (gross)	9	45 51

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	-1	-18
73.10	Total new obligations	30	36
73.20	Total financing disbursements (gross)	-45	-52
74.40	Unpaid obligations, end of year: Obligated balance, end of year	-1	-18 -33
87.00	Total financing disbursements (gross)	45	52

Offsets:

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00	Federal sources	-1	-32 -49
88.40	Non-Federal sources	-8	-2 -2
88.90	Total, offsetting collections (cash)	-9	-34 -51

Net financing authority and financing disbursements:

89.00	Financing authority	11	
90.00	Financing disbursements	-9	11 1

Status of Direct Loans (in millions of dollars)

Identification code 12-4143-0-3-351				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans			
1150	Total direct loan obligations			
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	63	63	61
1251	Repayments: Repayments and prepayments		-2	-2
1290	Outstanding, end of year	63	61	59

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4143-0-3-351				
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	63	63	61 59
1405	Allowance for subsidy cost (-)	-25	-17	-18 -18
1499	Net present value of assets related to direct loans	38	46	43 41
1999	Total assets	38	46	43 41
LIABILITIES:				
2103	Federal liabilities: Debt	38	46	36 36
2203	Non-Federal liabilities: Debt			14 14
2999	Total liabilities	38	46	50 50
NET POSITION:				
3300	Cumulative results of operations			-7 -9
3999	Total net position			-7 -9
4999	Total liabilities and net position	38	46	43 41

P.L. 480 TITLE I FOOD FOR PROGRESS CREDITS, PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-2273-0-1-351			
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	4	4
22.21	Unobligated balance transferred to other accounts		-4
23.90	Total budgetary resources available for obligation	4	
23.95	Total new obligations		
24.40	Unobligated balance available, end of year	4	
Net budget authority and outlays:			
89.00	Budget authority		
90.00	Outlays		

Sales of U.S. commodities under the credit portion of the Food for Progress were made to Russia in 1993. The assistance is subject to credit reform budgeting. No credit has been issued since.

P.L. 480 TITLE I FOOD FOR PROGRESS CREDITS, FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4078-0-3-351			
Obligations by program activity:			
00.02	Interest to Treasury on borrowings	12	12 12
00.05	Reestimates of direct loan subsidy		33
00.06	Interest on reestimates of direct loan subsidy		14
10.00	Total new obligations	12	59 12
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	28	35
22.00	New financing authority (gross)	15	59 12
22.40	Capital transfer to general fund	4	-35
23.90	Total budgetary resources available for obligation	47	59 12
23.95	Total new obligations	-12	-59 -12
24.40	Unobligated balance available, end of year	35	
New financing authority (gross), detail:			
Mandatory:			
67.15	Authority to borrow (indefinite)		52 5
Discretionary:			
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	15	7 7
70.00	Total new financing authority (gross)	15	59 12
Change in unpaid obligations:			
73.10	Total new obligations	12	59 12
73.20	Total financing disbursements (gross)	-12	-59 -12
87.00	Total financing disbursements (gross)	12	59 12
Offsets:			
Against gross financing authority and financing disbursements:			
88.40	Offsetting collections (cash) from: Interest collections	-15	-7 -7
Net financing authority and financing disbursements:			
89.00	Financing authority		52 5
90.00	Financing disbursements	-3	52 5

Status of Direct Loans (in millions of dollars)

Identification code 12-4078-0-3-351				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans			
1150	Total direct loan obligations			
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	508	508	508

Credit accounts—Continued**P.L. 480 TITLE I FOOD FOR PROGRESS CREDITS, FINANCING ACCOUNT—Continued****Status of Direct Loans (in millions of dollars)—Continued**

Identification code 12-4078-0-3-351	1999 actual	2000 est.	2001 est.
1251 Repayments: Repayments and prepayments			
1290 Outstanding, end of year	508	508	508

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 12-4078-0-3-351	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	508	508	508	508
1402 Interest receivable	11	15	15	15
1405 Allowance for subsidy cost (-)	-268	-328	-328	-328
1499 Net present value of assets related to direct loans	251	195	195	195
1999 Total assets	251	195	195	195
LIABILITIES:				
Federal liabilities:				
2103 Debt	183	195	195	195
2105 Other	68			
2999 Total liabilities	251	195	195	195
4999 Total liabilities and net position	251	195	195	195

EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS, AGRICULTURE, LIQUIDATING ACCOUNT**Program and Financing (in millions of dollars)**

Identification code 12-2274-0-1-151	1999 actual	2000 est.	2001 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	523	75	
22.00 New budget authority (gross)	478	1	24
22.00 Capital transfer to general fund	-926	-75	-24
23.90 Total budgetary resources available for obligation	75	1	
24.40 Unobligated balance available, end of year	75		
New budget authority (gross), detail:			
Mandatory:			
Offsetting collections (cash):			
69.00 Offsetting collections (cash)	478	442	436
69.00 Offsetting collections (cash)		1	24
69.27 Capital transfer to general fund		-442	-436
69.90 Spending authority from offsetting collections (total mandatory)	478	1	24
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources—debt reduction		-1	-24
88.40 Principal and interest collections	-478	-442	-436
88.90 Total, offsetting collections (cash)	-478	-443	-460
Net budget authority and outlays:			
89.00 Budget authority		-442	-436
90.00 Outlays	-478	-443	-460

Status of Direct Loans (in millions of dollars)

Identification code 12-2274-0-1-151	1999 actual	2000 est.	2001 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	9,146	8,810	8,535
Repayments:			
Repayments and prepayments:			
1251 Repayments and prepayments	-336	-272	-273
1251 Repayments and prepayments—debt reduction		-1	-24
1264 Write-offs for default: Other adjustments, net—debt reduction		-2	-242
1290 Outstanding, end of year	8,810	8,535	7,996

Program Activities

[In millions of dollars]

	1999 actual	2000 est.	2001 est.
Ocean freight differential (title I)	38	114	20
Commodities supplied in connection with dispositions abroad (title II)	949	962	837
Commodities supplied in connection with dispositions abroad (title III)	28	5	
Total program level	1,015	1,081	857

RECONCILIATION OF PROGRAM LEVEL TO PROGRAM COSTS FUNDED BY P.L. 480

[In millions of dollars]

	1999 actual	2000 est.	2001 est.
<i>Title I</i>			
Commodity credits	804	255	159
Ocean freight differential and ocean transportation	38	95	20
Total program level, current year	842	350	179
Prior year obligations financed	141	266	137
Obligations financed in succeeding years	-266	-137	-94
Administrative costs	4	2	2
Total program costs, funded program level	721	481	224
<i>Title II</i>			
Commodity costs	492	554	480
Ocean and inland transportation	457	408	357
Total program level, current year	949	962	837
Prior year obligations financed	505	565	614
Current year obligations financed in succeeding years	-565	-613	-607
Total program costs, funded program level	889	912	844
<i>Title III</i>			
Commodity costs	20	3	
Ocean and inland transportation	8	2	
Total program level, current year	28	5	
Prior year obligations financed	28	19	4
Current year obligations financed in succeeding years	-19	-5	
Total program costs, funded program level	37	19	4

Financing sales of agricultural commodities to developing countries for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under sec. 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended (title I).—Funds appropriated for P.L. 480 are used to finance all sales made pursuant to agreements concluded under the authority of Title I. The Corporation may serve as the purchasing or shipping agent, or both, for the importing country or may award contracts for freight agent services on behalf of the Corporation to handle shipping of commodities under P.L. 480.

Sales are made to developing countries as defined in section 402(4) of P.L. 480 and must not displace expected commercial sales (secs. 403(e) and (h)). Agreements are made with developing countries for delivery in accordance with the terms of the agreement.

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 can reach the most needy recipients.

Financing sales of agricultural commodities for dollars on credit terms (title I).—Payment by developing countries or private entities may be made over a period of not more than 30 years with a deferral of principal payments for up to 5 years. Interest accrues at a concessional rate as determined appropriate.

Section 411 of P.L. 480 authorizes the President to waive payments of principal and interest under dollar credit sales agreements for countries that meet certain enumerated requirements. Such debt relief may be provided only if the President notifies Congress and may not exceed the amount approved for such purpose in an Act appropriating funds to carry out P.L. 480.

Financing sales of agricultural commodities for local currency, including for local currency on credit terms.—Payment by a recipient country may be made in local currencies for use in carrying out activities under section 104 of P.L. 480.

Foreign currency received in payment for credit extended may be used for payment of U.S. obligations abroad, subject to the appropriation process. The P.L. 480 program is reimbursed for the dollar value of currencies so used.

The financing of sales of agricultural commodities for local currencies on credit terms is subject to the same terms that are applicable to dollar credit financing.

Furnishing commodities to carry out the Food for Progress Act of 1985, as amended (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 developing countries and countries that are emerging democracies that have made a commitment to introduce and expand free enterprise elements in their agricultural economies.

The following table reflects the composition of the combined appropriations (in millions of dollars):

SALES FOR DOLLARS ON CREDIT TERMS				
[In millions of dollars]				
Item:	1999 actual	2000 est.	2001 est.	
Expenses of shipments (Title I):				
Commodity costs:				
Long-term credit	804	255	159	
Total commodity costs	804	255	159	
Ocean freight and freight differential (support of U.S. Merchant Marine):				
Long-term credit	38	21	20	
Total ocean freight and freight differential	38	21	20	
Total expenses of shipments	842	277	179	
Appropriation—Title I loan subsidy	177	128	114	
Appropriation—Ocean freight differential	16	21	20	
Title I credit not subsidized through appropriation	152	27	45	

Commodities supplied in connection with dispositions abroad (title II).—Under title II, agricultural commodities are furnished to meet famine or other emergency relief needs, combat malnutrition, carry out activities to alleviate the causes of hunger, mortality and morbidity, promote economic and community development, promote sound environmental practices, and carry out feeding programs. Agricultural com-

modities are provided through governments for emergencies only, and for non-emergencies through public and private agencies, including intergovernmental organizations.

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 at 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 not available, where ports cannot be used effectively, or where a substantial savings in costs or time can be effected, 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. The Budget proposes to authorize the transfer of up to 15 percent of Title II funds to Title III funds. This will allow for increased flexibility in the Title II and Title III programs.

The following table reflects the composition of the appropriations (in millions of dollars):

COMMODITIES SUPPLIED IN CONNECTION WITH DISPOSITIONS ABROAD				
(TITLE II)				
[In millions of dollars]				
Item:	1999 actual	2000 est.	2001 est.	
Expenses of shipments:				
Commodity Credit Corporation stocks and other costs in connection with commodities supplied	492	554	480	
Ocean transportation	457	408	357	
Total program costs	949	962	837	
Appropriation or estimate	949	962	837	

Commodities supplied in connection with dispositions abroad (title III).—Under title III, agricultural commodities are furnished to least developed countries as defined in section 302(a). They are provided through foreign governments for direct feeding, development of emergency food reserves or may be sold with the proceeds of such sale used by the recipient country for specific economic development purposes.

The Corporation may pay, in connection with furnishing commodities under title III, the same cost items as authorized under title II. Although no funding is requested for Title III, up to 15 percent of funds from other titles under P.L. 480 may be transferred for this program.

Balance Sheet (in millions of dollars)				
Identification code 12-2274-0-1-151	1998 actual	1999 actual	2000 est.	2001 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury	523			
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
Direct loans, gross:				
1601 Direct loans, gross	9,146	8,810	8,538	8,265
1601 Direct loans, adjustment—Debt Reduction			-3	-269
1602 Interest receivable	116	115		
1603 Allowance, loans receivable (-)	-5,516	-5,639		
1699 Value of assets related to direct loans	3,746	3,286	8,535	7,996
1999 Total assets	4,269	3,286	8,535	7,996
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury	4,269	3,286	8,538	8,265
2999 Total liabilities	4,269	3,286	8,538	8,265

Credit accounts—Continued

**EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS,
AGRICULTURE, LIQUIDATING ACCOUNT—Continued**

Balance Sheet (in millions of dollars)—Continued

Identification code 12-2274-0-1-151	1998 actual	1999 actual	2000 est.	2001 est.
NET POSITION:				
3300 Cumulative results of operations—Debt				
Reduction			-3	-269
3999 Total net position			-3	-269
4999 Total liabilities and net position	4,269	3,286	8,535	7,996

Trust Funds

MISCELLANEOUS CONTRIBUTED FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-8232-0-7-352	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Receipts	2	4	4
Appropriation:			
05.01 Appropriation	-2	-4	-4
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8232-0-7-352	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	3	3	3
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	4	5	6
22.00 New budget authority (gross)	2	4	4
23.90 Total budgetary resources available for obligation	6	9	10
23.95 Total new obligations	-3	-3	-3
24.40 Unobligated balance available, end of year	5	6	6
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	2	4	4
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	2	2	2
73.10 Total new obligations	3	3	3
73.20 Total outlays (gross)	-1	-4	-4
74.40 Unpaid obligations, end of year: Obligated balance, end of year	2	2	2
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	1	4	4
Net budget authority and outlays:			
89.00 Budget authority	2	4	4
90.00 Outlays	1	4	4

Miscellaneous funds are received from other Federal agencies, international organizations, and developing countries, for USDA development assistance and international research projects (22 U.S.C. 2392).

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, **[\$111,561,000]** \$128,558,000, of which

\$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp [coupon handling] *benefit delivery*, and assisting in the prevention, identification, and prosecution of fraud and other violations of law and of which not less than **[\$3,000,000]** \$8,000,000 shall be available to improve integrity in the Food Stamp and Child Nutrition programs: *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, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Note.—The following schedule includes \$2 million provided by section 746.

Program and Financing (in millions of dollars)

Identification code 12-3508-0-1-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 Food program administration	111	112	129
00.03 Congressional hunger center fellowships		2	
09.01 Reimbursable administrative services provided to Federal agencies	1		
10.00 Total new obligations	112	114	129
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	112	114	129
23.95 Total new obligations	-112	-114	-129
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	109	113	129
42.00 Transferred from other accounts	2	1	
43.00 Appropriation (total discretionary)	111	114	129
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	1		
70.00 Total new budget authority (gross)	112	114	129
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	14	14	12
73.10 Total new obligations	112	114	129
73.20 Total outlays (gross)	-112	-116	-127
74.40 Unpaid obligations, end of year: Obligated balance, end of year	14	12	14
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	100	102	115
86.93 Outlays from discretionary balances	11	14	12
87.00 Total outlays (gross)	112	116	127
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1		
Net budget authority and outlays:			
89.00 Budget authority	111	114	129
90.00 Outlays	110	116	127

Food program administration funds most of the Federal operating expenses of the Food and Nutrition Service.

Funds are provided for an initiative to identify and address error in the Food Stamp and Child Nutrition programs.

Funds are also provided to build partnerships that will improve the delivery of currently authorized federal programs to impoverished areas along the United States/Mexico border.

Object Classification (in millions of dollars)

Identification code 12-3508-0-1-605	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	75	78	85
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	1	1	2
11.9 Total personnel compensation	78	81	89

12.1	Civilian personnel benefits	16	16	18
21.0	Travel and transportation of persons	3	3	4
23.0	Communications, utilities, and miscellaneous charges	2	3	3
24.0	Printing and reproduction			2
25.2	Other services	9	6	8
26.0	Supplies and materials	1	1	2
31.0	Equipment	2	2	3
41.0	Grants, subsidies, and contributions		2	
99.0	Subtotal, direct obligations	111	114	129
99.5	Below reporting threshold	1		
99.9	Total new obligations	112	114	129

Personnel Summary

Identification code 12-3508-0-1-605	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	1,442	1,531	1,675

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), **[\$21,071,751,000]** \$22,131,993,000, of which **[\$100,000,000]** \$1,000,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, [That none of the funds made available under this heading shall be used for studies and evaluations: *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 funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)

Identification code 12-3505-0-1-605	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Direct program:				
00.01	Properly issued benefits	14,117	14,368	15,556
00.02	Estimated state erroneous issuances	1,604	1,509	1,576
00.03	State administration	1,716	2,026	2,046
00.04	Employment and training program	291	314	337
00.05	Other program costs	54	67	87
00.06	Puerto Rico	1,236	1,268	1,301
00.07	Food distribution program on Indian reservations (Commodities in lieu of food stamps)	54	54	54
00.08	Food distribution program on Indian reservations (Cooperator administrative expense)	21	21	23
00.09	The emergency food assistance program (commodities)	90	98	100
00.10	Modified food stamp program in American Samoa	5	5	5
00.11	Community food project	3	3	3
09.01	Reimbursable program	194	197	197
10.00	Total new obligations	19,385	19,930	21,285
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	87	74	166
22.00	New budget authority (gross)	21,430	21,269	22,329
22.10	Resources available from recoveries of prior year obligations	46	76	
23.90	Total budgetary resources available for obligation	21,563	21,419	22,495
23.95	Total new obligations	-19,385	-19,930	-21,285
23.98	Unobligated balance expiring or withdrawn	-2,105	-1,323	-1,000
24.40	Unobligated balance available, end of year	74	166	210
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	4	5	28
Mandatory:				
60.00	Appropriation	21,232	21,067	22,104
69.00	Offsetting collections (cash)	194	197	197
70.00	Total new budget authority (gross)	21,430	21,269	22,329

Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	723	806	736
73.10	Total new obligations	19,385	19,930	21,285
73.20	Total outlays (gross)	-19,199	-19,924	-21,232
73.40	Adjustments in expired accounts (net)	-57		
73.45	Adjustments in unexpired accounts	-46	-76	
74.40	Unpaid obligations, end of year: Obligated balance, end of year	806	736	789

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	2	4	20
86.93	Outlays from discretionary balances			2
86.97	Outlays from new mandatory authority	18,474	19,114	20,476
86.98	Outlays from mandatory balances	723	806	734
87.00	Total outlays (gross)	19,199	19,924	21,232

Offsets:

Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-194	-197	-197

Net budget authority and outlays:

89.00	Budget authority	21,236	21,072	22,132
90.00	Outlays	19,005	19,727	21,035

Summary of Budget Authority and Outlays

(in millions of dollars)				
Enacted/requested:				
Budget Authority	1999 actual	2000 est.	2001 est.	
Outlays	21,236	21,072	22,132	
Legislative proposal, subject to PAYGO:	19,005	19,727	21,035	
Budget Authority			24	
Outlays			24	
Total:				
Budget Authority	21,236	21,072	22,156	
Outlays	19,005	19,727	21,059	

The Food Stamp Program is the primary source of nutrition assistance for low-income Americans.

Some of these funds provide a grant to Puerto Rico in lieu of the food stamp program which gives the Commonwealth flexibility to continue a nutrition assistance program tailored to the needs of its low-income households.

Funds in this account are also used to carry out the Emergency Food Assistance Act of 1983 and for food distribution and administrative expenses for Native Americans under section 4(b) of the Food Stamp Act.

Object Classification (in millions of dollars)

Identification code 12-3505-0-1-605	1999 actual	2000 est.	2001 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	3	4	4
12.1	Civilian personnel benefits	1	1	1
21.0	Travel and transportation of persons	1	1	1
23.3	Communications, utilities, and miscellaneous charges	3	3	3
24.0	Printing and reproduction	8	7	6
25.2	Other services	35	48	68
26.0	Supplies and materials	145	153	155
31.0	Equipment	2	2	2
41.0	Grants, subsidies, and contributions	18,993	19,514	20,848
99.0	Subtotal, direct obligations	19,191	19,733	21,088
99.0	Reimbursable obligations	194	197	197
99.9	Total new obligations	19,385	19,930	21,285

Personnel Summary

Identification code 12-3505-0-1-605	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	51	56	56

General and special funds—Continued

FOOD STAMP PROGRAM
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)			
Identification code 12-3505-4-1-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01	Legal immigrant restoration		25
00.02	Vehicle proposal		1
00.03	Income definition conformity		5
00.04	Interaction with child support enforcement proposals		-7
10.00	Total new obligations (object class 41.0)		24
Budgetary resources available for obligation:			
22.00	New budget authority (gross)		24
23.95	Total new obligations		-24
New budget authority (gross), detail:			
Mandatory:			
60.00	Appropriation		24
Change in unpaid obligations:			
73.10	Total new obligations		24
73.20	Total outlays (gross)		-24
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority		24
Net budget authority and outlays:			
89.00	Budget authority		24
90.00	Outlays		24

The Administration is proposing to restore Food Stamp benefits to certain legal immigrants made ineligible by restrictions in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

This proposal also provides States with the option to: (1) conform their food stamp vehicle policy with their Temporary assistance for needy families vehicle policy, so long as food stamp households are held harmless; and, (2) conform food stamp and Medicaid income definitions.

The proposal is net of food stamp savings due to child support enforcement proposals.

CHILD NUTRITION PROGRAMS
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; [\$9,554,028,000] \$9,546,056,000, to remain available through September 30, [2001] 2002, of which [\$4,618,829,000] \$4,578,482,000 is hereby appropriated and [\$4,935,199,000] \$4,967,574,000 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, except as specifically provided under this heading, none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*,] That of the funds made available under this heading, up to [\$7,000,000] \$6,000,000 shall be for school breakfast pilot projects, including the evaluation required under section 18(e) of the National School Lunch Act: *Provided further*, That up to [\$4,363,000] \$4,511,000 shall be available for independent verification of school food service claims: *Provided further*, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g)). (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

Program and Financing (in millions of dollars)				
Identification code 12-3539-0-1-605	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
School lunch program:				
00.01	Above 185% of poverty	268	320	335
00.02	130-185% of poverty	596	550	574
00.03	Below 130% of poverty	4,653	4,682	4,894
00.91	Subtotal, school lunch program	5,517	5,552	5,803
School breakfast program:				
01.01	Above 185% of poverty	78	81	86
01.02	130-185% of poverty	134	140	148
01.03	Below 130% of poverty	1,143	1,188	1,262
01.91	Subtotal, school breakfast program	1,355	1,409	1,496
Child and adult care feeding program:				
02.01	Above 185% of poverty	188	194	208
02.02	130-185% of poverty	86	91	97
02.03	Below 130% of poverty	1,304	1,381	1,478
02.04	Audits	21	24	24
02.91	Subtotal, child and adult care feeding program	1,599	1,690	1,807
Other mandatory activities:				
03.01	Summer food service program	296	298	324
03.02	Special milk program	18	17	17
03.03	State administrative expenses	114	118	127
03.04	Commodity procurement	327	325	351
03.91	Subtotal, Other mandatory activities	755	758	819
Discretionary activities:				
04.01	School meals initiative	9	10	10
04.02	Coordinated review	4	4	5
04.03	Nutrition studies and surveys			3
04.04	Nutrition education and training			2
04.05	Computer support and processing	6	9	9
04.06	School breakfast demonstrations		7	6
04.07	Food safety education	2	2	2
04.91	Subtotal, discretionary activities	21	32	37
Activities with permanent appropriations:				
05.01	Homeless children nutrition program	1		
05.02	Food service management institute and information clearinghouse	3	3	3
05.03	Alternative meal count grants		2	2
05.91	Subtotal, activities with permanent appropriations	4	5	5
10.00	Total new obligations	9,251	9,446	9,967
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	13	56	419
22.00	New budget authority (gross)	9,184	9,559	9,551
22.10	Resources available from recoveries of prior year obligations	147	250	
23.90	Total budgetary resources available for obligation	9,344	9,865	9,970
23.95	Total new obligations	-9,251	-9,446	-9,967
23.98	Unobligated balance expiring or withdrawn	-38		
24.40	Unobligated balance available, end of year	56	419	3
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	5	14	18
Mandatory:				
60.00	Appropriation	4,131	4,610	4,565
62.00	Transferred from other accounts	5,048	4,935	4,968
62.50	Appropriation (total mandatory)	9,179	9,545	9,533
70.00	Total new budget authority (gross)	9,184	9,559	9,551
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	1,322	1,541	1,384
73.10	Total new obligations	9,251	9,446	9,967
73.20	Total outlays (gross)	-8,878	-9,354	-9,892
73.40	Adjustments in expired accounts (net)	-6		
73.45	Adjustments in unexpired accounts	-147	-250	
74.40	Unpaid obligations, end of year: Obligated balance, end of year	1,541	1,384	1,459
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	5	7	10
86.93	Outlays from discretionary balances	8	8	7
86.97	Outlays from new mandatory authority	7,551	7,797	8,491

86.98	Outlays from mandatory balances	1,314	1,542	1,384
87.00	Total outlays (gross)	8,878	9,354	9,892
Net budget authority and outlays:				
89.00	Budget authority	9,184	9,559	9,551
90.00	Outlays	8,878	9,354	9,892

90.00	Outlays	-3
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This legislative proposal will improve management and oversight in the Child and Adult Care Food Program.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), **[\$4,032,000,000] \$4,148,100,000**, to remain available through September 30, **[2001] 2002: Provided, That [none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That of the total amount available, the Secretary shall obligate \$10,000,000 for the farmers' market nutrition program within 45 days of the enactment of this Act, and an additional \$5,000,000 for the farmers' market nutrition program from any funds not needed to maintain current caseload levels] notwithstanding section 17(h)(10)(A) of such Act, up to \$14,000,000 shall be available for the purposes specified in section 17(h)(10)(B), no less than \$6,000,000 of which shall be used for the development of electronic benefit transfer systems: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of [the Child Nutrition Act of 1966] such Act: Provided further, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of [the Child Nutrition Act of 1966] such Act. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.)**

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	9,184	9,559	9,551
Outlays	8,878	9,354	9,892
Legislative proposal, subject to PAYGO:			
Budget Authority			-1
Outlays			-3
Total:			
Budget Authority	9,184	9,559	9,550
Outlays	8,878	9,354	9,889

Payments are made for cash and commodity meal subsidies through the School Lunch, School Breakfast, Summer Food Service, and Child and Adult Care Food programs.

The Budget reflects discretionary funding for a school breakfast demonstration project.

Object Classification (in millions of dollars)

Identification code 12-3539-0-1-605	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	6	6	6
12.1 Civilian personnel benefits	1	1	1
21.0 Travel and transportation of persons	1	1	1
24.0 Printing and reproduction	2	3	3
25.2 Other services	5	8	8
26.0 Supplies and materials (Commodities)	327	325	351
41.0 Grants, subsidies, and contributions	8,909	9,102	9,597
99.9 Total new obligations	9,251	9,446	9,967

Program and Financing (in millions of dollars)

Identification code 12-3510-0-1-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	4,076	4,158	4,248
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		2	
22.00 New budget authority (gross)	3,924	4,032	4,148
22.10 Resources available from recoveries of prior year obligations	155	124	101
23.90 Total budgetary resources available for obligation	4,079	4,158	4,249
23.95 Total new obligations	-4,076	-4,158	-4,248
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance available, end of year	2		

Personnel Summary

Identification code 12-3539-0-1-605	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	113	130	130

**CHILD NUTRITION PROGRAMS
(Legislative proposal, subject to PAYGO)**

Program and Financing (in millions of dollars)

Identification code 12-3539-4-1-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Child and adult care feeding program:			
02.01 Above 185% of poverty			-7
02.04 Audits			6
10.00 Total new obligations (object class 41.0)			-1
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-1
23.95 Total new obligations			1
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			-1
Change in unpaid obligations:			
73.10 Total new obligations			-1
73.20 Total outlays (gross)			3
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			-3
Net budget authority and outlays:			
89.00 Budget authority			-1

Identification code 12-3510-0-1-605	1999 actual	2000 est.	2001 est.
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	3,924	4,032	4,148
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	310	283	258
73.10 Total new obligations	4,076	4,158	4,248
73.20 Total outlays (gross)	-3,942	-4,059	-4,149
73.40 Adjustments in expired accounts (net)	-6		
73.45 Adjustments in unexpired accounts	-155	-124	-101
74.40 Unpaid obligations, end of year: Obligated balance, end of year	283	258	257
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	3,638	3,899	3,891
86.93 Outlays from discretionary balances	304	159	257
87.00 Total outlays (gross)	3,942	4,059	4,149
Net budget authority and outlays:			
89.00 Budget authority	3,924	4,032	4,148
90.00 Outlays	3,942	4,059	4,149

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides at-risk pregnant and

General and special funds—Continued

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)—Continued

post-partum women, infants, and children with vouchers for nutritious supplemental food packages, nutrition education and counseling, and health and immunization referrals.

Object Classification (in millions of dollars)

Identification code 12-3510-0-1-605	1999 actual	2000 est.	2001 est.
25.1 Advisory and assistance services			3
41.0 Grants, subsidies, and contributions	4,076	4,158	4,245
99.9 Total new obligations	4,076	4,158	4,248

COMMODITY ASSISTANCE 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); *the Farmers' Market Nutrition Program as authorized by section 17(m) of the Child Nutrition Act of 1966*; and the Emergency Food Assistance Act of 1983, [**\$133,300,000**] *\$158,300,000*, to remain available through September 30, [**2001**] *2002*. *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000*.)

Program and Financing (in millions of dollars)

Identification code 12-3507-0-1-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Commodity supplemental food program:			
00.01 Commodity procurement	70	80	74
00.02 Administrative costs	20	20	19
01.92 Subtotal, commodity supplemental food program	90	100	93
The emergency food assistance program:			
02.01 Administrative costs	45	45	45
03.01 Farmers' market nutrition program			20
10.00 Total new obligations	135	145	158
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	10	8	
22.00 New budget authority (gross)	131	133	158
22.10 Resources available from recoveries of prior year obligations	2	4	
23.90 Total budgetary resources available for obligation	143	145	158
23.95 Total new obligations	-135	-145	-158
24.40 Unobligated balance available, end of year	8		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	131	133	158
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	18	14	23
73.10 Total new obligations	135	145	158
73.20 Total outlays (gross)	-136	-132	-168
73.40 Adjustments in expired accounts (net)	-1		
73.45 Adjustments in unexpired accounts	-2	-4	
74.40 Unpaid obligations, end of year: Obligated balance, end of year	14	23	13
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	118	122	144
86.93 Outlays from discretionary balances	18	10	23
87.00 Total outlays (gross)	136	132	168
Net budget authority and outlays:			
89.00 Budget authority	131	133	158
90.00 Outlays	136	132	168

The Commodity Assistance Program includes the Commodity Supplemental Food Program (CSFP), the Emergency Food Assistance Program and the Farmers' Market Nutrition Program.

The CSFP provides food packages for low-income women, infants, and children as well as low-income elderly persons. It also funds State administrative expenses.

The Emergency Food Assistance Program provides cash to support State administrative activities and maintain the storage and distribution pipeline for USDA and privately donated commodities.

The Farmers' Market Nutrition Program (previously funded under the Special Supplemental Nutrition Program for Women, Infants, and Children) provides cash to support States' administrative expenses and vouchers redeemable by participants for fresh produce at farmers' markets.

Object Classification (in millions of dollars)

Identification code 12-3507-0-1-605	1999 actual	2000 est.	2001 est.
26.0 Supplies and materials (commodities)	70	80	74
41.0 Grants, subsidies, and contributions	65	65	84
99.9 Total new obligations	135	145	158

FOOD DONATIONS PROGRAMS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973; special assistance for the nuclear affected islands as authorized by section 103(h)(2) of the Compact of Free Association Act of 1985, as amended; and section 311 of the Older Americans Act of 1965, [**\$141,081,000**] *\$151,081,000*, to remain available through September 30, [**2001**] *2002*. (*7 U.S.C. 612c note; 42 U.S.C. 3030a; 48 U.S.C. 1903 (h)(2); Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000*.)

Program and Financing (in millions of dollars)

Identification code 12-3503-0-1-605	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Nutrition program for the elderly	141	141	150
00.02 Pacific island assistance	1	1	1
10.00 Total new obligations	142	142	151
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year		1	
22.00 New budget authority (gross)	141	141	151
22.10 Resources available from recoveries of prior year obligations	1		
23.90 Total budgetary resources available for obligation	142	142	151
23.95 Total new obligations	-142	-142	-151
24.40 Unobligated balance available, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	141	141	151
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	33	29	28
73.10 Total new obligations	142	142	151
73.20 Total outlays (gross)	-144	-143	-151
73.45 Adjustments in unexpired accounts	-1		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	29	28	30
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	111	114	122
86.93 Outlays from discretionary balances	33	28	27
87.00 Total outlays (gross)	144	143	151
Net budget authority and outlays:			
89.00 Budget authority	141	141	151

90.00	Outlays	144	143	151
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Food Donations Programs include the Nutrition Program for the Elderly (NPE) and disaster assistance for the Pacific islands. The NPE provides cash and commodities for per-meal reimbursement for elderly persons served in senior citizens' centers and similar settings. Assistance is also provided to residents of Nuclear Affected Islands and funds are made available for non-presidentially declared disasters.

Object Classification (in millions of dollars)				
Identification code 12-3503-0-1-605	1999 actual	2000 est.	2001 est.	
26.0	Supplies and materials (grants of commodities to States)	4	3	4
41.0	Grants, subsidies, and contributions	138	139	147
99.9	Total new obligations	142	142	151

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 administrative expenses associated with the management of funds provided under the headings "Forest and Rangeland Research", "State and Private Forestry", "National Forest System", "Wildland Fire Management", "Reconstruction and Maintenance", and "Land Acquisition", \$1,269,504,000] \$1,286,571,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601-6a(i)): *Provided*, That [unobligated balances available at the start of fiscal year 2000 shall be displayed by extended budget line item in the fiscal year 2001 budget justification] up to \$30,000,000 may be transferred to the infrastructure account to fund the construction enhancement, or maintenance of recreation facilities or trails to further tourism, rural development and recreation goals: *Provided further*, That up to \$15,000,000 shall be available for those forests or regions that have implemented innovative practices to improve customer service, enhance coordination and reduce overhead. (Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Unavailable Collections (in millions of dollars)

Identification code 12-1106-0-1-302	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	74	78	82
Receipts:			
02.01 Fees, operation and maintenance of recreational facilities	4	4	4
04.00 Total: Balances and collections	78	82	86
07.99 Total balance, end of year	78	82	86

Program and Financing (in millions of dollars)

Identification code 12-1106-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
Direct program:			
00.01 National forest system	1,327	1,281	1,325
00.04 Flood supplemental	5	4	
00.05 Disaster relief	13	12	
09.01 Reimbursable program	73	71	73
10.00 Total new obligations	1,418	1,368	1,398
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	114	86	51

22.00	New budget authority (gross)	1,350	1,333	1,360
22.10	Resources available from recoveries of prior year obligations	43		
22.21	Unobligated balance transferred to other accounts	-5		
22.22	Unobligated balance transferred from other accounts	1	1	1
23.90	Total budgetary resources available for obligation	1,503	1,420	1,412
23.95	Total new obligations	-1,418	-1,368	-1,398
24.40	Unobligated balance available, end of year	86	51	12

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation	1,299	1,269	1,287
40.15	Appropriation (emergency)	2		
40.76	Reduction pursuant to P.L. 106-113		-8	
41.00	Transferred to other accounts	-1		
42.00	Transferred from other accounts		1	
43.00	Appropriation (total discretionary)	1,300	1,262	1,287
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	50	71	73
70.00	Total new budget authority (gross)	1,350	1,333	1,360

Change in unpaid obligations:

72.40	Unpaid obligations, start of year: Obligated balance, start of year	122	197	226
73.10	Total new obligations	1,418	1,368	1,398
73.20	Total outlays (gross)	-1,301	-1,338	-1,356
73.45	Adjustments in unexpired accounts	-43		
74.40	Unpaid obligations, end of year: Obligated balance, end of year	197	226	268

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	1,179	1,144	1,168
86.93	Outlays from discretionary balances	122	193	189
86.98	Outlays from mandatory balances		2	
87.00	Total outlays (gross)	1,301	1,338	1,356

Offsets:

Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-39	-56	-57
88.40	Non-Federal sources	-11	-15	-16
88.90	Total, offsetting collections (cash)	-50	-71	-73

Net budget authority and outlays:

89.00	Budget authority	1,300	1,262	1,287
90.00	Outlays	1,251	1,267	1,283

The 156 National Forests, 20 National Grasslands, and nine 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 used 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 1960 (16 U.S.C. 528-531) and use an ecological approach to managing the National Forest System.

National Forest System (NFS) operations and maintenance provide for the planning, assessment, and conservation of ecosystems while delivering multiple public services and uses. These are delivered through the principal NFS programs of land management planning, inventory, and monitoring, recreation use, wildlife and fisheries habitat management, rangeland management, forestland management, soil, water, and air management, minerals and geology management, land-ownership management, and law enforcement. These programs maintain the capability to manage natural resources in a manner consistent with ecological principles and responsibilities. Funds have not been included for the general administration activity programs now financed directly by the Forest and Rangeland Research, State and Private Forestry, National Forest System, Wildland Fire Management, Reconstruction and Construction, and Land Acquisition appropria-

General and special funds—Continued

NATIONAL FOREST SYSTEM—Continued

tions. In prior years, administration of these programs was funded through NFS.

The 2001 Budget includes an emphasis on sustainable forestry. The proportion of timber production resulting from a stewardship purpose rather than a commodity purpose continues to rise, more than doubling since 1994. Supporting these goals, the Administration is proposing a new \$10 million pilot Forest health stewardship program that will better enable the use of underutilized and small diameter woody material to achieve sustainable forest management and watershed health and restoration. In addition, FS continues to advance in measuring forest integrity and evaluating sustainable forestry, such as through the Montreal criteria and indicators.

The Budget proposes a new \$65 million Planning, Inventory and Monitoring Initiative. The initiative includes funds for forest land management planning, and wildlife and resource inventory and monitoring. These funds are needed to adequately follow through on the new Forest Planning regulations, including funds to: accelerate forest planning work that has been slowed in recent years; support the proposed community advisory groups, bio-regional and watershed planning; select species representatives; establish new protocols for focal species monitoring; enhance monitoring to better evaluate survey populations and pursue adaptive management. In addition, funds are included to pursue the Clean Water Action Plan assessment costs, called for under the Unified Federal Policy for Watershed Management on Federal Lands.

Increased funds are also included for the Survey and Manage monitoring work. \$10 million in additional funding for these activities is provided in timber sale management; \$10 million is provided in inventory and monitoring; and additional funds are dispersed throughout different budget line items.

The Watershed Restoration and Enhancement Agreements is proposed for use by the National Forest System when carrying out forest and watershed planning. The purpose of this funding is to enhance the forest planning process—particularly the bio-regional and watershed assessments—by providing funding to non-federal entities for work on lands surrounding or adjacent to national forests as part of the forest planning process for the betterment of the national forest. The program would emphasize corridor creations and cooperative arrangements among land owning entities, in which \$5 million would be available to establish or enhance buffers around national forests for habitat protection, wildlife corridors between national forests and other federal and state land holdings, and riparian zones to protect rare aquatic species present within the national forest. (Sec. 323 of the Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, section 101(e).)

\$30 million in new funding is proposed for a new Tourism/Rural Development Initiative for developing tourism plans, analyzing special use permits, developing trails, restoring or constructing recreational facilities and enhancing tourism appeal on national forests. The sites chosen for this program target lower income, resource-dependent areas, adjacent to National Forests, where there are promising tourism opportunities. This initiative would target roughly 20 priority forest locations, and after discussions with local communities, would develop “destination” tourism infrastructure and opportunities, establishing new economic prospects for these gateway communities.

To support management reforms, an advance appropriation of \$15 million will be available to reward those forests that adopt approved restructuring or streamlining management practices (efficiency-enhancing, cost-savings or customer service-producing) by the end of 2001. FS will publish a list of

different management practices at the beginning of 2001 and management units will be evaluated for those that achieve these goals by the end of the year.

Recommendations from the Report by the National Academy of Public Administration note that the current discretionary budget structure for the Forest Service does not support adequate linkage of the agency strategic plan, forest plans, and performance measures. As a result, accountability and financial integrity have suffered. Accordingly, USDA will present the Congressional Justification for the 2001 Budget in a format that supports a performance-based budgeting approach. This budget proposal is a significant opportunity to present a budget based on performance in a manner consistent with the agency strategic plan and the Government Performance and Results Act. The new budget structure will accomplish the following:

- Focus debate on outputs and outcomes rather than budget line items;
- Reflect the nature of the real work being done by the Forest Service (ecosystem and multiple use), allowing the field staff to avoid artificially categorizing a task to match budget lines;
- Eventually link forest plans and the budget (a Committee of Scientist recommendation);
- Provide increased accountability in agency program delivery;
- Simplify the agency accounting, allowing field staff to do more natural resource related work instead of accounting work (estimated by GAO to account for tens of millions of dollars annually);
- Simplify the budget (e.g., reducing the National Forest System’s budget line items and extended budget line items from 29 to 3), supporting the goal of achieving a clean opinion for the agency’s financial statements.

Object Classification (in millions of dollars)

Identification code 12-1106-0-1-302	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	504	531	560
11.3 Other than full-time permanent	54	57	60
11.5 Other personnel compensation	19	20	21
11.9 Total personnel compensation	577	608	641
12.1 Civilian personnel benefits	128	135	142
13.0 Benefits for former personnel	18	19	20
21.0 Travel and transportation of persons	55	54	54
22.0 Transportation of things	9	7	7
23.1 Rental payments to GSA	47	47	47
23.2 Rental payments to others	19	16	15
23.3 Communications, utilities, and miscellaneous charges	51	42	41
24.0 Printing and reproduction	5	4	4
25.2 Other services	292	244	237
26.0 Supplies and materials	75	62	60
31.0 Equipment	39	33	32
32.0 Land and structures	3	2	2
41.0 Grants, subsidies, and contributions	23	20	19
42.0 Insurance claims and indemnities	2	2	2
99.0 Subtotal, direct obligations	1,343	1,295	1,323
99.0 Reimbursable obligations	73	71	73
Allocation Account:			
11.1 Personnel compensation: Full-time permanent	1	1	1
25.2 Other services	1	1	1
99.0 Subtotal, allocation account	2	2	2
99.9 Total new obligations	1,418	1,368	1,398

Personnel Summary

Identification code 12-1106-0-1-302	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	15,786	16,602	17,486

Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment	756	723	740
Allocation account:				
3001	Total compensable workyears: Full-time equivalent employment	10	10	10

[RECONSTRUCTION AND MAINTENANCE] INFRASTRUCTURE

For necessary expenses of the Forest Service, not otherwise provided for, **[\$398,927,000]** \$424,914,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance 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 up to \$15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed; *Provided further*, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project; *Provided further*, That any unobligated balances of amounts previously appropriated to the Forest Service "Reconstruction and Construction" account as well as any unobligated balances remaining in the "National Forest System" account for the facility maintenance and trail maintenance extended budget line items at the end of fiscal year 1999 may be transferred to and merged with the "Reconstruction and Maintenance" account]. (*Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113.)*)

Program and Financing (in millions of dollars)

Identification code 12-1103-0-1-302	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Direct program:				
00.01	Reconstruction and construction	284	392	436
00.03	Flood supplemental	22	13	.....
09.01	Reimbursable program	1	1	1
10.00	Total new obligations	307	406	437
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	112	119	111
22.00	New budget authority (gross)	300	398	426
22.10	Resources available from recoveries of prior year obligations	7	.....	.....
22.22	Unobligated balance transferred from other accounts	5	.....	.....
23.90	Total budgetary resources available for obligation	424	517	537
23.95	Total new obligations	-307	-406	-437
24.40	Unobligated balance available, end of year	119	111	100
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	297	399	425
40.15	Appropriation (emergency)	2	.....	.....
40.76	Reduction pursuant to P.L. 106-113 .....	.....	-2	.....
43.00	Appropriation (total discretionary)	299	397	425
68.00	Spending authority from offsetting collections: Offsetting collections (cash)	1	1	1
70.00	Total new budget authority (gross)	300	398	426
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	81	120	161
73.10	Total new obligations	307	406	437
73.20	Total outlays (gross)	-260	-365	-400
73.45	Adjustments in unexpired accounts	-7	.....	.....
74.40	Unpaid obligations, end of year: Obligated balance, end of year	120	161	198
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	219	299	320
86.93	Outlays from discretionary balances	41	66	79
87.00	Total outlays (gross)	260	365	400

Offsets:				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources	-1	-1	-1
Net budget authority and outlays:				
89.00	Budget authority	299	397	425
90.00	Outlays	259	364	399

Funding for infrastructure provides capital improvements and maintenance of facilities, roads, and trails. The program emphasizes: better resource management decisions based on the best scientific information and knowledge; an efficient and effective infrastructure that supports public and administrative uses; and quality recreation experiences with minimal impact to ecosystem stability and conditions.

Facilities.—Provides for capital improvements and maintenance of research, fire, administrative, and other (FA&O), and recreation facilities, including site components such as roads and trails and the acquisition of buildings and other facilities necessary to carry out the mission of the Forest Service. Capital Improvements include: new construction of a facility; alteration of an existing facility to change the function; and expansion of a facility to change the capacity or to serve needs that are different from what was originally intended. Maintenance is divided into four primary areas: annual maintenance, deferred maintenance, decommissioning, and operations. Deferred maintenance work includes the repair, rehabilitation, or replacement of the facility or components of the facility.

Roads.—Provides for capital improvements and maintenance of roads. The program also focuses on decommissioning unneeded roads and/or roads that are degrading the ecosystem. Capital improvements include: new road construction; alteration of an existing road to change the function; and expansion of the road to change the capacity or to serve needs that are different from what was originally intended. The agency will continue to address the growing road system maintenance backlog. Funding priorities are health and safety, resource protection, and mission critical needs. Maintenance is divided into four primary areas: annual road maintenance, deferred road maintenance, road operations, and decommissioning.

Trails.—Provides for capital improvements and maintenance of trails. Capital improvements include: new trail construction; alteration of an existing trail to change the function; and expansion of the trail to change the capacity or to serve needs that are different from what was originally intended. Maintenance funding is used to protect capital investments by keeping trails open for access and protecting vegetation, soil, and water quality. Work includes clearing the pathway of encroaching vegetation and fallen trees, and repairing or improving trail signs, treadways, drainage facilities, and bridges. Maintenance is divided into four primary areas: annual trail maintenance, deferred trail maintenance, trail operations, and trail decommissioning.

Object Classification (in millions of dollars)

Identification code 12-1103-0-1-302	1999 actual	2000 est.	2001 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	118	127	122
11.3	Other than full-time permanent	12	13	12
11.5	Other personnel compensation	5	5	5
11.9	Total personnel compensation	135	145	139
12.1	Civilian personnel benefits	31	33	32
13.0	Benefits for former personnel	2	2	2
21.0	Travel and transportation of persons	5	8	9
22.0	Transportation of things	1	1	1
23.1	Rental payments to GSA	6	6	6
23.2	Rental payments to others	2	3	3
23.3	Communications, utilities, and miscellaneous charges	4	7	8

General and special funds—Continued

[RECONSTRUCTION AND MAINTENANCE] INFRASTRUCTURE—Continued

Object Classification (in millions of dollars)—Continued

Identification code 12-1103-0-1-302	1999 actual	2000 est.	2001 est.
24.0 Printing and reproduction		1	1
25.2 Other services	85	142	168
26.0 Supplies and materials	10	16	19
31.0 Equipment	5	8	9
32.0 Land and structures	18	30	35
41.0 Grants, subsidies, and contributions	2	3	4
99.0 Subtotal, direct obligations	306	405	436
99.0 Reimbursable obligations	1	1	1
99.9 Total new obligations	307	406	437

Personnel Summary

Identification code 12-1103-0-1-302	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	3,502	3,737	3,587
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	4	4	4

ROAD AND TRAIL FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1128-4-1-303	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations			25
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			31
23.95 Total new obligations			-25
24.40 Unobligated balance available, end of year			6
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			25
62.00 Transferred from other accounts			6
62.50 Appropriation (total mandatory)			31
Change in unpaid obligations:			
73.10 Total new obligations			25
73.20 Total outlays (gross)			-20
73.32 Obligated balance transferred from other accounts			5
74.40 Unpaid obligations, end of year: Obligated balance, end of year			10
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			20
Net budget authority and outlays:			
89.00 Budget authority			31
90.00 Outlays			20

This proposal would decouple the road and trail fund from the receipts of national forests. Instead, fixed mandatory funding would be available for annual expenditures. The program would continue to focus on infrastructure needs of reconstruction and maintenance for roads and trails. In addition, the fund would be managed so as to give priority to opportunities to provide contracts to support public works contracts and other job creating programs in rural communities through Jobs in the Woods, Youth Conservation Corps, and similar special employment programs to employ displaced timber workers and residents of rural communities near national forests.

Object Classification (in millions of dollars)

Identification code 12-1128-4-1-303	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent			7
11.3 Other than full-time permanent			1
11.5 Other personnel compensation			1
11.9 Total personnel compensation			9
12.1 Civilian personnel benefits			2
23.1 Rental payments to GSA			1
25.2 Other services			6
26.0 Supplies and materials			3
33.0 Investments and loans			4
99.9 Total new obligations			25

Personnel Summary

Identification code 12-1128-4-1-303	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment			209

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, **[\$202,700,000] \$231,008,000**, to remain available until expended.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), \$92,000, 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, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113.)*)

Program and Financing (in millions of dollars)

Identification code 12-1104-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.06 Forest and rangeland research	197	201	229
09.01 Reimbursable program	21	22	24
10.00 Total new obligations	218	223	253
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	20	13	15
22.00 New budget authority (gross)	209	225	255
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	231	238	270
23.95 Total new obligations	-218	-223	-253
24.40 Unobligated balance available, end of year	13	15	17
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	197	203	231
40.15 Appropriation (emergency)	1		
42.00 Transferred from other accounts	1		
43.00 Appropriation (total discretionary)	199	203	231
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	10	22	24
70.00 Total new budget authority (gross)	209	225	255
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	56	78	77
73.10 Total new obligations	218	223	253
73.20 Total outlays (gross)	-194	-224	-247
73.45 Adjustments in unexpired accounts	-2		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	78	77	83
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	138	164	186
86.93 Outlays from discretionary balances	56	60	61

87.00	Total outlays (gross)	194	224	247
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources	-9	-20	-22
88.40	Non-Federal sources	-1	-2	-2
88.90	Total, offsetting collections (cash)	-10	-22	-24
Net budget authority and outlays:				
89.00	Budget authority	199	203	231
90.00	Outlays	184	202	223

The mission of Forest and Rangeland Research is to serve society by developing and communicating the scientific information and technology needed to protect, manage, use, and sustain the natural resources of the Nation's forests and rangelands. This information is essential for formulating policy and wisely managing and conserving both public and private forests and rangelands. Research is the key to sustaining our forest and rangeland productivity and health while providing a quality environment. Forest and Rangeland Research is conducted and disseminated through six Forest and Range Experiment Station headquarters and their laboratories, the Forest Products Laboratory, and the International Institute of Tropical Forestry.

Priority will be placed on supporting the implementation of forest planning regulations. This includes analyzing watershed integrity measurement and systems, evaluating monitoring systems and assessing results, providing information about compatible forest uses. In order to appropriately designate the new "focal" species, additional funding in this budget will emphasize priority wildlife habitat research; however, because these projects affect other agencies in addition to the FS, FS Research is enhancing existing coordination mechanisms to ensure that no overlapping and redundant work occurs. Funds are also included for global climate change research, particularly the use of small diameter trees for biomass energy uses and carbon cycle studies. Finally, work will continue on development of improved quantitative analytical tools to support forest planning goals to maximize net public benefits in a more objective and transparent manner.

Object Classification (in millions of dollars)

Identification code 12-1104-0-1-302	1999 actual	2000 est.	2001 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	96	101	99
11.3	Other than full-time permanent	7	8	8
11.5	Other personnel compensation	1	1	1
11.9	Total personnel compensation	104	110	108
12.1	Civilian personnel benefits	22	24	23
13.0	Benefits for former personnel	1	1	1
21.0	Travel and transportation of persons	8	7	11
22.0	Transportation of things	1	1	1
23.1	Rental payments to GSA	3	3	3
23.3	Communications, utilities, and miscellaneous charges	6	5	8
24.0	Printing and reproduction	1	1	1
25.2	Other services	10	10	14
25.5	Research and development contracts	22	21	33
26.0	Supplies and materials	8	8	11
31.0	Equipment	6	6	9
41.0	Grants, subsidies, and contributions	5	4	6
99.0	Subtotal, direct obligations	197	201	229
99.0	Reimbursable obligations	21	22	24
99.9	Total new obligations	218	223	253

Personnel Summary

Identification code 12-1104-0-1-302	1999 actual	2000 est.	2001 est.	
Direct:				
1001	Total compensable workyears: Full-time equivalent employment	2,271	2,414	2,369
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment	61	61	62

STATE [AND], PRIVATE AND INTERNATIONAL FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, [\$202,534,000] \$261,331,000, to remain available until expended, as authorized by law, of which \$106,000,000 is for Lands Legacy: Provided, That \$6,000,000 for the costs of direct loans may be transferred to the USDA's Rural Business-Cooperative Service to carry out an intermediate relending program with State and local governments, non-profit corporations, Indian tribes and cooperatives to enable businesses, private non-profit organizations, and land trusts to support land acquisition and land uses that enhance smart growth, community green space, and community development goals, as authorized under the Development Loans Fund: Provided further, That such costs, including the cost of modifying such loans, shall be defined as in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of \$50,000,000: Provided further, That the loan levels provided in this Act shall be considered estimates, not limitations. (Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).)

Program and Financing (in millions of dollars)

Identification code 12-1105-0-1-302	1999 actual	2000 est.	2001 est.	
Obligations by program activity:				
Direct program:				
00.05	Forest health management	61	62	61
00.06	Cooperative fire protection	24	28	35
00.07	Cooperative forestry	114	121	169
00.08	International forestry			10
09.01	Reimbursable program	4	5	7
10.00	Total new obligations	203	216	282
Budgetary resources available for obligation:				
21.40	Unobligated balance available, start of year	59	27	24
22.00	New budget authority (gross)	171	212	268
23.90	Total budgetary resources available for obligation	230	239	292
23.95	Total new obligations	-203	-216	-282
24.40	Unobligated balance available, end of year	27	24	10
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	171	202	261
40.20	Appropriation (special fund, definite)		5	
43.00	Appropriation (total discretionary)	171	207	261
Spending authority from offsetting collections: Offsetting collections (cash)				
			5	7
70.00	Total new budget authority (gross)	171	212	268
Change in unpaid obligations:				
72.40	Unpaid obligations, start of year: Obligated balance, start of year	160	183	196
73.10	Total new obligations	203	216	282
73.20	Total outlays (gross)	-180	-203	-254
74.40	Unpaid obligations, end of year: Obligated balance, end of year	183	196	224
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	128	160	203
86.93	Outlays from discretionary balances	52	43	51
87.00	Total outlays (gross)	180	203	254

General and special funds—Continued

STATE [AND], PRIVATE AND INTERNATIONAL FORESTRY—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-1105-0-1-302	1999 actual	2000 est.	2001 est.
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources		-5	-7
Net budget authority and outlays:			
89.00 Budget authority	171	207	261
90.00 Outlays	180	198	247
Distribution of budget authority by account:			
State and private forestry			
Distribution of outlays by account:			
State and private forestry			
Emergency pest suppression fund			

State, Private, and International Forestry programs provide assistance to manage, use, and protect forest resources on State, urban, and private lands to meet domestic and international demands for goods and services. Assistance is provided to a wide range of customers including all States, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands and the Trust Territory of the Pacific.

Forest health management.—Includes Federal lands, and cooperative lands.

Cooperative Fire Protection.—Includes funding to enhance the capacity of States to provide coordinated fire suppression response and to promote safe and effective initial fire attack in wildland/urban interface areas by volunteer fire departments.

The new Wildland/Urban Interface Program will reduce fire damages and personal risks. Fire Management will be used to encourage greater community participation in reducing fire risk in the Wildland/Urban Interface, through competitive grants to partially support community planning and disaster prevention and hazard mitigation assistance. Community implementation of fire hazard mitigation projects will save Federal wildfire suppression costs. Insurance company participation may provide a subsequent reduction in insurance premiums for participating communities.

Cooperative Forestry.—Includes forest stewardship, the stewardship incentives program, the forest legacy program, urban and community forestry, economic action programs, and Pacific Northwest community assistance programs. Forest stewardship includes: forest resource management; and seedlings, nursery, and tree improvement programs. Economic action programs include economic recovery, rural development, and forest products conservation and recycling programs.

Funding for the Forest Legacy, Urban and Community Forestry and the Smart Growth Partnership Loans within this account is proposed as part of a new Lands Legacy discretionary spending category to provide dedicated and protected funding for the President's Lands Legacy Initiative. See the Environment Chapter in the Budget for a summary of the Initiative. These funds along with increases in other accounts highlight the Administration's commitment to making new tools available, and working with states, tribes, local governments and private partners to protect great places; to conserve open space for recreation and wildlife habitat; and to preserve forest, farmlands, and coastal areas.

New funding in the Economic Action Programs will be targeted to support new agreements for rural development cooperation in forest resource dependent locations. Also, the Smart Growth Partnership is a new USDA direct loan program to use subsidized loans for smart growth land acquisition, management and use through partnerships with state, local, and tribal governments. The program would allow com-

munities to protect open spaces to help limit sprawl, enhance water quality protections, reduce greenhouse emissions and increase greenspace.

International Programs.—The 2001 Budget expands International Programs to \$10 million (as a specific line item). The programs will emphasize habitat protection for migratory birds along the length of the flyway, preventing the introduction of new invasive species, and sustainable forestry techniques development for other timber exporting nations.

Object Classification (in millions of dollars)

Identification code 12-1105-0-1-302	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	32	36	33
11.3 Other than full-time permanent	2	2	2
11.9 Total personnel compensation	34	38	35
12.1 Civilian personnel benefits	7	8	7
21.0 Travel and transportation of persons	5	5	8
23.1 Rental payments to GSA	2	2	2
23.3 Communications, utilities, and miscellaneous charges	1	1	2
25.2 Other services	27	28	39
26.0 Supplies and materials	4	4	5
31.0 Equipment	2	2	3
41.0 Grants, subsidies, and contributions	116	122	173
99.0 Subtotal, direct obligations	198	210	274
99.0 Reimbursable obligations	4	5	7
25.2 Allocation Account: Other services	1	1	1
99.9 Total new obligations	203	216	282

Personnel Summary

Identification code 12-1105-0-1-302	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	700	768	708
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	5	5	5

HEALTHY INVESTMENTS IN RURAL ENVIRONMENTS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1126-4-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations			315
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			745
23.95 Total new obligations			-315
24.40 Unobligated balance available, end of year			430
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			315
62.00 Transferred from other accounts			430
62.50 Appropriation (total mandatory)			745
Change in unpaid obligations:			
73.10 Total new obligations			315
73.20 Total outlays (gross)			-315
73.32 Obligated balance transferred from other accounts			63
74.40 Unpaid obligations, end of year: Obligated balance, end of year			64
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			252
86.98 Outlays from mandatory balances			63
87.00 Total outlays (gross)			315

Net budget authority and outlays:		
89.00	Budget authority	745
90.00	Outlays	315

The Forest Service will propose legislation to decouple its mandatory spending programs from timber receipts and instead to authorize spending from the Treasury at current baseline-assumed levels (fixed, specific levels of spending) under a new, broader-purposed program.

The revised policy would improve management and increase accountability by severing the linkage between program spending and timber harvest volumes, thereby eliminating concerns that the source of funds influences decisions on the choices for management prescriptions, and increase agency reliance on the funds to finance organizational costs. The new mandatory account structure will preserve funding at known, fixed, and dependable amounts, and display budget information more visibly allowing the agency, Congress, and the public an expanded role in funding allocation decisions. To ensure greater funding visibility and improved targeting, funding decisions for the new account will be displayed in the agency's Congressional Justification for the Budget, using the annual performance measures to indicate the outcomes of the intended spending. This results in a comparable effect to putting the spending "on-line" through the discretionary budget.

The reforms to the permanent appropriations would establish the new Healthy Investments in Rural Environments (HIRE) initiative to hire thousands of skilled workers in rural communities through public works contracts and begin to reduce the backlog of priority maintenance, reconstruction, and forest health projects on National Forest System lands. The HIRE would use Jobs in the Woods, Youth Conservation Corps, and similar special employment programs to employ displaced timber workers and other rural workers. HIRE would fund a range of different projects, including reforestation, timber stand improvement, road maintenance, fuels reduction, wildlife habitat restoration, erosion control, or survey and monitoring work. In addition to the activities now carried out with these funds (e.g., reforestation), other priorities include road maintenance, and prescribed burns and other hazardous fuels reduction. Funds could be leveraged through challenge cost-share to best accomplish the program goals.

These changes would make mandatory funding more visible to the public, more transparent for the budget and accounting system, better targeted toward Forest Service priorities, removed from any unintended incentives that affect management decisions, and available for increased rural employment.

Object Classification (in millions of dollars)

Identification code 12-1126-4-1-302	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1	Full-time permanent		96
11.3	Other than full-time permanent		13
11.5	Other personnel compensation		5
11.9	Total personnel compensation		114
12.1	Civilian personnel benefits		25
13.0	Benefits for former personnel		1
21.0	Travel and transportation of persons		3
22.0	Transportation of things		4
23.1	Rental payments to GSA		2
23.2	Rental payments to others		8
23.3	Communications, utilities, and miscellaneous charges		4
24.0	Printing and reproduction		1
25.2	Other services		114
26.0	Supplies and materials		16
31.0	Equipment		4
32.0	Land and structures		1
41.0	Grants, subsidies, and contributions		18
99.9	Total new obligations		315

Personnel Summary

Identification code 12-1126-4-1-302	1999 actual	2000 est.	2001 est.
1001	Total compensable workyears: Full-time equivalent employment		2,675

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES
SUBSISTENCE MANAGEMENT, FOREST SERVICE

For necessary expenses of the Forest Service to manage federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96-487), \$5,500,000, to remain available until expended.

Program and Financing (in millions of dollars)

Identification code 12-1119-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00	Total new obligations (object class 41.0)	3	6
Budgetary resources available for obligation:			
21.40	Unobligated balance available, start of year	3	
22.00	New budget authority (gross)	3	6
23.90	Total budgetary resources available for obligation	3	6
23.95	Total new obligations	-3	-6
24.40	Unobligated balance available, end of year	3	
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation	3	6
Change in unpaid obligations:			
73.10	Total new obligations	3	6
73.20	Total outlays (gross)	-3	-6
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority		6
86.93	Outlays from discretionary balances	3	
87.00	Total outlays (gross)	3	6
Net budget authority and outlays:			
89.00	Budget authority	3	6
90.00	Outlays	3	6

Funding under this program primarily supports fisheries and wildlife habitat management activities in the areas of population assessment, forecasting, harvest regulations, and law enforcement to ensure that the subsistence needs of qualified rural Alaskans are met under the Alaska National Interest Lands Conservation Act (Public Law 96-487).

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, for support to federal emergency response, and for emergency rehabilitation of burned-over National Forest System lands and water, [\$561,354,000] \$620,372,000, to remain available until expended: *Provided*, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes: [*Provided further*, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 1999 shall be transferred, as repayment for post advances that have not been repaid, to the fund established pursuant to section 3 of Public Law 71-319 (16 U.S.C. 576 et seq.):] *Provided further*, That notwithstanding any other provision of law, up to \$4,000,000 of funds appropriated under this appropriation may be used for Fire Science Research in support of the Joint Fire Science Program: *Provided further*, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest Service and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research.

General and special funds—Continued

WILDLAND FIRE MANAGEMENT—Continued

For an additional amount to cover necessary expenses for emergency rehabilitation, presuppression due to emergencies, and wildfire suppression activities of the Forest Service, [\$90,000,000] \$150,000,000, to remain available until expended: *Provided*, That the entire amount is [designed] *designated* by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: *Provided further*, That these funds shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress. (*Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113.)*)

Program and Financing (in millions of dollars)

Identification code 12-1115-0-1-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Fire management	724	557	632
09.01 Reimbursable program	141	87	95
10.00 Total new obligations	865	644	727
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	135	113	117
22.00 New budget authority (gross)	837	648	865
22.10 Resources available from recoveries of prior year obligations	6		
23.90 Total budgetary resources available for obligation	978	761	982
23.95 Total new obligations	-865	-644	-727
24.40 Unobligated balance available, end of year	113	117	255
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	762	562	620
40.15 Appropriation (emergency)			150
40.76 Reduction pursuant to P.L. 106-113		-1	
43.00 Appropriation (total discretionary)	762	561	770
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	75	87	95
70.00 Total new budget authority (gross)	837	648	865
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	103	62	119
73.10 Total new obligations	865	644	727
73.20 Total outlays (gross)	-899	-587	-700
73.45 Adjustments in unexpired accounts	-6		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	62	119	146
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	797	511	653
86.93 Outlays from discretionary balances	103	77	47
87.00 Total outlays (gross)	899	587	700
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-73	-84	-92
88.40 Non-Federal sources	-2	-3	-3
88.90 Total, offsetting collections (cash)	-75	-87	-95
Net budget authority and outlays:			
89.00 Budget authority	762	561	770
90.00 Outlays	824	500	605

Wildland fire management.—This appropriation provides funding for Forest Service fire management, presuppression, and suppression on National Forest System lands, adjacent State and private lands, and other lands under fire protection agreement.

Preparedness.—To protect National Forest System (NFS) lands from damage by wildfires commensurate with the threat to life, values at risk, public values, and management objectives.

Preparedness provides the basic fire organization and capability to prevent forest fires and to take prompt, effective initial attack suppression operations action on wildfires. This funding covers expenses associated with planning, prevention, detection, information and education; pre-incident training; equipment and supply purchase and replacement; and other preparedness activities, including the base salary and travel of the regular Forest Service firefighting organization. Through this program the Forest Service also assists other Federal agencies and States with training programs, planning assistance, sharing joint equipment use contracts and inter-agency fire coordination centers.

Fire Operations.—To efficiently suppress wildland fires on or threatening National Forest System (NFS) lands or other lands under fire protection agreement. Fire Operations provides funds for all hazardous fuel reduction program activities including planning and implementation, mechanical treatments, prescribed fire, and monitoring of fuel treatment accomplishments. Fuel treatment activities are performed to minimize the potential for large, destructive wildfires.

Fire Operations funds are used to immediately and efficiently rehabilitate severely burned NFS lands to prevent further destruction of natural resources, including soil loss and flooding. Funds are used to increase the level of fire preparedness when predicted or actual burning conditions exceed normal levels.

Contingency Funds.—This budget includes \$150,000,000 in contingent funding for 2001 to be utilized for emergency wildland fire activities, if needed, beyond the amount requested in this budget.

Object Classification (in millions of dollars)

Identification code 12-1115-0-1-302	1999 actual	2000 est.	2001 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	128	135	129
11.3 Other than full-time permanent	23	25	24
11.5 Other personnel compensation	57	61	58
11.8 Special personal services payments	2	2	2
11.9 Total personnel compensation	210	223	213
12.1 Civilian personnel benefits	43	46	44
13.0 Benefits for former personnel	6	6	6
21.0 Travel and transportation of persons	28	28	28
22.0 Transportation of things	6	4	5
23.1 Rental payments to GSA	6	6	6
23.2 Rental payments to others	5	3	4
23.3 Communications, utilities, and miscellaneous charges	15	9	12
24.0 Printing and reproduction	1	1	1
25.2 Other services	342	196	265
26.0 Supplies and materials	48	27	37
31.0 Equipment	11	7	9
41.0 Grants, subsidies, and contributions	3	1	2
99.0 Subtotal, direct obligations	724	557	632
99.0 Reimbursable obligations	141	87	95
99.9 Total new obligations	865	644	727

Personnel Summary

Identification code 12-1115-0-1-302	1999 actual	2000 est.	2001 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	6,393	6,790	6,496
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment	10	10	10

PAYMENTS TO STATES—NORTHERN SPOTTED OWL GUARANTEE

Program and Financing (in millions of dollars)

Identification code 12-1117-0-1-806	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	125	120	115
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	125	120	115
23.95 Total new obligations	-125	-120	-115
New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)	125	120	115
Change in unpaid obligations:			
73.10 Total new obligations	125	120	115
73.20 Total outlays (gross)	-125	-120	-115
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	125	120	115
Net budget authority and outlays:			
89.00 Budget authority	125	120	115
90.00 Outlays	125	120	115

Summary of Budget Authority and Outlays

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Enacted/requested:			
Budget Authority	125	120	115
Outlays	125	120	115
Legislative proposal, subject to PAYGO:			
Budget Authority			-115
Outlays			-115
Total:			
Budget Authority	125	120	
Outlays	125	120	

Payments to States, Northern Spotted Owl Guarantee.—For payment to the States of Oregon, Washington, and California for the benefit of counties in which National Forests are situated and that are affected by decisions related to the northern spotted owl, pursuant to section 13982 of Public Law 103-66 as amended by Public Law 103-443.

PAYMENTS TO STATES—NORTHERN SPOTTED OWL GUARANTEE

(Legislative proposal subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1117-4-1-806	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)			-115
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-115
23.95 Total new obligations			115
New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)			-115
Change in unpaid obligations:			
73.10 Total new obligations			-115
73.20 Total outlays (gross)			115
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			-115
Net budget authority and outlays:			
89.00 Budget authority			-115
90.00 Outlays			-115

Proposed legislation would stabilize funding levels through payments to States nationwide, beginning in 2001, to provide predictable stable payments for county roads and schools.

PAYMENTS TO STATES STABILIZATION

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-1112-4-1-806	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)			270
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			270
23.95 Total new obligations			-270
New budget authority (gross), detail:			
Mandatory:			
60.05 Appropriation (indefinite)			270
Change in unpaid obligations:			
73.10 Total new obligations			270
73.20 Total outlays (gross)			-270
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			270
Net budget authority and outlays:			
89.00 Budget authority			270
90.00 Outlays			270

Current receipt sharing payments (25% payments) are proposed to be replaced by a stable, guaranteed level of payments based on the concept of the guaranteed payments, "Payments to States, Northern Spotted Owl Guarantee". The Administration's objective is to secure a stable and permanent source of funding for rural schools and other infrastructure needs. The Administration's proposal would significantly increase funding for these activities over current baseline levels.

Nationally, payments to States funding has declined 37% since 1989, from \$361 million down to \$229 million last year (the 1999 payment is based on 1998 receipts). The Administration's proposal would provide a guaranteed \$270 million annually to States. The Administration fully recognizes the importance of these payments to local communities for public schools and roads as a result of Federal landownership. By virtue of this stabilization proposal, the Administration has shown its commitment to continuation of the payments and will work to ensure they are permanently provided every year in the future.

The Administration stands ready to work with Congress to produce legislation that provides increased, guaranteed, stable payments to States and communities. Any proposals, including those that would establish a portion of the funding for "special projects," should allow the counties the option to participate or to use the full funding for schools.

The Administration would consider additional special project funding if the projects are targeted to provide better management, improved community stewardship, or ecological restoration of the National Forests, and Grasslands. This could provide opportunities for the Forest Service to provide public works contracts and other job creating programs in rural communities through Jobs in the Woods, Youth Conservation Corps, and similar such special employment programs to increase employment in rural areas.

General and special funds—Continued

SOUTHEAST ALASKA ECONOMIC DISASTER ASSISTANCE FUND

Program and Financing (in millions of dollars)

Identification code 12-1108-0-1-451	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0)	20	10	7
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	20		12
22.00 New budget authority (gross)		22	
23.90 Total budgetary resources available for obligation	20	22	12
23.95 Total new obligations	-20	-10	-7
24.40 Unobligated balance available, end of year		12	5
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation		22	
Change in unpaid obligations:			
73.10 Total new obligations	20	10	7
73.20 Total outlays (gross)	-20	-10	-7
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority		10	
86.93 Outlays from discretionary balances	20		7
87.00 Total outlays (gross)	20	10	7
Net budget authority and outlays:			
89.00 Budget authority		22	
90.00 Outlays	20	10	7

Public Law 104-134 established this appropriation, for the period 1996 through 2002, to provide assistance to employ former timber workers in Wrangell and Sitka and for related community development projects in Sitka, Wrangell, Ketchikan, and selected organized boroughs in Southeast Alaska. Distribution to the unorganized boroughs was based on the proportion of 1995 timber receipts from each borough.

FACILITIES ACQUISITION AND ENHANCEMENT FUND

(Legislative Proposal, subject to PAYGO)

Unavailable Collections (in millions of dollars)

Identification code 12-5353-0-2-302	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Collections for facilities acquisition and enhancement fund [Legislative proposal, not subject to PAYGO]			2
Appropriation:			
05.01 Facilities acquisition and enhancement fund [Legislative proposal, not subject to PAYGO]			-2
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-5353-4-2-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 32.0)			2
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			2
23.95 Total new obligations			-2
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund, indefinite)			2
Change in unpaid obligations:			
73.10 Total new obligations			2

73.20 Total outlays (gross)			-2
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Outlays (gross), detail:

86.97 Outlays from new mandatory authority			2
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Net budget authority and outlays:

89.00 Budget authority			2
90.00 Outlays			2

Forest Service, in cooperation with the General Services Administration, will propose that the agency have authority to sell facilities, buildings, constructed features and any appurtenant land, excess to its needs, and to use the proceeds for acquiring or developing land and improvements. This proposal would establish a real property capital account for the management, replacement, and capital improvements for facilities.

The proposed real property capital account is a special fund, a federal fund account both for receipts that are earmarked for specific purposes and for the expenditure of these receipts. Unlike a general fund account, receipts and expenditures are linked and, the receipts are available only for a specific purpose.

[RANGE BETTERMENT FUND]

[For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 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.] (Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113.)

Unavailable Collections (in millions of dollars)

Identification code 12-5207-0-2-302	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	2	2	2
Receipts:			
02.01 Cooperative range improvements	3	3	3
02.02 Legislative proposal not subject to PAYGO			-3
02.99 Total receipts	3	3	
04.00 Total: Balances and collections	5	5	2
Appropriation:			
05.01 Range betterment fund	-3	-3	
07.99 Total balance, end of year	2	2	2

Program and Financing (in millions of dollars)

Identification code 12-5207-0-2-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	3	3	
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	1	1	1
22.00 New budget authority (gross)	3	3	
23.90 Total budgetary resources available for obligation	4	4	1
23.95 Total new obligations	-3	-3	
24.40 Unobligated balance available, end of year	1	1	1
New budget authority (gross), detail:			
Discretionary:			
40.25 Appropriation (special fund, indefinite)	3	3	
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	1	1	1
73.10 Total new obligations	3	3	
73.20 Total outlays (gross)	-3	-3	-1

74.40	Unpaid obligations, end of year: Obligated balance, end of year	1	1	.....
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2	2	.....
86.93	Outlays from discretionary balances	1	1	1
87.00	Total outlays (gross)	3	3	1
Net budget authority and outlays:				
89.00	Budget authority	3	3	.....
90.00	Outlays	3	3	1

Funding for this activity will be available through the new Healthy Investments in Rural Environments established through legislative reforms to the existing permanent appropriations. Additional funds are included in the National Forest System.

Object Classification (in millions of dollars)

Identification code 12-5207-0-2-302	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	1	1	.....
25.2 Other services	1	1	.....
26.0 Supplies and materials	1	1	.....
99.9 Total new obligations	3	3	.....

Personnel Summary

Identification code 12-5207-0-2-302	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	33	37	.....

LAND ACQUISITION ACCOUNTS

[LAND ACQUISITION]

[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 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, \$79,575,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which not to exceed \$40,000,000 may be available for the acquisition of lands or interests within the tract known as the Baca Location No. 1 in New Mexico only upon: (1) the enactment of legislation authorizing the acquisition of lands, or interests in lands, within such tract; (2) completion of a review, not to exceed 90 days, by the Comptroller General of the United States of an appraisal conforming with the Uniform Appraisal Standards for Federal Land Acquisition of all lands and interests therein to be acquired by the United States; and (3) submission of the Comptroller General's review of such appraisal to the Committee on Resources of the House of Representatives, the Committee on Energy and Natural Resources of the Senate, and the Committees on Appropriations of the House and Senate: *Provided*, That subject to valid existing rights, all federally-owned lands and interests in lands within the New World Mining District comprising approximately 26,223 acres, more or less, which are described in a Federal Register notice dated August 19, 1997 (62 Fed. Reg. 44136-44137), are hereby withdrawn from all forms of entry, appropriation, and disposal under the public land laws, and from location, entry and patent under the mining laws, and from disposition under all mineral and geothermal leasing laws.]

[ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS]

[For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, \$1,069,000, to be derived from forest receipts.]

[ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES]

[For acquisition of lands, such sums, 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.] *For acquisition of lands, waters, or interests therein, as authorized by law, [\$130,000,000,] \$130,265,000, for Lands Legacy, to remain available until expended, to be derived from the Land and Water Conservation Fund, as amended and funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967: Provided, That funds made available for the Beartooth Highway restoration under Title V, Public Law 105-83, are available until expended. (16 U.S.C. 4601-4-11, 4601-516-617a, 555a; P.L. 96-586; P.L. 76-589, 76-591; 78-310, and 16 U.S.C. 484a; Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113.)*

Unavailable Collections (in millions of dollars)

Identification code 12-9923-0-2-300	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 National forest lands under special acts	1	1	1
02.03 National forest lands under special acts, legislative proposal not subject to PAYGO			-1
02.99 Total receipts	1	1	.....
Appropriation:			
05.01 Land acquisition accounts	-1	-1	.....
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-9923-0-2-300	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	107	217	179
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	138	150	90
22.00 New budget authority (gross)	119	157	130
23.90 Total budgetary resources available for obligation	257	307	220
23.95 Total new obligations	-107	-217	-179
24.40 Unobligated balance available, end of year	150	90	41

New budget authority (gross), detail:

Discretionary:			
Appropriation (special fund, definite):			
40.20 Appropriation (LWCF)	118	156	130
40.20 Appropriation (special act)	1	1	.....
43.00 Appropriation (total discretionary)	119	157	130

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	8	23	97
73.10 Total new obligations	107	217	179
73.20 Total outlays (gross)	-92	-143	-139
74.40 Unpaid obligations, end of year: Obligated balance, end of year	23	97	137

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	86	104	86
86.93 Outlays from discretionary balances	7	40	53
87.00 Total outlays (gross)	92	143	139

Net budget authority and outlays:

89.00 Budget authority	119	157	130
90.00 Outlays	92	143	139

This appropriation consolidates land acquisition authorities for acquisition of lands, waters, or interest therein, as authorized by law.

Land and water conservation fund.—Recreation lands and interests are acquired within areas of the National Forest System, wilderness, wildlife and fisheries habitat management areas, and endangered species and other areas for public outdoor recreation purposes.

General and special funds—Continued

LAND ACQUISITION ACCOUNTS—Continued

[ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES]—Continued

Funding for this account is proposed as part of a new Lands Legacy discretionary spending category to provide dedicated and protected funding for the President's Lands Legacy Initiative. See the Environment Chapter in the Budget for a summary of the Initiative. These funds, along with increases in other accounts, highlight the Administration's commitment to making new tools available, and working with states, tribes, local governments and private partners to protect great places; to conserve open space for recreation and wildlife habitat; and to preserve forest, farmlands, and coastal areas.

The request proposes to extend the availability of title V, FY 1997 Interior and Related Agencies funds to be used for continuation of maintenance and rehabilitation work on the Beartooth Highway. Funds are due to expire on September 30, 2001. Extension of funding availability allows continuation for road maintenance while the Environmental Impact Statement (EIS) is being completed; the EIS, required by law, must be completed before rehabilitation may commence.

Acquisition of lands to complete land exchanges.—Deposits made by State, county, or municipal governments, public school districts, or other public school authorities for cash equalization of certain land exchanges 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.

The Forest Service will propose administrative and legislative reforms to land investments, including changes to the land exchange program and increased authority for land sales and acquisition to more efficiently acquire additional high priority lands to ensure increased environmental benefits and government value.

The Forest Service has already taken the various actions (some recommended by the Office of Inspector General) to the Land Ownership program. On-going and future actions include:

- Implemented a National Policy that requires all FS land exchanges to be reviewed and approved by the National Land Adjustments Oversight Team (that has examined over 90 proposed exchanges to date), and established national policy and guidelines (November 1998) on roles and responsibilities of third party facilitators in landownership adjustments;
- Issued guidance on September 10, 1999 requiring all desired landownership configurations to be incorporated in Forest Plan revisions;
- Announced that the future new policy will include full disclosure of all appraisal information involving land exchanges;
- Determined that, along with the increased public information and involvement in exchanges, an effort will be made to seek competition in land exchanges by permitting other interested parties to enter into the bidding for a FS property;
- Will propose new legislation permitting the Forest Service to acquire new lands and dispose of unneeded existing property in order to enhance managerial efficiencies, gain high quality recreational and scenic plots, and protect and increase critical habitat for sensitive species. This increased authority to buy and sell lands—along with restrictions to protect environmentally valuable properties—will enable the agency to use the commercial real estate markets for more transactions. The new authority will rely upon full openness in land-related transactions, along with high levels of competition (no “one-on-one” transactions).

Object Classification (in millions of dollars)

Identification code 12-9923-0-2-300	1999 actual	2000 est.	2001 est.
11.1 Personnel compensation: Full-time permanent	5	5	5
12.1 Civilian personnel benefits	1	1	1
25.2 Other services	17	36	30
32.0 Land and structures	84	175	143
99.9 Total new obligations	107	217	179

Personnel Summary

Identification code 12-9923-0-2-300	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	101	111	100

**LAND ACQUISITION REINVESTMENT FUND
(Legislative proposal, Subject to PAYGO)**

Unavailable Collections (in millions of dollars)

Identification code 12-5359-0-2-302	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Proceeds of land sales, Forest Service, legislative proposal subject to PAYGO			1
Appropriation:			
05.01 Land acquisition reinvestment fund, legislative proposal subject to PAYGO			-1
07.99 Total balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-5359-4-2-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations (object class 32.0)			1
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			1
23.95 Total new obligations			-1
New budget authority (gross), detail:			
Mandatory:			
60.25 Appropriation (special fund, indefinite)			1
Change in unpaid obligations:			
73.10 Total new obligations			1
73.20 Total outlays (gross)			-1
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			1
Net budget authority and outlays:			
89.00 Budget authority			1
90.00 Outlays			1

Through increased authority for land sales and acquisitions, this proposed legislation would focus on acquiring high priority wetlands, riparian areas, threatened and endangered species habitat, areas of high biological diversity, wildlife corridors, and other high value conservation areas to ensure increased environmental benefits and government value. Proposed legislation would facilitate making appropriate sales and re-investment in Forest Service lands, including lands where encumbrances or community needs make them more appropriate for other public or private ownership, and where opportunities for achieving market value for a property are better through a sale than an exchange. The legislation will include sideboards or restrictions needed to avoid potential land sale abuses, and ensure only appropriate lands are available for sales (and reinvestment in new lands) at any one time.

The proposed Land Acquisition Reinvestment Fund is a special federal fund account for both receipts that are earmarked for specific purposes and for the expenditure of these receipts. Unlike a general fund account, receipts and expenditures are linked and, the receipts are available for only a specific purpose.

FOREST SERVICE PERMANENT APPROPRIATIONS

Unavailable Collections (in millions of dollars)

Identification code 12-9921-0-2-999	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year	340	274	282
Receipts:			
02.01 National forests fund, Agriculture	-64		
02.02 Payments to states	103	114	106
02.03 Payments to states, legislative proposal subject to PAYGO			-106
02.04 Timber roads, purchaser elections	6	6	6
02.05 Road and trails for States, National Forest Fund	27	26	25
02.06 Timber salvage sales	90	128	119
02.07 Deposits, brush disposal	21	26	26
02.08 Recreational fee demonstration program	26	25	26
02.09 Rents and charges for quarters	7	8	8
02.10 National Grasslands	-4	6	6
02.11 Miscellaneous special funds, Forest Service	4	2	2
02.12 National forests fund, Interior	8	14	10
02.13 Timber sales pipeline restoration fund	3	6	6
02.14 Midwin national tallgrass prairie rental fees	1		
02.15 Road and trails for States, legislative proposal subject to PAYGO			-25
02.16 Timber salvage sales, legislative proposal subject to PAYGO			-119
02.17 Timber sales pipeline restoration fund, legislative proposal subject to PAYGO			-6
02.18 National Grasslands, legislative proposal subject to PAYGO			-6
02.19 Miscellaneous special funds, legislative proposal subject to PAYGO			6
02.99 Total receipts	228	361	84
04.00 Total: Balances and collections	568	635	366
Appropriation:			
05.01 Forest Service permanent appropriations	-294	-353	-336
05.03 Legislative proposal subject to PAYGO			262
05.99 Subtotal appropriation	-294	-353	-74
07.99 Total balance, end of year	274	282	292

Program and Financing (in millions of dollars)

Identification code 12-9921-0-2-999	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Payments to States, National forest fund	103	113	105
00.02 Payment to Minnesota	1	1	1
00.03 Payments to counties, National grasslands	5	6	6
00.04 Recreation fee collection costs	1	1	1
00.05 Recreation demonstration pilot project	20	39	26
00.06 Timber purchaser roads constructed by Forest Service	2	6	8
00.07 Timber salvage sales	124	119	119
00.08 Roads and trails for States	33	35	32
00.09 Expenses, brush disposal	17	21	18
00.10 Restoration of forest lands and improvements	32	4	7
00.11 Operation and maintenance of quarters	7	8	8
00.13 Pipeline restoration fund	4	6	6
00.14 Land between the lakes		4	4
10.00 Total new obligations	349	363	341
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	291	268	263
22.00 New budget authority (gross)	317	359	342
22.10 Resources available from recoveries of prior year obligations	7		
23.90 Total budgetary resources available for obligation	615	627	605
23.95 Total new obligations	-349	-363	-341
24.40 Unobligated balance available, end of year	268	263	264

New budget authority (gross), detail:

Mandatory:			
60.25 Appropriation (special fund, indefinite)	294	353	336
61.00 Transferred to other accounts	-4		
62.00 Transferred from other accounts	27	6	6
62.50 Appropriation (total mandatory)	317	358	342

Change in unpaid obligations:

72.40 Unpaid obligations, start of year: Obligated balance, start of year	64	38	53
73.10 Total new obligations	349	363	341
73.20 Total outlays (gross)	-367	-348	-336
73.45 Adjustments in unexpired accounts	-7		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	38	53	58

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	302	311	289
86.98 Outlays from mandatory balances	64	38	47
87.00 Total outlays (gross)	367	348	336

Net budget authority and outlays:

89.00 Budget authority	317	359	342
90.00 Outlays	366	348	336

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	317	358	342
Outlays	366	349	336
Legislative proposal, subject to PAYGO:			
Budget Authority			-429
Outlays			-278
Total:			
Budget Authority	317	358	-87
Outlays	366	349	58

Operation and maintenance of quarters.—Quarters 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. (5 U.S.C. 5911)

Resource management, timber receipts.—Funds in this special account are available for trail maintenance, reconstruction, and construction; wildlife and fisheries habitat management; soil, water, and air management; cultural/heritage resource management; wilderness management; reforestation; and timber sale administration and management.

Recreation fee demonstration program.—Pursuant to Sec. 315 of Title III—General Provisions, Omnibus Consolidated Rescissions and Appropriations Act of 1996, Public Law 104-134 of April 26, 1996 as amended, amounts collected at fee demonstration areas, sites, or projects are available for maintenance and development of recreation facilities. A legislative proposal to authorize collection and use of all recreation receipts in fiscal year 2002 and after is included in the budget.

Midwin National Tallgrass Prairie rental fees.—Monies received under a special use authorization (issued under subsection (b) of Public Law 104-106, Title XXIX, Subtitle A, Section 2915, after distribution to the State of Illinois and affected counties pursuant to the Act of May 23, 1908) are available to cover the cost to the United States of prairie improvement work at the Midwin National Tallgrass Prairie.

Midwin National Tallgrass Prairie Restoration Fund.—Monies received from user fees and the salvage value proceeds from sale of any facilities and improvements pursuant to Section 2915(d) and (e) of Public Law 104-106, as amended by Public Law 105-83, are available to cover the costs of restoration and administrative activities.

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).

General and special funds—Continued

FOREST SERVICE PERMANENT APPROPRIATIONS—Continued

Payments to counties, National Grasslands.—Of the revenues received in a calendar year 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 Forests 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 at the end of each fiscal year 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). Proposed legislation, to be transmitted later, would stabilize funding levels through payments to States, beginning in 2001, to provide predictable payment for county roads and schools.

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). Proposed legislation, to be transmitted later would pool certain receipt-based funding, including the Salvage and Knutson-Vandenberg Funds into the Healthy Investments in Rural Environments program. Funding would be available for priority multiple-use projects in the locations of greatest need, while emphasizing employment opportunities like Jobs-in-the-Woods.

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 northern forestlands 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)).

Recreation fee collection costs.—Under authority of Section 10002(b) of the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66), which amended Section 4(i)(1) of the L&WCF Act, the Secretaries of Agriculture and Interior are authorized to withhold a portion of all recreation fees collected (not to exceed 15 percent), to be available during the current fiscal year, without further appropriation to cover fee collection costs.

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).

Timber salvage sales.—Funds are used for salvage of insect-infested, dead, damaged, or down timber, and to remove associated trees for stand improvement (16 U.S.C. 472a(h)).

Timber Sales Pipeline Restoration Fund.—As authorized under Section 327 of the Omnibus Consolidated Recissions and Appropriations Act of 1996, funds from revenues received from timber sales released under Section 2001(k) of the 1995 Supplemental Appropriations for Disaster Assistance and Recissions Act for the purpose of restoring the timber pipeline

and funding the backlog of recreation projects on National Forest System lands.

Object Classification (in millions of dollars)

Identification code 12-9921-0-2-999	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	86	81	73
11.3 Other than full-time permanent	11	10	9
11.5 Other personnel compensation	4	4	3
11.9 Total personnel compensation	101	95	85
12.1 Civilian personnel benefits	23	22	20
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1	1	1
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	5	6	6
23.3 Communications, utilities, and miscellaneous charges	3	4	4
24.0 Printing and reproduction	1	1	1
25.2 Other services	49	69	67
26.0 Supplies and materials	23	31	31
31.0 Equipment	3	4	4
32.0 Land and structures	27	6	6
41.0 Grants, subsidies, and contributions	109	120	112
99.9 Total new obligations	349	363	341

Personnel Summary

Identification code 12-9921-0-2-999	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	2,697	2,535	2,291

MISCELLANEOUS PERMANENT APPROPRIATIONS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 12-9921-4-2-999	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
00.01 Payments to States, National forest fund			- 105
00.02 Payment to Minnesota			- 1
00.03 Payments to counties, National grasslands			- 6
00.07 Timber salvage sales			- 119
00.08 Roads and trails for States			- 25
00.13 Pipeline restoration fund			- 6
10.00 Total new obligations			- 262
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			- 429
23.95 Total new obligations			262
24.40 Unobligated balance available, end of year			- 167
New budget authority (gross), detail:			
Mandatory:			
60.25 Appropriation (special fund, indefinite)			- 262
61.00 Transferred to other accounts			- 167
62.50 Appropriation (total mandatory)			- 429
Change in unpaid obligations:			
73.10 Total new obligations			- 262
73.20 Total outlays (gross)			278
73.31 Obligated balance transferred to other accounts			- 30
74.40 Unpaid obligations, end of year: Obligated balance, end of year			- 14
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			- 248
86.98 Outlays from mandatory balances			- 30
87.00 Total outlays (gross)			- 278
Net budget authority and outlays:			
89.00 Budget authority			- 429
90.00 Outlays			- 278

Current receipt sharing payments (“Twenty-Five Percent Fund”) are proposed to be replaced by a stable, guaranteed level of payments based on the concept of the guaranteed payments “Payments to States, Northern Spotted Owl Guarantee”. See the legislative proposal following that account.

The Recreation Fee Demonstration Program is proposed to be permanently extended beyond 2001, and would authorize the direct expenditure of all recreation fees collected by the Forest Service and Department of Interior agencies.

This proposal would permit non-timber interests to bid on timber sales to enable recreation and conservation groups to participate in auctions of timber harvest rights from federal lands. The proposal would alter the 3-year requirement for harvesting timber from national forests. The proposal serves to increase competition as more parties could bid on timber sales. In addition, receipts would increase because environmental and recreation groups may bid greater than the market value of the timber, reflecting values different than only timber uses. A portion of the receipts would be used for community employment and stability work, such as using Jobs-in-the Woods restoration projects.

Proposed legislation would also require that the minimum bid level, including rollbacks, on timber sales for commodity purposes, should be equal to the costs of sale preparation and harvest management. The proposal would not apply to stewardship timber sales. This will better enable the agency to establish minimum appraisal levels for timber sales. In 1914, minimum bids were set at 0.5/mbf, which was intended to cover the costs of sale preparation and administration. In the 1950s, existing minimum rates were reviewed and Regional Foresters instructed to set a minimum price level of “at least \$1.00/mbf, which was deemed to be the absolute minimum cost required to prepare and administer commercial timber sales.”

In addition, the proposal would require a new timber contract to avoid future damages. The proposal would establish new contract cancellation procedures that would reimburse timber sale purchasers for out-of-pocket expenses, but not for the cost of replacement timber as current contracts now do. It would also require that the timber sale purchaser obtain general liability insurance to protect the government from liability; the contract would transfer title for the timber to the purchaser at the time of payment, when the timber is cut, rather than after the timber is removed from the sale site. The new contract also would establish that timber sales purchasers could not cut undesignated trees.

The proposal would also require the receipt of fair market value from ski resorts on National Forest System lands in order to ensure that the rental charges remain fair and equitable to both the United States and the ski area permittees as mandated by Congress on the 1996 Omnibus Parks bill.

A concession reform proposal would amend the Granger-Thye Act of 1950 to authorize up to 15 pilot projects to enable the private sector to reconstruct, construct, or maintain, as well as to operate federally owned facilities in a public/private pilot basis. The proposal would target resorts, campgrounds, and marinas, to improve recreation opportunities and enhance visitor experiences, while reducing the large facility maintenance backlog. The proposal would also require that the agency collect fair market value for recreation concessions other than ski areas using appraisals, a competitive bid process, or other method based on sound business management principles, as appropriate. Such fees collected would be available for spending without further appropriation for the purposes of increased concession opportunities and enhanced visitor services, including infrastructure maintenance.

Fees charged for commercial film and photography would be retained by the Forest Service for the purpose of enhancing national forest recreational opportunities, increasing watershed and habitat conservation and restoration, and adminis-

tration and management of special uses on National Forest System lands. Funds are available until expended, with the authority to spend one year after funds were collected.

Legislation would require the collection of market values for special use permits for linear rights-of-way special uses, such as powerlines and pipelines. Increased fee collections, above the 2000 collections would be retained by the Forest Service for the purpose of enhancing national forest recreational opportunities, increasing watershed and habitat conservation and restoration, and administration and management of special uses on National Forest System lands. Funds are available until expended, with the authority to spend one year after funds were collected.

Proposed legislation would require all timber sales to be sold using the sealed bidding method, rather than open bids as is now the case in some places. The change would enhance the opportunities for achieving market value for timber sales on federal lands. A waiver permitting open bids would be available as determined by the Forest Service Chief where oral auction would yield higher bids.

Object Classification (in millions of dollars)

Identification code 12-9921-4-2-999	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent			-56
11.3 Other than full-time permanent			-7
11.5 Other personnel compensation			-3
11.9 Total personnel compensation			-66
12.1 Civilian personnel benefits			-15
13.0 Benefits for former personnel			-1
21.0 Travel and transportation of persons			-2
22.0 Transportation of things			-1
23.1 Rental payments to GSA			-1
23.2 Rental payments to others			-3
23.3 Communications, utilities, and miscellaneous charges			-2
24.0 Printing and reproduction			-1
25.2 Other services			-44
26.0 Supplies and materials			-12
31.0 Equipment			-2
41.0 Grants, subsidies, and contributions			-112
99.9 Total new obligations			-262

Personnel Summary

Identification code 12-9921-4-2-999	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment			-1,759

Intragovernmental funds:

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12-4605-0-4-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
09.01 Operating expenses	110	115	112
09.02 Capital investment	48	36	35
10.00 Total new obligations	158	151	147
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	106	115	98
22.00 New budget authority (gross)	165	134	134
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	273	249	232
23.95 Total new obligations	-158	-151	-147
24.40 Unobligated balance available, end of year	115	98	85

Intragovernmental funds—Continued

WORKING CAPITAL FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4605-0-4-302	1999 actual	2000 est.	2001 est.
New budget authority (gross), detail:			
Mandatory:			
69.00 Offsetting collections (cash)	165	134	134
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	52	57	74
73.10 Total new obligations	158	151	147
73.20 Total outlays (gross)	-151	-134	-134
73.45 Adjustments in unexpired accounts	-2		
74.40 Unpaid obligations, end of year: Obligated balance, end of year	57	74	87
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	151	134	134
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-165	-134	-134
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	-14		

The Working Capital Fund is a self-sustaining revolving fund that provides services to National Forests, to Research Experiment Stations, to other Federal agencies when necessary, to State and private agencies as provided by law, and to persons who cooperate with the Forest Service in fire control and other authorized programs.

Forestry-related supply and support services include:

Equipment Services.—The fund owns, operates, maintains, replaces, and repairs 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 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.—The fund operates, maintains, and repairs 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.

Computer Services.—The Fund provides computer hardware, software, and radio equipment.

Supply Services.—The fund operates the following common services, and provides for cost-recovery of Working Capital Fund Program Management:

Photo reproduction laboratories that store, reproduce, and supply aerial photographs, aerial maps, and other photographs of National Forest lands. Photographic reproductions are sold to National Forests, Experiment Stations, and others at cost.

Sign shops that 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. Signs are sold to National Forests and Experiment Stations at cost.

Seed supply services that provide 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; that is, forest tree nurseries and cold storage facilities for storage of tree seedlings. Tree seedlings are sold to National Forests, State foresters, and other co-operators at cost.

Object Classification (in millions of dollars)

Identification code 12-4605-0-4-302	1999 actual	2000 est.	2001 est.
13.0 Benefits for former personnel	2	2	2
21.0 Travel and transportation of persons	3	3	3
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	1
25.2 Other services	1	1	1
26.0 Supplies and materials	22	20	19
31.0 Equipment	127	122	120
99.9 Total new obligations	158	151	147

Note.—Personnel totals are included with personnel totals of all other Forest Service programs.

Trust Funds

FOREST SERVICE TRUST FUNDS

Unavailable Collections (in millions of dollars)

Identification code 12-9974-0-7-302	1999 actual	2000 est.	2001 est.
Balance, start of year:			
01.99 Balance, start of year			
Receipts:			
02.01 Forest Service Cooperative fund	163	166	210
02.02 Transfers from general fund of amounts equal to certain customs duties	30	30	30
02.04 Forest Service Cooperative fund, legislative proposal subject to PAYGO			-160
02.05 Transfers from general fund of amounts equal to certain customs duties, legislative proposal subject to PAYGO			-30
02.06 Transfer from TVA for land between the lakes trust fund			1
02.99 Total receipts	193	196	51
Appropriation:			
05.01 Forest Service trust funds	-193	-196	-240
05.03 Legislative proposal subject to PAYGO			190
05.99 Subtotal appropriation	-193	-196	-50
07.99 Total balance, end of year			1

Program and Financing (in millions of dollars)

Identification code 12-9974-0-7-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations	117	239	216
Budgetary resources available for obligation:			
21.40 Unobligated balance available, start of year	286	369	327
22.00 New budget authority (gross)	193	196	240
22.10 Resources available from recoveries of prior year obligations	7		
23.90 Total budgetary resources available for obligation	486	565	567
23.95 Total new obligations	-117	-239	-216
24.40 Unobligated balance available, end of year	369	327	352
New budget authority (gross), detail:			
Mandatory:			
60.27 Appropriation (trust fund, indefinite)	193	196	240
Change in unpaid obligations:			
72.40 Unpaid obligations, start of year: Obligated balance, start of year	61	39	83
73.10 Total new obligations	117	239	216
73.20 Total outlays (gross)	-133	-195	-231
73.45 Adjustments in unexpired accounts	-7		

74.40	Unpaid obligations, end of year: Obligated balance, end of year	39	83	68
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	72	157	192
86.98	Outlays from mandatory balances	61	38	39
87.00	Total outlays (gross)	133	195	231
Net budget authority and outlays:				
89.00	Budget authority	193	196	240
90.00	Outlays	133	195	231

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	1999 actual	2000 est.	2001 est.
Budget Authority	193	196	240
Outlays	133	195	231
Legislative proposal, subject to PAYGO:			
Budget Authority			-459
Outlays			-190
Total:			
Budget Authority	193	196	-219
Outlays	133	195	41

Reforestation trust fund.—Amounts from this account are used for reforestation as authorized by 16 U.S.C. 1606a (d) and (e).

Cooperative work trust fund.—Funds 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 millions of dollars)

Identification code 12-9974-0-7-302	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent	62	55	53
11.3 Other than full-time permanent	9	8	7
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	74	66	63
12.1 Civilian personnel benefits	16	14	14
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	3	3	3
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	4	8	6
23.3 Communications, utilities, and miscellaneous charges	1	3	2
25.2 Other services	10	130	114
26.0 Supplies and materials	4	7	6
31.0 Equipment	1	2	2
32.0 Land and structures	1	2	2
41.0 Grants, subsidies, and contributions	1	1	1
44.0 Refunds		1	1
99.9 Total new obligations	117	239	216

Personnel Summary

Identification code 12-9974-0-7-302	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment	2,038	1,804	1,742

**FOREST SERVICE TRUST FUNDS
(Legislative proposal, subject to PAYGO)**

Program and Financing (in millions of dollars)

Identification code 12-9974-4-7-302	1999 actual	2000 est.	2001 est.
Obligations by program activity:			
10.00 Total new obligations			-190
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-459

23.95	Total new obligations	190
24.40	Unobligated balance available, end of year	-269
New budget authority (gross), detail:		
Mandatory:		
60.27	Appropriation (trust fund, indefinite)	-190
61.00	Transferred to other accounts	-269
62.50	Appropriation (total mandatory)	-459

Change in unpaid obligations:

73.10	Total new obligations	-190
73.20	Total outlays (gross)	190
73.31	Obligated balance transferred to other accounts	-38
74.40	Unpaid obligations, end of year: Obligated balance, end of year	-38

Outlays (gross), detail:

86.97	Outlays from new mandatory authority	-152
86.98	Outlays from mandatory balances	-38
87.00	Total outlays (gross)	-190

Net budget authority and outlays:

89.00	Budget authority	-459
90.00	Outlays	-190

Proposed legislation would pool certain receipt-based funding, including the Salvage and Knutson-Vandenberg Fund into the Healthy Investments in Rural Environments Program. Funds would be available for priority multiple-use projects in locations of greatest need, while emphasizing employment opportunities, like Jobs-in-the Woods.

Object Classification (in millions of dollars)

Identification code 12-9974-4-7-302	1999 actual	2000 est.	2001 est.
Personnel compensation:			
11.1 Full-time permanent			-40
11.3 Other than full-time permanent			-6
11.5 Other personnel compensation			-2
11.9 Total personnel compensation			-48
12.1 Civilian personnel benefits			-10
21.0 Travel and transportation of persons			-1
22.0 Transportation of things			-3
23.1 Rental payments to GSA			-1
23.2 Rental payments to others			-5
23.3 Communications, utilities, and miscellaneous charges			-2
25.2 Other services			-89
26.0 Supplies and materials			-4
31.0 Equipment			-2
32.0 Land and structures			-1
41.0 Grants, subsidies, and contributions			-24
99.9 Total new obligations			-190

Personnel Summary

Identification code 12-9974-4-7-302	1999 actual	2000 est.	2001 est.
1001 Total compensable workyears: Full-time equivalent employment			-1,005

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.
 - Animal and Plant Health Inspection Service.
 - Natural Resources Conservation Service.
 - Watershed and flood prevention operations.
 - Resource conservation and development.
 - Watershed planning.
 - River basin surveys and investigations.
 - Conservation Reserve Program.
 - Department Administration:
 - Hazardous materials management.
 - Rural Housing; Rural community fire protection grants.
 - Transportation: Federal Highway Administration, Highway Trust Fund.
 - Labor: Employment and Training Administration, Training and employment services.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed [110] 132 passenger motor vehicles of which [15] 13 will be used primarily for law enforcement purposes and of which [109] 129 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed [three] six for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at [213] [198] 192 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; 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; (2) services pursuant to 7 U.S.C. 2225, and not to exceed \$100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901-5902; and (7) 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 abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.]

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions [if and only if all previously appropriated emergency contingent funds under the heading "Wildland Fire Management" have been released by the President and appropriated].

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

[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 No. 105-163.]

[None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report No. 105-163.]

[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] \$4,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93-408.

Of the funds available to the Forest Service, [\$1,500] \$2,500 is available to the Chief of the Forest Service for official reception and representation expenses.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101-593, of the funds available to the Forest Service, up to \$2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefit-

ing National Forest System lands or related to Forest Service programs: *Provided*, That of the Federal funds made available to the Foundation, no more than \$400,000 shall be available for administrative expenses: *Provided further*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: *Provided further*, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of the enactment of this Act) on Federal funds to carry out the purposes of Public Law 101-593: *Provided further*, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98-244, \$2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701-3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: *Provided*, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: *Provided further*, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

[Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the "National Forest System" and "Reconstruction and Construction" accounts and planned to be allocated to activities under the "Jobs in the Woods" program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.] *Notwithstanding any other provision of law, up to 80 percent of the funds appropriated to the Forest Service in the "National Forest System", "Infrastructure", and "Wildland Fire Management" accounts, which are planned for support of "Jobs in the Woods," Youth Conservation Corps, and similar such special employment programs to employ displaced timber workers and other skilled rural workers, for projects on National Forest land, may be granted directly to State agencies for accomplishment of planned projects. Twenty percent of said funds may be retained by the Forest Service for planning and administering projects. The Forest Service in consultation with respective state agencies shall accomplish project selection and prioritization, as the Forest Service deems appropriate.*

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99-663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: *Provided*, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: *Provided further*, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County,

California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101-612).

[For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104-134, the direct grants provided from the Fund shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities: *Provided*, That a total of \$22,000,000 is hereby appropriated and shall be deposited into the Southeast Alaska Economic Disaster Fund established pursuant to Public Law 104-134, as amended, without further appropriation or fiscal year limitation of which \$10,000,000 shall be distributed in fiscal year 2000, \$7,000,000 shall be distributed in fiscal year 2001, and \$5,000,000 shall be distributed in fiscal year 2002. The Secretary of Agriculture shall allocate the funds to local communities suffering economic hardship because of mill closures and economic dislocation in the timber industry to employ unemployed timber workers and for related community redevelopment projects as follows:

(1) in fiscal year 2000, \$4,000,000 for the Ketchikan Gateway Borough, \$2,000,000 for the City of Petersburg, \$2,000,000 for the City and Borough of Sitka, and \$2,000,000 for the Metlakatla Indian Community;

(2) in fiscal year 2001, \$3,000,000 for the Ketchikan Gateway Borough, \$1,000,000 for the City of Petersburg, \$1,500,000 for the City and Borough of Sitka, and \$1,500,000 for the Metlakatla Indian Community; and

(3) in fiscal year 2002, \$3,000,000 for the Ketchikan Gateway Borough, \$500,000 for the City and Borough of Sitka, and \$1,500,000 for the Metlakatla Indian Community.]

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed \$500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters. [Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.]

[No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.]

The Forest Service shall fund overhead, national commitments, indirect expenses, and any other category for use of funds which are expended at any units, that are not directly related to the accomplishment of specific work on-the-ground (referred to as "indirect expenditures"), from funds available to the Forest Service, unless otherwise prohibited by law: *Provided*, That the Forest Service shall implement and adhere to the definitions of indirect expenditures established pursuant to Public Law 105-277 on a nationwide basis without flexibility for modification by any organizational level except the Washington Office, and when changed by the Washington Office, such changes in definition shall be reported in budget requests submitted by the Forest Service: *Provided further*, That the Forest Service shall provide in all future budget justifications, planned indirect expenditures in accordance with the definitions, summarized and displayed to the Regional, Station, Area, and detached unit office level. The justification shall display the estimated source and amount of indirect expenditures, by expanded budget line item, of funds in the agency's annual budget justification. The display shall include appropriated funds and the Knutson-Vandenberg, Brush Disposal, Cooperative Work-Other, and Salvage Sale funds. Changes between estimated and actual indirect expenditures shall be reported in subsequent budget justifications: *Provided further*, That during fiscal year 2000 the Secretary shall limit total annual indirect obligations from the Brush Disposal, Cooperative Work-Other, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to 20 percent of the total obligations from each fund].

Any appropriations or funds available to the Forest Service may be used for necessary expenses in the event of law enforcement emergencies as necessary to protect natural resources and public or employee safety: *Provided*, That such amounts shall not exceed \$500,000].

[From any unobligated balances available at the start of fiscal year 2000, the amount of \$5,000,000 shall be allocated to the Alaska Region, in addition to the funds appropriated to sell timber in the

Alaska Region under this Act, for expenses directly related to preparing sufficient additional timber for sale in the Alaska Region to establish a 3-year timber supply.]

[The Forest Service is authorized through the Forest Service existing budget to reimburse Harry Frey, \$143,406 (1997 dollars) because his home was destroyed by arson on June 21, 1990 in retaliation for his work with the Forest Service.] (*Department of the Interior and Related Agencies Appropriations Act, 2000, as enacted by section 1000(a)(3) of the Consolidated Appropriations Act, 2000 (P.L. 106-113)*)

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
Offsetting receipts from the public:			
12-181100 National grasslands	18	24	24
12-222100 National forest fund	132	96	97
Legislative proposal, subject to PAYGO			8
12-223700 Collections to offset payments to states stabilization: Legislative proposal, subject to PAYGO			155
12-223800 Collections to offset healthy investments in rural environments: Legislative proposal, subject to PAYGO			285
12-270130 Agriculture credit insurance, downward reestimates of subsidies		417	
12-270210 Rural electrification and telephone loans, negative subsidies		5	8
12-270230 Rural electrification and telephone loans, downward reestimates of subsidies	167		
12-270310 Rural water and waste disposal, negative subsidies	18		
12-270510 Rural community facility, negative subsidies	18		
12-270630 Rural housing insurance, downward reestimates of subsidies	34		
12-270710 Rural business and industry, negative subsidies	4		
12-271030 Rural development loans, downward reestimates of subsidies	8		
12-271130 Rural telephone bank loans, downward reestimates of subsidies	12	1	
12-271330 Economic development loans, downward reestimates of subsidies	2		
12-311000 Collections to offset road and trail fund: Legislative proposal, subject to PAYGO			25
General Fund Offsetting receipts from the public	413	543	602

OTHER CONSOLIDATED RECEIPT ACCOUNTS

(in millions of dollars)

	1999 actual	2000 est.	2001 est.
12-977210 Miscellaneous contributed funds	5	1	1

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year [2000] 2001 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [365] 389 passenger motor vehicles, of which [361] 385 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 703. 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, and July 28, 1954 (7 U.S.C. 427 and 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The [cumulative total of transfers] Secretary may transfer funds provided under this Act and other available unobligated

balances of the Department of Agriculture 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] acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, integrated systems acquisition project, boll weevil program, up to 10 percent of the screwworm program, and up to \$2,000,000 for costs associated with collocating regional offices; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)) and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; [and] Foreign Agricultural Service, middle-income country training program and up to \$2,000,000 of the *Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.*

SEC. 706. 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. 707. Not to exceed \$50,000 of the appropriations 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. 708. 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 percent 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. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with the 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. 710. 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. 711. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 19 percent of total Federal funds provided under each award: *Provided, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under the Small Business Innovation Development Act of 1982, Public Law 97-219 (15 U.S.C. 638).*

SEC. 712. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

[SEC. 713. Notwithstanding any other provision of law, effective on September 29, 1999, appropriations made available to the Rural Housing Insurance Fund Program Account for the costs of direct and guaranteed loans and to the Rural Housing Assistance Grants Account in fiscal years 1994, 1995, 1996, 1997, 1998, and 1999 shall remain available until expended to cover obligations made in each of those fiscal years respectively with regard to each account.]

SEC. [714] 713. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year [2000] 2001 shall remain available until expended to cover

obligations made in fiscal year [2000] 2001 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; the Rural Housing Insurance Fund Program Account; and the rural economic development loans program account.

SEC. [715] 714. Such sums as may be necessary for fiscal year [2000] 2001 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. [716] 715. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service; Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; and the food safety activities of the Food Safety and Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; or the Food Safety and Inspection Service and a State or Cooperator to carry out agricultural marketing programs, to carry out programs to protect the Nation's animal and plant resources, or to carry out educational programs or special studies to improve the safety of the Nation's food supply.

SEC. [717] 716. Notwithstanding any other provision of law (including provisions of law requiring competition), the Secretary may enter into cooperative agreements (which may provide for the acquisition of goods or services, including personal services) with a State, political subdivision, or agency thereof, a public or private agency, organization, or any other person, if the Secretary determines that the objectives of the agreement will: (1) serve a mutual interest of the parties to the agreement in carrying out the Wetlands Reserve Program; and (2) all parties will contribute resources to the accomplishment of these objectives: *Provided, That Commodity Credit Corporation funds obligated for such purposes shall not exceed the level obligated by the Commodity Credit Corporation for such purposes in fiscal year 1998.*

[SEC. 718. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: *Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.*]

[SEC. 719. Of the funds made available by this Act, not more than \$1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants: *Provided, That interagency funding is authorized to carry out the purposes of the National Drought Policy Commission.*]

SEC. [720] 717. None of the funds appropriated by this Act may be used to carry out the provisions of section 918 of Public Law 104-127, the Federal Agriculture Improvement and Reform Act.

[SEC. 721. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.]

[SEC. 722. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.]

SEC. [723] 718. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior ap-*

proval of the Committee on Appropriations of both Houses of Congress].

【SEC. 724. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committee on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committee on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.]

SEC. 【725】 719. None of the funds appropriated or otherwise made available by this Act or any other Act may be used to pay the salaries and expenses of personnel to carry out the transfer or obligation of fiscal year 【2000】 2001 funds under the provisions of section 793 of Public Law 104–127, *the Fund for Rural America*.

【SEC. 726. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by sections 334–341 of Public Law 104–127 in excess of \$174,000,000.】

【SEC. 727. None of the funds appropriated or otherwise available to the Department of Agriculture in fiscal year 2000 or thereafter may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.】

【SEC. 728. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to enroll in excess of 150,000 acres in the fiscal year 2000 wetlands reserve program as authorized by 16 U.S.C. 3837.】

SEC. 【729】 720. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out the transfer or obligation of fiscal year 【2000】 2001 funds under the provisions of section 401 of Public Law 105–185, the Initiative for Future Agriculture and Food Systems.

【SEC. 730. Notwithstanding section 381A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009), in fiscal year 2000 and thereafter, the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104–127.】

【SEC. 731. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.】

SEC. 【732】 721. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 335 of Public Law 104–127.

【SEC. 733. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration

Division of Drug Analysis in St. Louis, Missouri, or the Food and Drug Administration Detroit, Michigan, District Office Laboratory; or to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office.】

【SEC. 734. None of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 302(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: *Provided*, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).】

【SEC. 735. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the users fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2001 appropriations Act.】

【SEC. 736. None of the funds appropriated or otherwise made available by this Act shall be used to establish an Office of Community Food Security or any similar office within the United States Department of Agriculture without the prior approval of the Committee on Appropriations of both Houses of Congress.】

【SEC. 737. None of the funds appropriated or otherwise made available by this or any other Act may be used to carry out provision of section 612 of Public Law 105–185.】

【SEC. 738. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the emergency food assistance program authorized by section 27(a) of the Food Stamp Act (7 U.S.C. 2036(a)) if such program exceeds \$98,000,000.】

【SEC. 739. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan.】

【SEC. 740. Notwithstanding any other provision of law, in fiscal year 2000 and thereafter, permanent employees of county committees employed on or after October 1, 1998, pursuant to 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be considered as having Federal Civil Service status only for the purpose of applying for United States Department of Agriculture Civil Service vacancies.】

【SEC. 741. None of the funds appropriated or otherwise made available by this Act may be used to declare excess or surplus all or part of the lands and facilities owned by the Federal Government and administered by the Secretary of Agriculture at Fort Reno, Oklahoma, or to transfer or convey such lands or facilities, without the specific authorization of Congress.】

【SEC. 742. Notwithstanding any other provision of law, the Chief of the Natural Resources Conservation Service shall provide funds, within discretionary amounts available, for the settlement of claims associated with the Chuquatonchee Watershed Project in Mississippi to close out this project.】

【SEC. 743. (a) Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall offer to enter into an agreement with the Governor of the State of Hawaii to conduct a pilot program to inspect mail entering the State of Hawaii for any plant, plant product, plant pest, or other organism that is subject to Federal quarantine laws.

(b) The agreement described in subsection (a) shall contain the same terms and conditions as are contained in the memorandum of understanding entered into between the Secretary and the State

of California, dated February 1, 1999, unless the Secretary and the Governor agree to different terms or conditions.

(c) Unless the Secretary and the Governor agree otherwise, the agreement described in subsection (b) shall terminate on the later of—

(1) the date that is 1 year after the date the agreement becomes effective; or

(2) the date that the February 1, 1999 memorandum of understanding terminates.】

【SEC. 744. Notwithstanding any other provision of law, the Secretary is authorized under section 306 of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), to provide guaranteed lines of credit, including working capital loans, for health care facilities, to address Year 2000 computer conversion issues.】

【SEC. 745. After taking any action involving the seizure, quarantine, treatment, destruction, or disposal of wheat infested with karnal bunt, the Secretary of Agriculture shall compensate the producers and handlers for economic losses incurred as the result of the action not later than 45 days after receipt of a claim that includes all appropriate paperwork.】

【SEC. 746. In addition to amounts otherwise appropriated or made available by this Act, \$2,000,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships through the Congressional Hunger Center, which is an organization described in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986 and is exempt from taxation under subsection (a) of such section.】

【SEC. 747. Notwithstanding any other provision of law, there are hereby appropriated \$250,000 for the program authorized under section 388 of the Federal Agriculture Improvement and Reform Act of 1996, solely for use in the State of New Hampshire.】

【SEC. 748. The Immigration and Nationality Act (8 U.S.C. 1188 et seq.) is amended—

(1) in section 218(c)(1) by striking “60 days” and inserting “45 days”; and

(2) in section 218(c)(3)(A) by striking “20 days” and inserting “30 days”.】

【SEC. 749. SUCCESSORSHIP PROVISIONS RELATING TO BARGAINING UNITS AND EXCLUSIVE REPRESENTATIVES. (a) VOLUNTARY AGREEMENT.—

(1) IN GENERAL.—If the exercise of the Secretary of Agriculture’s authority under this section results in changes to an existing bargaining unit that has been certified under chapter 71 of title 5, United States Code, the affected parties shall attempt to reach a voluntary agreement on a new bargaining unit and an exclusive representative for such unit.

(2) CRITERIA.—In carrying out the requirements of this subsection, the affected parties shall use criteria set forth in—

(A) sections 7103(a)(4), 7111(e), 7111(f)(1), and 7120 of title 5, United States Code, relating to determining an exclusive representative; and

(B) section 7112 of title 5, United States Code (disregarding subsections (b)(5) and (d) thereof), relating to determining appropriate units.

(b) EFFECT OF AN AGREEMENT.—

(1) IN GENERAL.—If the affected parties reach agreement on the appropriate unit and the exclusive representative for such unit under subsection (a), the Federal Labor Relations Authority shall certify the terms of such agreement, subject to paragraph (2)(A). Nothing in this subsection shall be considered to require the holding of any hearing or election as a condition for certification.

(2) RESTRICTIONS.—

(A) CONDITIONS REQUIRING NONCERTIFICATION.—The Federal Labor Relations Authority may not certify the terms of an agreement under paragraph (1) if—

(i) it determines that any of the criteria referred to in subsection (a)(2) (disregarding section 7112(a) of title 5, United States Code) have not been met; or

(ii) after the Secretary’s exercise of authority and before certification under this section, a valid election under section 7111(b) of title 5, United States Code, is held covering any employees who would be included in the unit proposed for certification.

(B) TEMPORARY WAIVER OF PROVISION THAT WOULD BAR AN ELECTION AFTER A COLLECTIVE BARGAINING AGREEMENT IS REACHED.—Nothing in section 7111(f)(3) of title 5, United States Code, shall prevent the holding of an election under section 7111(b) of such title that covers employees within a

unit certified under paragraph (1), or giving effect to the results of such an election (including a decision not to be represented by any labor organization), if the election is held before the end of the 12-month period beginning on the date such unit is so certified.

(C) CLARIFICATION.—The certification of a unit under paragraph (1) shall not, for purposes of the last sentence of section 7111(b) of title 5, United States Code, or section 7111(f)(4) of such title, be treated as if it had occurred pursuant to an election.

(3) DELEGATION.—

(A) IN GENERAL.—The Federal Labor Relations Authority may delegate to any regional director (as referred to in section 7105(e) of title 5, United States Code) its authority under the preceding provisions of this subsection.

(B) REVIEW.—Any action taken by a regional director under subparagraph (A) shall be subject to review under the provisions of section 7105(f) of title 5, United States Code, in the same manner as if such action had been taken under section 7105(e) of such title, except that in the case of a decision not to certify, such review shall be required if application therefor is filed by an affected party within the time specified in such provisions.

(c) DEFINITION.—For purposes of this section, the term “affected party” means—

(1) with respect to an exercise of authority by the Secretary of Agriculture under this section, any labor organization affected thereby; and

(2) the Department of Agriculture.】

【SEC. 750. None of the funds appropriated or otherwise made available by this Act or any other Act shall be used for the implementation of a Support Services Bureau or similar organization.】

【SEC. 751. CONTRACTS FOR PROCUREMENT OR PROCESSING OF CERTAIN COMMODITIES. (a) DEFINITIONS.—In this section:

(1) HUBZONE SOLE SOURCE CONTRACT.—The term “HUBZone sole source contract” means a sole source contract authorized by section 31 of the Small Business Act (15 U.S.C. 657a).

(2) HUBZONE PRICE EVALUATION PREFERENCE.—The term “HUBZone price evaluation preference” means a price evaluation preference authorized by section 31 of the Small Business Act (15 U.S.C. 657a).

(3) QUALIFIED HUBZONE SMALL BUSINESS CONCERN.—The term “qualified HUBZone small business concern” has the meaning given the term in section 3(p) of the Small Business Act (15 U.S.C. 632(p)).

(4) COVERED PROCUREMENT.—The term “covered procurement” means a contract for the procurement or processing of a commodity furnished under title II or III of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.), section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Food for Progress Act of 1985 (7 U.S.C. 1736o), or any other commodity procurement or acquisition by the Commodity Credit Corporation under any other law.

(b) PROHIBITION OF USE OF FUNDS.—None of the funds made available by this Act may be used:

(1) to award a HUBZone sole source contract or a contract awarded through full and open competition in combination with a HUBZone price evaluation preference to any qualified HUBZone small business concern in any covered procurement if performance of the contract by the business concern would exceed the production capacity of the business concern or would require the business concern to subcontract to any other company or enterprise for the purchase of the commodity being procured through the covered procurement; and

(2) in any contract awarded through full and open competition in any covered procurement—

(A) to fund a price evaluation preference greater than 5 percent if the dollar value of the contract awarded is not greater than 50 percent of the total dollar value being procured in a single tender for a commodity; or

(B) to fund any price evaluation preference at all if the dollar value of the contract awarded is greater than 50 percent of the total dollar value being procured in a single tender for a commodity.】

【SEC. 752. REDESIGNATION OF NATIONAL SCHOOL LUNCH ACT AS RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT. (a) IN GENERAL.—The first section of the National School Lunch Act (42 U.S.C.

1751 note) is amended by striking "National School Lunch Act" and inserting "Richard B. Russell National School Lunch Act".

(b) CONFORMING AMENDMENTS.—The following provisions of law are amended by striking "National School Lunch Act" each place it appears and inserting "Richard B. Russell National School Lunch Act":

(1) Sections 3 and 13(3)(A) of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100-237).

(2) Section 404 of the Agricultural Act of 1949 (7 U.S.C. 1424).

(3) Section 201(a) of the Act entitled "An Act to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes", approved September 21, 1959 (7 U.S.C. 1431c(a); 73 Stat. 610).

(4) Section 211(a) of the Agricultural Trade Suspension Adjustment Act of 1980 (7 U.S.C. 4004(a)).

(5) Section 245A(h)(4)(A) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(A)).

(6) Sections 403(c)(2)(C), 422(b)(3), 423(d)(3), 741(a)(1), and 742 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(C), 1632(b)(3), 1183a note, 42 U.S.C. 1751 note, 8 U.S.C. 1615; Public Law 104-193).

(7) Section 2243(b) of title 10, United States Code.

(8) Sections 404B(g)(1)(A), 404D(c)(2), and 404F(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a-22(g)(1)(A), 1070a-24(c)(2), 1070a-26(a)(2); Public Law 105-244).

(9) Section 231(d)(3)(A)(i) of the Carl D. Perkins Vocational Education Act (20 U.S.C. 2341(d)(3)(A)(i)).

(10) Section 1113(a)(5) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6313(a)(5)).

(11) Section 1397E(d)(4)(A)(iv)(II) of the Internal Revenue Code of 1986.

(12) Sections 254(b)(2)(B) and 263(a)(2)(C) of the Job Training Partnership Act (29 U.S.C. 1633(b)(2)(B), 1643(a)(2)(C)).

(13) Section 3803(c)(2)(C)(xiii) of title 31, United States Code.

(14) Section 602(d)(9)(A) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(d)(9)(A)).

(15) Sections 2(4), 3(1), and 301 of the Healthy Meals for Healthy Americans Act of 1994 (42 U.S.C. 1751 note; Public Law 103-448).

(16) Sections 3, 4, 7, 10, 13, 16(b), 17, and 19(d) of the Child Nutrition Act of 1966 (42 U.S.C. 1772, 1773, 1776, 1779, 1782, 1785(b), 1786, 1788(d)).

(17) Section 658O(b)(3) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m(b)(3)).

(18) Subsection (b) of the first section of Public Law 87-688 (48 U.S.C. 1666(b)).

(19) Section 10405(a)(2)(H) of the Omnibus Budget Reconciliation Act of 1989 (Public Law 101-239; 103 Stat. 2489).]

[SEC. 753. Public Law 105-199 (112 Stat. 641) is amended in section 3(b)(1)(G) by striking "persons" and inserting "governors, who may be represented on the Commission by their respective designees.".]

[SEC. 754. Section 889 of the Federal Agriculture Improvement and Reform Act of 1996 is amended—

(1) in the heading, by inserting "HARRY K. DUPREE" before "STUTTGART";

(2) in subsection (b)(1)—

(A) in the heading, by inserting "HARRY K. DUPREE" before "STUTTGART"; and

(B) in subparagraphs (A) and (B), by inserting "Harry K. Dupree" before "Stuttgart National Aquaculture Research Center" each place it appears.]

[SEC. 755. TOBACCO LEASING AND INFORMATION. (a) CROSS-COUNTY LEASING.—Section 319(l) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314e(l)) is amended in the second sentence by inserting ", Ohio, Indiana, Kentucky," after "Tennessee".

(b) TOBACCO PRODUCTION AND MARKETING INFORMATION.—Part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is amended by adding at the end the following:

"SEC. 320D. TOBACCO PRODUCTION AND MARKETING INFORMATION.

"(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may, subject to subsection (b), release marketing information submitted by persons relating to the production and marketing of tobacco to State trusts or similar organizations engaged in the distribution of national trust funds to tobacco producers and other

persons with interests associated with the production of tobacco, as determined by the Secretary.

"(b) LIMITATIONS.—

"(1) IN GENERAL.—Information may be released under subsection (a) only to the extent that—

"(A) the release is in the interest of tobacco producers, as determined by the Secretary; and

"(B) the information is released to a State trust or other organization that is created to, or charged with, distributing funds to tobacco producers or other parties with an interest in tobacco production or tobacco farms under a national or State trust or settlement.

"(2) EXEMPTION FROM RELEASE.—The Secretary shall, to the maximum extent practicable, in advance of making a release of information under subsection (a), allow, by announcement, a period of at least 15 days for persons whose consent would otherwise be required by law to effectuate the release, to elect to be exempt from the release.

"(c) ASSISTANCE.—

"(1) IN GENERAL.—In making a release under subsection (a), the Secretary may provide such other assistance with respect to information released under subsection (a) as will facilitate the interest of producers in receiving the funds that are the subject of a trust described in subsection (a).

"(2) FUNDS.—The Secretary shall use amounts made available for salaries and expenses of the Department to carry out paragraph (1).

"(d) RECORDS.—

"(1) IN GENERAL.—A person who obtains information described in subsection (a) shall maintain records that are consistent with the purposes of the release and shall not use the records for any purpose not authorized under this section.

"(2) PENALTY.—A person who knowingly violates this subsection shall be fined not more than \$10,000, imprisoned not more than 1 year, or both.

"(e) APPLICATION.—This section shall not apply to—

"(1) records submitted by cigarette manufacturers with respect to the production of cigarettes;

"(2) records that were submitted as expected purchase intentions in connection with the establishment of national tobacco quotas; or

"(3) records that aggregate the purchases of particular buyers.".]

[SEC. 756. Notwithstanding section 306(a)(7) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(7)), the City of Berlin, New Hampshire, shall be eligible during fiscal year 2000 for a rural utilities grant or loan under the Rural Community Advancement Program.]

[SEC. 757. CRANBERRY MARKETING ORDERS. (a) PAID ADVERTISING FOR CRANBERRIES AND CRANBERRY PRODUCTS.—Section 8c(6)(I) of the Agricultural Adjustment Act (7 U.S.C. 608c(6)(I)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended in the first proviso—

(1) by striking "or Florida grown strawberries" and inserting "or Florida grown strawberries, or cranberries"; and

(2) by striking "and Florida Indian River grapefruit" and inserting "Florida Indian River grapefruit, and cranberries".

(b) COLLECTION OF CRANBERRY INVENTORY DATA.—Section 8d of the Agricultural Adjustment Act (7 U.S.C. 608d), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following:

"(3) COLLECTION OF CRANBERRY INVENTORY DATA.—

"(A) IN GENERAL.—If an order is in effect with respect to cranberries, the Secretary of Agriculture may require persons engaged in the handling or importation of cranberries or cranberry products (including producer-handlers, second handlers, processors, brokers, and importers) to provide such information as the Secretary considers necessary to effectuate the declared policy of this title, including information on acquisitions, inventories, and dispositions of cranberries and cranberry products.

"(B) DELEGATION TO COMMITTEE.—The Secretary may delegate the authority to carry out subparagraph (A) to any committee that is responsible for administering an order covering cranberries.

"(C) CONFIDENTIALITY.—Paragraph (2) shall apply to information provided under this paragraph.

"(D) VIOLATIONS.—Any person who violates this paragraph shall be subject to the penalties provided under section 8c(14).".]

[SEC. 758. Beginning in fiscal year 2001 and thereafter, the Food Stamp Act (Public Law 95-113, section 16(a)) is amended by inserting

“SEC. 320D. TOBACCO PRODUCTION AND MARKETING INFORMATION.—Continued

after the phrase “Indian reservation under section 11(d) of this Act” the following new phrase: “or in a Native village within the State of Alaska identified in section 11(b) of Public Law 92–203, as amended.”.]

[SEC. 759. EDUCATION GRANTS TO ALASKA NATIVE SERVING INSTITUTIONS AND NATIVE HAWAIIAN SERVING INSTITUTIONS. (a) EDUCATION GRANTS PROGRAM FOR ALASKA NATIVE SERVING INSTITUTIONS.—

(1) **GRANT AUTHORITY.—**The Secretary of Agriculture may make competitive grants (or grants without regard to any requirement for competition) to Alaska Native serving institutions for the purpose of promoting and strengthening the ability of Alaska Native serving institutions to carry out education, applied research, and related community development programs.

(2) **USE OF GRANT FUNDS.—**Grants made under this section shall be used—

(A) to support the activities of consortia of Alaska Native serving institutions to enhance educational equity for under represented students;

(B) to strengthen institutional educational capacities, including libraries, curriculum, faculty, scientific instrumentation, instruction delivery systems, and student recruitment and retention, in order to respond to identified State, regional, national, or international educational needs in the food and agriculture sciences;

(C) to attract and support undergraduate and graduate students from under represented groups in order to prepare them for careers related to the food, agricultural, and natural resource systems of the United States, beginning with the mentoring of students at the high school level including by village elders and continuing with the provision of financial support for students through their attainment of a doctoral degree; and

(D) to facilitate cooperative initiatives between two or more Alaska Native serving institutions, or between Alaska Native serving institutions and units of State government or the private sector, to maximize the development and use of resources, such as faculty, facilities, and equipment, to improve food and agricultural sciences teaching programs.

(3) **AUTHORIZATION OF APPROPRIATIONS.—**There are authorized to be appropriated to make grants under this subsection \$10,000,000 in fiscal years 2001 through 2006.

(b) EDUCATION GRANTS PROGRAM FOR NATIVE HAWAIIAN SERVING INSTITUTIONS.—

(1) **GRANT AUTHORITY.—**The Secretary of Agriculture may make competitive grants (or grants without regard to any requirement for competition) to Native Hawaiian serving institutions for the purpose of promoting and strengthening the ability of Native Hawaiian serving institutions to carry out education, applied research, and related community development programs.

(2) **USE OF GRANT FUNDS.—**Grants made under this section shall be used—

(A) to support the activities of consortia of Native Hawaiian serving institutions to enhance educational equity for under represented students;

(B) to strengthen institutional educational capacities, including libraries, curriculum, faculty, scientific instrumentation, instruction delivery systems, and student recruitment and retention, in order to respond to identified State, regional, national, or international educational needs in the food and agriculture sciences;

(C) to attract and support undergraduate and graduate students from under represented groups in order to prepare them for careers related to the food, agricultural, and natural resource systems of the United States, beginning with the mentoring of students at the high school level and continuing with the provision of financial support for students through their attainment of a doctoral degree; and

(D) to facilitate cooperative initiatives between two or more Native Hawaiian serving institutions, or between Native Hawaiian serving institutions and units of State government or the private sector, to maximize the development and use of resources, such as faculty, facilities, and equipment, to improve food and agricultural sciences teaching programs.

(3) **AUTHORIZATION OF APPROPRIATIONS.—**There are authorized to be appropriated to make grants under this subsection \$10,000,000 for each of fiscal years 2001 through 2006.]

[SEC. 760. Effective October 1, 1999, section 8c(11) of the Agricultural Adjustment Act (7 U.S.C. 608c(11)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following: “The price of milk paid by a handler at a plant operating in Clark County, Nevada shall not be subject to any order issued under this section.”.]

[SEC. 761. Notwithstanding any other provision of law, the City of Olean, New York, shall be eligible for grants and loans administered by the Rural Utilities Service.]

[SEC. 762. Notwithstanding any other provision of law, the Municipality of Carolina, Puerto Rico shall be eligible for grants and loans administered by the Rural Utilities Service.]

[SEC. 763. Section 1232(a) of the Food Security Act of 1985 (16 U.S.C. 3832(a)) is amended—

(1) in paragraph (9), by adding “and” after the semicolon at the end;

(2) in paragraph (10), by striking “; and” and inserting a period; and

(3) by striking paragraph (11).]

[SEC. 764. None of the funds made available by this or any other Act shall be used to implement Notice CRP–338, issued by the Farm Service Agency on March 10, 1999, nor shall funds be used to implement any related administrative action including implementation of such procedures published in Farm Service Agency program manuals: *Provided*, That rental payments for any lands enrolled in the Conservation Reserve Program under this section shall be reduced by an amount equal to the Federal cost of any remaining value of a federally cost-shared conservation practice as determined by the Secretary.]

[SEC. 765. None of the funds made available by this or any other Act shall be used to implement Notice CRP–327, issued by the Farm Service Agency on October 26, 1998, nor shall funds be used to implement any related administrative action including implementation of such procedures published in Farm Service Agency program manuals: *Provided*, That this section shall not apply to any lands for which there is not full compliance with the conservation practices required under terms of the CRP contract.]

[SEC. 766. The Federal facility located in Riverside, California, and known as the “U.S. Salinity Laboratory”, shall be known and designated as the “George E. Brown, Jr., Salinity Laboratory”: *Provided*, That any reference in any law, map, regulation, document, paper, or other record of the United States to such Federal facility shall be deemed to be a reference to the “George E. Brown, Jr., Salinity Laboratory”.]

[SEC. 767. Sections 657, 658, 1006, and 1014 of title 18, United States Code, are amended by—

(1) inserting “or successor agency” after “Farmers Home Administration” each place it appears; and

(2) inserting “or successor agency” after “Rural Development Administration” each place it appears.]

[SEC. 768. Notwithstanding any other provision of law, the maximum income limits established for single family housing for families and individuals in the high cost areas of Alaska shall be 150 percent of the State metropolitan income level for Alaska.]

[SEC. 769. Section 1232(a)(7) of the Food Security Act of 1985 is amended—

(1) by striking “except that the Secretary may permit harvesting” and inserting “except that the Secretary—

“(A) may permit—

“(i) harvesting”;

(2) by striking “emergency, and the Secretary may permit limited” and inserting “emergency; and

“(ii) limited”;

(3) by inserting “and” after the semicolon at the end; and

(4) by adding at the end the following:

“(B) shall approve not more than six projects, no more than one of which may be in any State, under which land subject to the contract may be harvested for recovery of biomass used in energy production if—

“(i) no acreage subject to the contract is harvested more than once every other year;

“(ii) not more than 25 percent of the total acreage enrolled in the program under this subchapter in any crop reporting district (as designated by the Secretary), is harvested in any 1 year;

“(iii) no portion of the crop is used for any commercial purpose other than energy production from biomass;

“(iv) no wetland, or acreage of any type enrolled in a partial field conservation practice (including riparian forest buffers, filter strips, and buffer strips), is harvested;

“(v) the owner or operator agrees to a payment reduction under this section in an amount determined by the Secretary.

“(C) the total acres for all of the projects shall not exceed 250,000 acres.”.] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000.*)

GENERAL PROVISIONS—THIS CHAPTER

[SEC. 101. Notwithstanding section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), the Secretary of Agriculture shall provide up to \$20,000,000 in assistance under the noninsured crop assistance program under that section, without any requirement for an area loss, to producers located in a county with respect to which a natural disaster was declared by the Secretary, or a major disaster or emergency was declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).]

[SEC. 102. Section 814 of Public Law 106-78 is amended by inserting the following after “year”: “(and 2001 crop year for citrus fruit, avocados in California, and macadamia nuts).”.]

[SEC. 103. Of the funds made available under section 802 of Public Law 106-78 not otherwise needed to fully implement that section, the Secretary of Agriculture may use up to \$4,700,000 to carry out title IX of Public Law 106-78.]

[SEC. 104. (a) Of the funds made available under section 802 of Public Law 106-78 (excluding any funds authorized by this Act to carry out title IX of Public Law 106-78) and under section 1111 of Public Law 105-277 not otherwise needed to fully implement those sections, the Secretary of Agriculture may provide assistance to producers or first-handlers for the 1999 crop of cottonseed.

(b) Of the funds made available under section 802 of Public Law 106-78 and section 1111 of Public Law 105-277 not otherwise needed to fully implement those sections (excluding any funds authorized by this Act to carry out title IX and to provide assistance to producers or first-handlers for the 1999 crop of cottonseed under subsection (a) of this section), the Secretary may provide funds to carry out subsection (c) of this section.

(c) The Agricultural Market Transition Act is amended by inserting after section 136 (7 U.S.C. 7236), the following new section:

“SEC. 136A. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.

“(a) COMPETITIVENESS PROGRAM.—Notwithstanding any other provision of law, during the period beginning on October 1, 1999, and ending on July 31, 2003, the Secretary shall carry out a program to maintain and expand the domestic use of extra long staple cotton produced in the United States, to increase exports of extra long staple cotton produced in the United States, and to ensure that extra long staple cotton produced in the United States remains competitive in world markets.

“(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Under the program, the Secretary shall make payments available under this section whenever—

“(1) for a consecutive 4-week period, the world market price for the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is below the prevailing United States price for a competing growth of extra long staple cotton; and

“(2) the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is less than 134 percent of the loan rate for extra long staple cotton.

“(c) ELIGIBLE RECIPIENTS.—The Secretary shall make payments available under this section to domestic users of extra long staple cotton produced in the United States and exporters of extra long staple cotton produced in the United States who enter into an agreement with the Commodity Credit Corporation to participate in the program under this section.

“(d) PAYMENT AMOUNT.—Payments under this section shall be based on the amount of the difference in the prices referred to in subsection (b)(1) during the fourth week of the consecutive 4-week period multiplied by the amount of documented purchases by domestic users and sales for export by exporters made in the week following such a consecutive 4-week period.

“(e) FORM OF PAYMENT.—Payments under this section shall be made through the issuance of cash or marketing certificates, at the option of eligible recipients of the payments.”.]

[SEC. 105. The entire amount necessary to carry out this chapter and the amendments made by this chapter shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.] (*Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

TITLE II—OTHER APPROPRIATIONS MATTERS

[SEC. 201. Section 733 of Public Law 106-78 is amended by striking after “Missouri” “, or the Food and Drug Administration Detroit, Michigan, District Office Laboratory; or to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office”.]

[SEC. 202. None of the funds made available to the Food and Drug Administration by Public Law 106-78 or any other Act for fiscal year 2000 shall be used to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office: *Provided*, That this section shall not apply to Food and Drug Administration field laboratory facilities or operations currently located in Detroit, Michigan, if the full-time equivalent staffing level of laboratory personnel as of July 31, 1999, is assigned to locations in the general vicinity of Detroit, Michigan, pursuant to cooperative agreements between the Food and Drug Administration and other laboratory facilities associated with the State of Michigan.]

[SEC. 203. Notwithstanding any other provision of law, the Secretary of Agriculture may use funds provided for rural housing assistance grants in Public Law 106-78 for a pilot project to provide home ownership for farm workers and workers involved in the processing of farm products in Salinas, California, and the surrounding area.]

[SEC. 204. Notwithstanding any other provision of law (including the Federal Grants and Cooperative Agreements Act), the Secretary of Agriculture shall use not more than \$9,000,000 of Commodity Credit Corporation funds for a cooperative program with the State of Florida to replace commercial trees removed to control citrus canker until the earlier of December 31, 1999, or the date crop insurance coverage is made available with respect to citrus canker; and the Secretary of Agriculture shall use not more than \$7,000,000 of Commodity Credit Corporation funds to replace non-commercial trees (known as dooryard citrus trees), owned by private homeowners, and removed to control citrus canker.]

[SEC. 205. (a) CONTINUATION OF REVENUE INSURANCE PILOT.—Section 508(h)(9)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)(9)(A)) is amended by striking “1997, 1998, 1999, and 2000” and inserting “1997 through 2001”.

(b) EXPANSION OF CROP INSURANCE PILOTS.—In the case of any pilot program offered under the Federal Crop Insurance Act that was approved by the Board of Directors of the Federal Crop Insurance Corporation on or before September 30, 1999, the pilot program may be offered on a regional, whole State, or national basis for the 2000 and 2001 crop years notwithstanding section 553 of title 5, United States Code.]

[SEC. 206. SALES CLOSING DATES FOR CROP INSURANCE.—Section 508(f)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(f)(2)) is amended—

- (1) by inserting “(A) IN GENERAL.—” before the first sentence;
- (2) by striking the last sentence; and

(3) by adding at the end the following:

“(B) ESTABLISHED DATES.—Except as provided in subparagraph (C), the Corporation shall establish, for an insurance policy for each insurable crop that is planted in the spring, a sales closing date that is 30 days earlier than the corresponding sales closing date that was established for the 1994 crop year.

“(C) EXCEPTION.—If compliance with subparagraph (B) results in a sales closing date for an agricultural commodity that is earlier than January 31, the sales closing date for that commodity shall be January 31 beginning with the 2000 crop year.”.]

【SEC. 207. The Secretary of Agriculture may use not more than \$1,090,000 of funds of the Commodity Credit Corporation to provide emergency assistance to producers on farms located in Harney County, Oregon, who suffered flood-related crop and forage losses in 1999 and several previous years and are expected to suffer continuing economic losses until the floodwaters recede. The amount made available under this section shall be available for such losses for such years as determined appropriate by the Secretary to compensate such producers for hay, grain, and pasture losses due to the floods and for related economic losses.】

【SEC. 208. TILLAMOOK RAILROAD DISASTER REPAIRS. In addition to amounts appropriated or otherwise made available for rural development programs of the United States Department of Agriculture by Public Law 106–78, there are appropriated \$5,000,000 which may be made available to repair damage to the Tillamook Railroad caused by flooding and high winds (FEMA Disaster Number 1099–DR–OR) notwithstanding any other provision of law.】

【SEC. 209. At the end of section 746 of Public Law 106–78, insert the following before the period: “: *Provided*, That the Congressional Hunger Center may invest such funds and expend the income from such funds in a manner consistent with this section: *Provided further*, That notwithstanding any other provision of law, funds appropriated pursuant to this section may be paid directly to the Congressional Hunger Center.”.]

【SEC. 210. The Secretary of Agriculture may reprogram funds appropriated by Public Law 106–78 for the cost of rural electrification and telecommunications loans to provide up to \$100,000 for the cost of guaranteed loans authorized by section 306 of the Rural Electrification Act of 1936.】

【SEC. 211. Section 755(b) of Public Law 106–78 is hereby repealed.】
(Miscellaneous Appropriations, 2000, as enacted by section 1000(a)(5) of the Consolidated Appropriations Act, 2000 (P.L. 106–113.)