

# 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, **[\$2,914,000] \$2,992,000: Provided**, That not to exceed \$11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *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, **[\$629,000] \$647,000**.

##### 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] \$3,684,000: Provided**, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: *Provided further*, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations.

##### 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, **[\$556,000] \$573,000**.

##### 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; **[\$635,000] \$654,000**.

##### 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, **[\$460,000] \$476,000**.

##### 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, **[\$589,000] \$606,000**.

## 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, **[\$711,000: Provided**, That none of the funds appropriated or otherwise made available by this Act or any other Act shall be available to the Office of the Under Secretary for Natural Resources and Environment for the supervision, management or direction of the Forest Service or the Natural Resources Conservation Service until January 20, 2001: *Provided further*, That the Chiefs of the Forest Service and the Natural Resources Conservation Service shall report directly to the Secretary of Agriculture until January 20, 2001] **\$730,000**.

##### 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, **[\$605,000] \$623,000**.

##### 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, **[\$570,000] \$587,000**. (7 U.S.C. 2201-2202; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-9913-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Office of the Secretary .....	4	3	3
00.02 Under/Assistant Secretaries .....	6	6	6
00.03 Infoshare program .....	.....	12	1
09.01 Reimbursable program .....	1	.....	.....
10.00 Total new obligations .....	11	21	10
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	2	14	2
22.00 New budget authority (gross) .....	24	9	10
23.90 Total budgetary resources available for obligation	26	23	12
23.95 Total new obligations .....	-11	-21	-10
23.98 Unobligated balance expiring or withdrawn .....	-1	.....	.....
24.40 Unobligated balance carried forward, end of year .....	14	2	1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	25	41	12
41.00 Transferred to other accounts .....	-2	-32	-2
43.00 Appropriation (total discretionary) .....	23	9	9
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	.....	.....
70.00 Total new budget authority (gross) .....	24	9	10
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	24	16	7
72.99 Obligated balance, start of year .....	24	16	7
73.10 Total new obligations .....	11	21	10
73.20 Total outlays (gross) .....	-19	-30	-15
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	16	7	2
74.99 Obligated balance, end of year .....	16	7	2

**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	2000 actual	2001 est.	2002 est.
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	8	6	7
86.93 Outlays from discretionary balances .....	11	24	8
87.00 Total outlays (gross) .....	19	30	15
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-1		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	23	9	10
90.00 Outlays .....	18	30	15

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	6	6	6
12.1 Civilian personnel benefits .....	1	2	2
25.2 Other services .....	3	13	2
99.0 Subtotal, direct obligations .....	10	21	10
99.0 Reimbursable obligations .....	1		
99.9 Total new obligations .....	11	21	10

**Personnel Summary**

Identification code 12-9913-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	61	82	82

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

Identification code 12-0012-0-1-999	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Rural development activities .....	40	20	15
00.02 Research, extension and education grants .....	20	10	15
10.00 Total new obligations .....	60	30	30
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	60	60	60
22.00 New budget authority (gross) .....	60	30	30
23.90 Total budgetary resources available for obligation .....	120	90	90
23.95 Total new obligations .....	-60	-30	-30
24.40 Unobligated balance carried forward, end of year .....	60	60	60
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....			
40.35 Appropriation deferred .....			-120
43.00 Appropriation (total discretionary) .....			-120
Mandatory:			
60.00 Appropriation .....	120	120	150

60.35 Appropriation deferred .....	-60	-90	
62.50 Appropriation (total mandatory) .....	60	30	150
70.00 Total new budget authority (gross) .....	60	30	30

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	20	35	34
72.90 Obligated balance, start of year .....	20	35	34
73.10 Total new obligations .....	60	30	30
73.20 Total outlays (gross) .....	-45	-31	-27
73.40 Adjustments in expired accounts (net) .....			
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	35	34	37
74.99 Obligated balance, end of year .....	35	34	37

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....			-63
86.97 Outlays from new mandatory authority .....	36	21	79
86.98 Outlays from mandatory balances .....	9	11	11
87.00 Total outlays (gross) .....	45	31	27

**Net budget authority and outlays:**

89.00 Budget authority .....	60	30	30
90.00 Outlays .....	45	31	27

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

Identification code 12-0012-0-1-999	2000 actual	2001 est.	2002 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150 Farm labor housing loans .....		3	
1150 Intermediary relending program loans .....		6	
1150 Rural economic development loans .....		8	
1150 Rural economic development loans .....		8	
1159 Total direct loan levels .....		17	
<b>Direct loan subsidy (in percent):</b>			
1320 Farm labor housing loans .....	0.00	52.59	
1320 Intermediary relending program loans .....	0.00	50.91	
1320 Rural economic development loans .....	0.00	26.07	
1329 Weighted average subsidy rate .....	0.00	41.18	
<b>Direct loan subsidy budget authority:</b>			
1330 Farm labor housing loans .....		2	
1330 Intermediary relending program loans .....		3	
1330 Rural economic development loans .....		2	
1339 Total subsidy budget authority .....		7	
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
2150 Guaranteed business and industry loans .....	42		
2159 Total loan guarantee levels .....	42		
<b>Guaranteed loan subsidy (in percent):</b>			
2320 Guaranteed business and industry loans .....	3.11	0.00	
2329 Weighted average subsidy rate .....	3.11	0.00	
<b>Guaranteed loan subsidy budget authority:</b>			
2330 Guaranteed business and industry loans .....	1		
2339 Total subsidy budget authority .....	1		
<b>Guaranteed loan subsidy outlays:</b>			
2340 Guaranteed business and industry loans .....	1		
2349 Total subsidy outlays .....	1		

The Federal Agriculture Improvement and Reform Act of 1996 (1996 Act) initially established the Fund for Rural America to provide support to rural communities across the United States.

The 1996 Farm Bill authorized \$100 million for the Fund in each of 1997, 1999, and 2000.

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.

For 2001, the first year availability of the 2001 appropriation for the Fund for Rural America was blocked. Further, of the \$60 million in 2000 carryover funds, the Secretary may spend only \$30 million in 2001. The remaining 2000 appropriation of \$30 million is available in 2002 for any activities authorized under section 793. In 2001, the Secretary allocated \$20 million of the available \$30 million in funding to support rural business grants, outreach for socially disadvantaged producers, farm labor loans and other ongoing rural development activities. Another \$10 million is being used to support research, education, and extension proposals that: (1) develop and apply new knowledge about processes of holistic, community-led development and the interdependence between agriculture and rural development, including understanding the dynamic connections among farms, businesses, families and communities and assisting with collaborative problem solving; and (2) address the changing demographics of agriculture and rural America and the resultant impacts on rural economies.

The 2002 budget proposes that the \$60 million in 2001 funds be available in 2003. The 2002 budget also proposes blocking the first year availability of the \$60 million in 2002 funding. The 2002 funds will be available in 2003. The specific appropriations language for these funding changes is included as part of the General Provisions.

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

Identification code 12-0012-0-1-999	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	1	1	1
41.0 Grants, subsidies, and contributions .....	59	29	29
99.9 Total new obligations .....	60	30	30

**Personnel Summary**

Identification code 12-0012-0-1-999	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	6	6	5

**Trust Funds**

GIFTS AND BEQUESTS

**Unavailable Collections** (in millions of dollars)

Identification code 12-8203-0-7-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....			
Receipts:			
02.00 Gifts and bequests .....	1	1	1
Appropriations:			
05.00 Gifts and bequests .....	-1	-1	-1
07.99 Balance, end of year .....			

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

Identification code 12-8203-0-7-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 99.5) .....	1	1	1
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, 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 carried forward, end of year .....	2	2	2

**New budget authority (gross), detail:**

<b>Mandatory:</b>			
60.27 Appropriation (trust fund, indefinite) .....	1	1	1

<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....	1	1	1
73.20 Total outlays (gross) .....	-1	-1	-1
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	1	1	1
<b>Net budget authority and outlays:</b>			
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, **[\$7,462,000]** \$7,648,000.

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, **[\$12,421,000]** \$12,766,000.

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, **[\$6,765,000]** \$6,978,000. (7 U.S.C. 2201, 2202; 42 U.S.C. 2000d; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-0705-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Chief Economist .....	6	7	7
00.03 National Appeals Division .....	12	12	13
00.04 Budget and program analysis .....	6	7	7
09.01 Reimbursable program .....	1	1	1
10.00 Total new obligations .....	25	27	28
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	26	27	28
23.95 Total new obligations .....	-25	-27	-28
23.98 Unobligated balance expiring or withdrawn .....	-1		
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	25	27	27
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	1	1
70.00 Total new budget authority (gross) .....	26	28	28

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	4	4	4

General and special funds—Continued

OFFICE OF BUDGET AND PROGRAM ANALYSIS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-0705-0-1-352	2000 actual	2001 est.	2002 est.
72.99 Obligated balance, start of year .....	4	4	4
73.10 Total new obligations .....	25	27	28
73.20 Total outlays (gross) .....	-25	-26	-28
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	4	4	2
74.99 Obligated balance, end of year .....	4	4	2
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	22	25	25
86.93 Outlays from discretionary balances .....	3	1	3
87.00 Total outlays (gross) .....	25	26	28
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-1	-1	-1
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	25	27	27
90.00 Outlays .....	24	25	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

	2000 actual	2001 est.	2002 est.
World Agricultural Supply and Demand Estimates Reports issued .....	12	12	12
Weekly Weather and Crop Bulletin issued .....	52	52	52

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

	2000 actual	2001 est.	2002 est.
Regional or National Training .....	1	1	1
Percent of Hearing Officer determinations upheld on review ....	76	78	80

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	17	18	19
12.1 Civilian personnel benefits .....	3	4	4
21.0 Travel and transportation of persons .....	1	1	1
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
25.2 Other services .....	2	2	2
99.0 Subtotal, direct obligations .....	24	26	27
99.0 Reimbursable obligations .....	1	1	1
99.9 Total new obligations .....	25	27	28

Personnel Summary

Identification code 12-0705-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	234	261	261
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	4	4	4

【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, **[\$5,171,000] \$5,335,000: Provided, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)**

Program and Financing (in millions of dollars)

Identification code 12-0014-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	5	5	5
09.01 Reimbursable program .....	2	2	2
10.00 Total new obligations .....	7	7	7
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	8	7	7
23.95 Total new obligations .....	-7	-7	-7
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	5	5	5
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	3	2	2
70.00 Total new budget authority (gross) .....	8	7	7
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....		1	1
72.99 Obligated balance, start of year .....		1	1
73.10 Total new obligations .....	7	7	7
73.20 Total outlays (gross) .....	-7	-7	-7
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	1	1	1
74.99 Obligated balance, end of year .....	1	1	1
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	7	7	7
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-3	-2	-2
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	5	5	5

90.00	Outlays .....	4	5	5
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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**

	2000 actual	2001 est.	2002 est.
Achieve an unqualified opinion on the USDA Financial statements .....	Disclaimer	Qualified	Unqualified
Implement the Foundation Financial Information System USDA-wide: USDA employees served .....	46%	78%	98%

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

Identification code 12-0014-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	3	3	4
12.1 Civilian personnel benefits .....	1	1	1
25.2 Other services .....	1	1	
99.0 Subtotal, direct obligations .....	5	5	5
99.0 Reimbursable obligations .....	2	2	2
99.9 Total new obligations .....	7	7	7

**Personnel Summary**

Identification code 12-0014-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	51	51	51
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	20	24	24

**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, **[\$10,051,000] \$10,261,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-0013-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Office of the Chief Information Officer .....	6	10	10
00.02 Year 2000 remediation .....	8	3	
09.01 Reimbursable program .....	4	13	2
10.00 Total new obligations .....	18	26	12
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	7	3	
22.00 New budget authority (gross) .....	14	23	12
23.90 Total budgetary resources available for obligation .....	21	26	12
23.95 Total new obligations .....	-18	-26	-12
24.40 Unobligated balance carried forward, end of year .....	3		
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	6	10	10

42.00	Transferred from other accounts .....	4		
43.00	Appropriation (total discretionary) .....	10	10	10
<b>Spending authority from offsetting collections:</b>				
68.00	Offsetting collections (cash) .....	1	13	2
68.10	Change in uncollected customer payments from Federal sources .....	5	-2	-3
68.15	Adjustments to uncollected customer payments from Federal sources .....	-1	2	
68.54	Portion credited to expired accounts .....	-1		3
68.90	Spending authority from offsetting collections (total discretionary) .....	4	13	2
70.00	Total new budget authority (gross) .....	14	23	12

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>				
72.40	Unpaid obligations, start of year .....	34	8	7
72.95	Uncollected customer payments from Federal sources, start of year .....		-5	-3
72.99	Obligated balance, start of year .....	34	3	4
73.10	Total new obligations .....	18	26	12
73.20	Total outlays (gross) .....	-45	-27	-13
74.00	Change in uncollected customer payments from Federal sources .....	-5	2	3
<b>Unpaid obligations, end of year:</b>				
74.40	Unpaid obligations, end of year .....	8	7	4
74.95	Uncollected customer payments from Federal sources, end of year .....	-5	-3	
74.99	Obligated balance, end of year .....	3	4	4

**Outlays (gross), detail:**

86.90	Outlays from new discretionary authority .....	10	23	12
86.93	Outlays from discretionary balances .....	35	4	1
87.00	Total outlays (gross) .....	45	27	13

**Offsets:**

<b>Against gross budget authority and outlays:</b>				
88.00	Offsetting collections (cash) from: Federal sources .....	-1	-13	-2
<b>Against gross budget authority only:</b>				
88.95	Change in uncollected customer payments from Federal sources .....	-5	2	3
88.96	Adjustment to uncollected customer payments from Federal sources .....	1	-2	

**Net budget authority and outlays:**

89.00	Budget authority .....	10	10	13
90.00	Outlays .....	43	14	11

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 planning guidance and technical assistance for cyber security, implements measures to ensure that technology investments are economical and effective, and implements standards and oversight to promote secure 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, Office of the Chief Financial Officer, and Executive Operations. OCIO also has direct management responsibility for the information technology component of the Service Center Modernization Initiative (SCMI). This includes the implementation of a common technology infrastructure to replace the outdated and stove-piped systems currently supporting the Farm Service

**General and special funds—Continued**

**OFFICE OF THE CHIEF INFORMATION OFFICER—Continued**

**Agency, the Natural Resources Conservation Service, and Rural Development.**

**Performance Measures**

	2000 actual	2001 est.	2002 est.
Ensure all USDA agency critical information systems are Year 2000 compliant and operational (%) .....	90	100	NA
Percent of critical information systems evaluated for vulnerabilities .....	10	50	100
FSA, NRCS, and RD online transactions implemented .....	No	No	Yes

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

Identification code 12-0013-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	4	5	5
12.1 Civilian personnel benefits .....	1	1	1
25.2 Other services .....	3	3	2
25.3 Purchases of goods and services from Government accounts .....	2	3	1
26.0 Supplies and materials .....	1		
31.0 Equipment .....	1	1	
99.0 Subtotal, direct obligations .....	12	13	9
99.0 Reimbursable obligations .....	4	12	1
99.5 Below reporting threshold .....	2	1	2
99.9 Total new obligations .....	18	26	12

**Personnel Summary**

Identification code 12-0013-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	53	70	70
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	4	5	5

**COMMON COMPUTING ENVIRONMENT**

For necessary expenses to acquire a Common Computing Environment for the Natural Resources Conservation Service, the Farm and Foreign Agricultural Service and Rural Development mission areas for information technology, systems, and services, **[\$40,000,000]** \$59,369,000, 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. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0113-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 31.0) .....		59	59
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....		59	59
23.95 Total new obligations .....		-59	-59
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....		59	59
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....			10
72.99 Obligated balance, start of year .....			10
73.10 Total new obligations .....		59	59
73.20 Total outlays (gross) .....		-50	-59

74.40 Unpaid obligations, end of year:			
Unpaid obligations, end of year .....		10	10
74.99 Obligated balance, end of year .....		10	10

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....		50	50
86.93 Outlays from discretionary balances .....			9
87.00 Total outlays (gross) .....		50	59

**Net budget authority and outlays:**

89.00 Budget authority .....		59	59
90.00 Outlays .....		50	59

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 passed new legislation in 2000, "The Freedom to E-File Act," that requires agencies to make more services available to the public electronically. 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 implement 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 some CCE Investments, the reengineering of business processes and data acquisition needed to maximize the benefits of this technology.

**Performance Measure**

	2000 actual	2001 est.	2002 est.
Operational SCMI common computing environment .....			Yes

**Intragovernmental funds:**

**WORKING CAPITAL FUND**

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

Identification code 12-4609-0-4-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
<b>Operating expenses:</b>			
09.01 Administration .....	22	23	23
09.02 Communications .....	5	5	5
09.03 Finance and management .....	154	164	168
09.04 Information technology .....	61	67	68
09.05 Executive secretariat .....	1	2	2
09.06 Corporate systems .....	22	34	25
09.09 Subtotal, operating expenses .....	265	295	291
<b>Purchase of equipment:</b>			
09.11 Administration .....	2		
09.12 Finance and management .....	9	5	10
09.13 Information technology .....	8	9	8
09.14 Executive secretariat .....		1	
09.15 Corporate systems .....	5	4	
09.19 Subtotal, purchase of equipment .....	24	19	18
10.00 Total new obligations .....	289	314	309
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	23	14	14

22.00	New budget authority (gross)	262	314	309
22.10	Resources available from recoveries of prior year obligations	18		
23.90	Total budgetary resources available for obligation	303	328	323
23.95	Total new obligations	-289	-314	-309
24.40	Unobligated balance carried forward, end of year	14	14	14

**New budget authority (gross), detail:**

Discretionary:				
68.00	Spending authority from offsetting collections (gross): Offsetting collections (cash)	262	314	309

**Change in unpaid obligations:**

Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year	18	27	28
72.99	Obligated balance, start of year	18	27	28
73.10	Total new obligations	289	314	309
73.20	Total outlays (gross)	-262	-314	-309
73.45	Recoveries of prior year obligations	-18		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year	27	28	27
74.99	Obligated balance, end of year	27	28	27

**Outlays (gross), detail:**

86.90	Outlays from new discretionary authority	262	272	267
86.93	Outlays from discretionary balances		41	42
87.00	Total outlays (gross)	262	314	309

**Offsets:**

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-262	-314	-309

**Net budget authority and outlays:**

89.00	Budget authority			
90.00	Outlays			

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, 2000. 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				
Personnel compensation:				
11.1	Full-time permanent	91	104	107
11.3	Other than full-time permanent	2	2	2
11.5	Other personnel compensation	5	5	5
11.9	Total personnel compensation	98	111	114
12.1	Civilian personnel benefits	19	21	22
21.0	Travel and transportation of persons	2	2	2
22.0	Transportation of things	1	1	1
23.1	Rental payments to GSA	4	5	5
23.2	Rental payments to others	2	2	2
23.3	Communications, utilities, and miscellaneous charges	33	36	40
24.0	Printing and reproduction	1	2	2
25.2	Other services	95	105	94
26.0	Supplies and materials	6	7	7
31.0	Equipment	28	22	20
99.9	Total new obligations	289	314	309

**Personnel Summary**

Identification code 12-4609-0-4-352				
2001	Total compensable workyears: Full-time equivalent employment	2,028	2,100	2,100

**DEPARTMENTAL ADMINISTRATION**

*Federal Funds*

**General and special funds:**

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, **[\$36,010,000]** \$37,079,000, 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0120-0-1-352				
		2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>				
00.08	Direct program	35	36	37
09.01	Reimbursable program	24	20	17
10.00	Total new obligations	59	56	54
<b>Budgetary resources available for obligation:</b>				
22.00	New budget authority (gross)	59	56	54
23.95	Total new obligations	-59	-56	-54

**New budget authority (gross), detail:**

Discretionary:				
40.00	Appropriation	35	36	37
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	22	20	17
68.10	Change in uncollected customer payments from Federal sources	2	-34	
68.15	Adjustments to uncollected customer payments from Federal sources		34	
68.90	Spending authority from offsetting collections (total discretionary)	24	20	17
70.00	Total new budget authority (gross)	59	56	54

**Change in unpaid obligations:**

Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year	26	21	22
72.95	Uncollected customer payments from Federal sources, start of year	-32	-34	
72.99	Obligated balance, start of year	-6	-13	22
73.10	Total new obligations	59	56	54
73.20	Total outlays (gross)	-65	-54	-52
74.00	Change in uncollected customer payments from Federal sources	-2	34	
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year	21	22	23
74.95	Uncollected customer payments from Federal sources, end of year	-34		
74.99	Obligated balance, end of year	-13	22	23

**Outlays (gross), detail:**

86.90	Outlays from new discretionary authority	43	54	50
86.93	Outlays from discretionary balances	23		2
87.00	Total outlays (gross)	65	54	52

**Offsets:**

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources	-22	-20	-17
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources	-2	34	
88.96	Adjustment to uncollected customer payments from Federal sources		-34	

**General and special funds—Continued**DEPARTMENTAL ADMINISTRATION—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued**Program and Financing** (in millions of dollars)—Continued

Identification code 12-0120-0-1-352	2000 actual	2001 est.	2002 est.
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	35	36	37
90.00 Outlays .....	43	35	36

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, 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.

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

Identification code 12-0120-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	21	27	28
12.1 Civilian personnel benefits .....	4	5	5
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
25.2 Other services .....	3	1	1
25.3 Purchases of goods and services from Government accounts .....	3	1	1
26.0 Supplies and materials .....	1		
99.0 Subtotal, direct obligations .....	33	35	36
99.0 Reimbursable obligations .....	24	19	16
99.5 Below reporting threshold .....	2	2	2
99.9 Total new obligations .....	59	56	54

**Personnel Summary**

Identification code 12-0120-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	310	376	376
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	55	30	30

**HAZARDOUS MATERIALS MANAGEMENT**  
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9601 et seq., and the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq., **[\$15,700,000] \$15,665,000**, to remain available until expended: *Provided*, That appropriations and funds available herein to the Department for Hazardous Mate-

rials 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0500-0-1-304	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	17	16	16
09.01 Reimbursable program .....	3		
10.00 Total new obligations .....	20	16	16
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	1	1
22.00 New budget authority (gross) .....	19	16	16
22.10 Resources available from recoveries of prior year obligations .....	1		
23.90 Total budgetary resources available for obligation .....	21	17	17
23.95 Total new obligations .....	-20	-16	-16
24.40 Unobligated balance carried forward, end of year .....	1	1	1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	16	16	16
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	3		
70.00 Total new budget authority (gross) .....	19	16	16
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	18	22	13
72.99 Obligated balance, start of year .....	18	22	13
73.10 Total new obligations .....	20	16	16
73.20 Total outlays (gross) .....	-15	-25	-18
73.45 Recoveries of prior year obligations .....	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	22	13	11
74.99 Obligated balance, end of year .....	22	13	11
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	10	14	14
86.93 Outlays from discretionary balances .....	5	11	4
87.00 Total outlays (gross) .....	15	25	18
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-3		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	16	16	16
90.00 Outlays .....	12	25	18

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**

	2000 actual	2001 est.	2002 est.
Number of sites assessed/characterized on need for cleanup .....	43	93	94
Number of cleanup plans .....	6	36	36
Number of non-mine CERCLA cleanups .....	15	17	9
Number of mine CERCLA cleanups .....	9	11	17
Number of UST and other RCRA cleanups .....	5	33	4
Number of agreements reached with potentially responsible parties (PRPs) .....	11	7	10



Estimated value of cleanup/restoration work performed by PRP's (\$ millions) ..... \$11.5 \$10.0 \$10.0

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

Identification code 12-0500-0-1-304	2000 actual	2001 est.	2002 est.
25.2 Direct obligations: Other services .....	16	15	15
99.0 Reimbursable obligations: Subtotal, reimbursable obligations .....	3		
99.5 Below reporting threshold .....	1	1	1
99.9 Total new obligations .....	20	16	16

**Personnel Summary**

Identification code 12-0500-0-1-304	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	5	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 alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings, **[\$182,747,000] \$187,581,000**, 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] an agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to [that] an agency's appropriation to cover the costs of new or replacement space for such agency, 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, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-0117-0-1-352	2000 actual	2001 est.	2002 est.
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**Obligations by program activity:**

Direct program:			
00.01 Rental payments to GSA: Non-recurring repairs .....	117	125	130
00.02 Building operations and maintenance .....	25	31	31
00.04 Strategic space plan .....	13	26	26
09.02 Reimbursable program .....	5	1	1
10.00 Total new obligations .....	160	183	188

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year	12	16	16
22.00 New budget authority (gross) .....	149	183	189
22.10 Resources available from recoveries of prior year obligations .....	14		
23.90 Total budgetary resources available for obligation	175	199	205
23.95 Total new obligations .....	-160	-183	-188
24.40 Unobligated balance carried forward, end of year .....	16	16	16

**New budget authority (gross), detail:**

Discretionary:			
40.00 Appropriation .....	140	183	188
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash) .....	8	1	1
68.10 Change in uncollected customer payments from Federal sources .....	1		
68.90 Spending authority from offsetting collections (total discretionary) .....	9	1	1
70.00 Total new budget authority (gross) .....	149	183	189

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	16	18	2
72.95 Uncollected customer payments from Federal sources, start of year .....	-1	-1	-1
72.99 Obligated balance, start of year .....	16	17	1
73.10 Total new obligations .....	160	183	188
73.20 Total outlays (gross) .....	-144	-200	-188
73.45 Recoveries of prior year obligations .....	-14		
74.00 Change in uncollected customer payments from Federal sources .....	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	18	2	2
74.95 Uncollected customer payments from Federal sources, end of year .....	-1	-1	-1
74.99 Obligated balance, end of year .....	17	1	1

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	116	182	187
86.93 Outlays from discretionary balances .....	28	18	3
87.00 Total outlays (gross) .....	144	200	188

**Offsets:**

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-8	-1	-1
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources .....	-1		

**Net budget authority and outlays:**

89.00 Budget authority .....	140	182	188
90.00 Outlays .....	136	199	188

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 maintenance, and improvement 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**

	2000 actual	2001 est.	2002 est.
Maintenance and Repairs:			
Minor repairs (number) .....	432	400	400
Maintenance (thousands of hours) .....	19,390	19,000	19,000
Service calls (thousands) .....	8,779	9,500	9,500

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

Identification code 12-0117-0-1-352	2000 actual	2001 est.	2002 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	4	5	5
12.1 Civilian personnel benefits .....	1	1	1
23.1 Rental payments to GSA .....	117	125	130
23.3 Communications, utilities, and miscellaneous charges .....	3	5	5
25.2 Other services .....	29	46	46
99.0 Subtotal, direct obligations .....	154	182	187
99.0 Reimbursable obligations .....	5		
99.5 Below reporting threshold .....	1	1	1
99.9 Total new obligations .....	160	183	188

**Personnel Summary**

Identification code 12-0117-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	74	88	88

**General and special funds—Continued**

**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]** \$2,993,000, to remain available until expended. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0601-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	3	3	3
09.00 Reimbursable program .....	1		
10.00 Total new obligations .....	4	3	3
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	4	3	3
23.95 Total new obligations .....	-4	-3	-3
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	3	3	3
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1		
70.00 Total new budget authority (gross) .....	4	3	3
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	4	3	3
72.95 Uncollected customer payments from Federal sources, start of year .....	-2	-2	-2
72.99 Obligated balance, start of year .....	2	1	1
73.10 Total new obligations .....	4	3	3
73.20 Total outlays (gross) .....	-5	-3	-3
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	3	3	3
74.95 Uncollected customer payments from Federal sources, end of year .....	-2	-2	-2
74.99 Obligated balance, end of year .....	1	1	1
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	3	3	3
86.93 Outlays from discretionary balances .....	2		
87.00 Total outlays (gross) .....	5	3	3
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-1		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	3	3	3
90.00 Outlays .....	4	3	3

*Outreach for Socially Disadvantaged Farmers 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 will provide outreach, training, and technical assistance on sound farm management and production, crop diversification, marketing practices, farm accounting, and rec-

ordkeeping. The overall objective of the program is to enhance the ability of socially disadvantaged 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.

**WORKLOAD INDICATOR**

	2000 actual	2001 est.	2002 est.
Number of grants .....	27	27	27

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

Identification code 12-0601-0-1-351	2000 actual	2001 est.	2002 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	3	3	3
99.0 Reimbursable obligations: Subtotal, reimbursable obligations .....	1		
99.9 Total new obligations .....	4	3	3

**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, **[\$8,623,000]** \$8,894,000, 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0150-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Public affairs .....	8	9	9
09.01 Reimbursable program .....		1	1
10.00 Total new obligations .....	8	10	10
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	9	10	10
23.95 Total new obligations .....	-8	-10	-10
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	8	9	9
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash) .....		1	1
68.10 Change in uncollected customer payments from Federal sources .....	1		
68.90 Spending authority from offsetting collections (total discretionary) .....	1	1	1
70.00 Total new budget authority (gross) .....	9	10	10
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....			1
72.95 Uncollected customer payments from Federal sources, start of year .....		-1	-1
72.99 Obligated balance, start of year .....		-1	
73.10 Total new obligations .....	8	10	10
73.20 Total outlays (gross) .....	-9	-9	-9
73.40 Adjustments in expired accounts (net) .....	1		
74.00 Change in uncollected customer payments from Federal sources .....	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....		1	

74.95	Uncollected customer payments from Federal sources, end of year .....	-1	-1	-1
74.99	Obligated balance, end of year .....	-1		
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	8	9	9
86.93	Outlays from discretionary balances .....	1		1
87.00	Total outlays (gross) .....	9	9	9
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources .....		-1	-1
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources .....	-1		
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	8	9	9
90.00	Outlays .....	9	8	8

**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**

	2000 actual	2001 est.	2002 est.
Random surveys of selected communications initiatives reveal that intended audience received the material or information distributed .....	95%	98%	98%

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

Identification code 12-0150-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	6	7	7
12.1 Civilian personnel benefits .....	1	1	1
25.2 Other services .....	1	1	1
99.0 Subtotal, direct obligations .....	8	9	9
99.0 Reimbursable obligations .....		1	1
99.9 Total new obligations .....	8	10	10

**Personnel Summary**

Identification code 12-0150-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	84	90	90

**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, [§68,867,000] \$70,839,000, 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 Administra-

tion, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-0900-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	65	69	71
09.01 Reimbursable program .....	3	2	2
10.00 Total new obligations .....	68	71	73
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	68	71	73
23.95 Total new obligations .....	-68	-71	-73
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	65	69	71
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	3	2	2
70.00 Total new budget authority (gross) .....	68	71	73
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	6	6	6
72.99 Obligated balance, start of year .....	6	6	6
73.10 Total new obligations .....	68	71	73
73.20 Total outlays (gross) .....	-68	-71	-73
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	6	6	7
74.99 Obligated balance, end of year .....	6	6	7
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	65	65	66
86.93 Outlays from discretionary balances .....	3	6	6
87.00 Total outlays (gross) .....	68	71	73
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-3	-2	-2
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	65	69	71
90.00 Outlays .....	63	69	71

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	40	41	43
11.5 Other personnel compensation .....	4	4	4
11.9 Total personnel compensation .....	44	45	47
12.1 Civilian personnel benefits .....	12	13	13
21.0 Travel and transportation of persons .....	4	5	5
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1

**General and special funds—Continued**

OFFICE OF THE INSPECTOR GENERAL—Continued  
(INCLUDING TRANSFERS OF FUNDS)—Continued

**Object Classification** (in millions of dollars)—Continued

Identification code 12-0900-0-1-352	2000 actual	2001 est.	2002 est.
25.2 Other services .....	2	2	2
25.3 Purchases of goods and services from Government accounts .....	1	1	1
99.0 Subtotal, direct obligations .....	64	67	69
99.0 Reimbursable obligations .....	3	2	2
99.5 Below reporting threshold .....	1	2	2
99.9 Total new obligations .....	68	71	73

**Personnel Summary**

Identification code 12-0900-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	670	723	723

**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, **[\$31,080,000] \$32,627,000.** (7 U.S.C. 2201; 2202, 2214a; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-2300-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	29	32	33
09.00 Reimbursable program .....	1	1	1
10.00 Total new obligations .....	30	33	34

**Budgetary resources available for obligation:**

22.00 New budget authority (gross) .....	30	33	34
23.95 Total new obligations .....	-30	-33	-34

**New budget authority (gross), detail:**

<b>Discretionary:</b>			
40.00 Appropriation .....	29	32	33
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	1	1
70.00 Total new budget authority (gross) .....	30	33	34

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	1	1	2
72.99 Obligated balance, start of year .....	1	1	2
73.10 Total new obligations .....	30	33	34
73.20 Total outlays (gross) .....	-29	-31	-32
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	1	2	2
74.99 Obligated balance, end of year .....	1	2	2

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	29	31	32
86.93 Outlays from discretionary balances .....			2
87.00 Total outlays (gross) .....	29	31	32

**Offsets:**

<b>Against gross budget authority and outlays:</b>			
88.00 Offsetting collections (cash) from: Federal sources .....	-1	-1	-1

**Net budget authority and outlays:**

89.00 Budget authority .....	30	33	34
90.00 Outlays .....	30	32	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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	23	25	26
12.1 Civilian personnel benefits .....	5	5	6
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
25.2 Other services .....		1	
99.0 Subtotal, direct obligations .....	29	32	33
99.0 Reimbursable obligations .....	1	1	1
99.9 Total new obligations .....	30	33	34

**Personnel Summary**

Identification code 12-2300-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	322	338	338
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	7	7	7

**ECONOMIC RESEARCH SERVICE**

**Federal Funds**

**General and special funds:**

ECONOMIC RESEARCH SERVICE

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

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, **[\$67,038,000: 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] \$67,200,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225). (7 U.S.C. 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, 2001, as enacted by section 1(a) of P.L. 106-387.)**

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

Identification code 12-1701-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	64	66	67
09.00 Reimbursable program .....	2	4	4
10.00 Total new obligations .....	66	70	71

**Budgetary resources available for obligation:**

22.00 New budget authority (gross) .....	66	70	71
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23.95	Total new obligations .....	-66	-70	-71
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	65	67	67
41.00	Transferred to other accounts .....	-1	-1	
43.00	Appropriation (total discretionary) .....	64	66	67
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	2	4	4
70.00	Total new budget authority (gross) .....	66	70	71
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	33	28	28
72.99	Obligated balance, start of year .....	33	28	28
73.10	Total new obligations .....	66	70	71
73.20	Total outlays (gross) .....	-70	-70	-71
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	28	28	28
74.99	Obligated balance, end of year .....	28	28	28
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	63	61	62
86.93	Outlays from discretionary balances .....	9	9	9
87.00	Total outlays (gross) .....	70	70	71
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources .....	-2	-4	-4
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	64	66	67
90.00	Outlays .....	68	66	67

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 2002 request includes funding for costs associated with economic analysis and expert witness support for Pigford litigation and for costs associated with mandatory price reporting.

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

Identification code 12-1701-0-1-352	2000 actual	2001 est.	2002 est.	
<b>Direct obligations:</b>				
Personnel compensation:				
11.1	Full-time permanent .....	34	36	38
11.3	Other than full-time permanent .....	1	1	1
11.9	Total personnel compensation .....	35	37	39
12.1	Civilian personnel benefits .....	6	7	7
21.0	Travel and transportation of persons .....	1	1	1
23.3	Communications, utilities, and miscellaneous charges .....	1	1	1
25.2	Other services .....	2	2	3
25.3	Purchases of goods and services from Government accounts .....	5	5	5
25.5	Research and development contracts .....	10	9	7
26.0	Supplies and materials .....	1	1	1
31.0	Equipment .....	1	1	1
41.0	Grants, subsidies, and contributions .....	2	2	2
99.0	Subtotal, direct obligations .....	64	66	67
99.0	Reimbursable obligations .....	2	4	4
99.9	Total new obligations .....	66	70	71

**Personnel Summary**

Identification code 12-1701-0-1-352	2000 actual	2001 est.	2002 est.	
<b>Direct:</b>				
1001	Total compensable workyears: Full-time equivalent employment .....	495	517	517
<b>Reimbursable:</b>				
2001	Total compensable workyears: Full-time equivalent employment .....	3	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, **[\$100,772,000]** \$113,786,000, of which up to **[\$15,000,000]** \$25,350,000 shall be available until expended for the Census of Agriculture: *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 \$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, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-1801-0-1-352	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
Direct program:				
00.01	Agricultural estimates .....	79	81	85
00.02	Statistical research and service .....	4	4	4
00.03	Census of Agriculture .....	17	15	25
09.01	Reimbursable program .....	11	11	11
10.00	Total new obligations .....	111	111	125
<b>Budgetary resources available for obligation:</b>				
22.00	New budget authority (gross) .....	110	112	125
23.95	Total new obligations .....	-111	-111	-125

**New budget authority (gross), detail:**

Discretionary:				
40.00	Appropriation .....	99	101	114
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	11	11	11
70.00	Total new budget authority (gross) .....	110	112	125

**Change in unpaid obligations:**

Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	13	10	12
72.99	Obligated balance, start of year .....	13	10	12
73.10	Total new obligations .....	111	111	125
73.20	Total outlays (gross) .....	-114	-109	-123
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	10	12	14
74.99	Obligated balance, end of year .....	10	12	14

**Outlays (gross), detail:**

86.90	Outlays from new discretionary authority .....	102	101	112
86.93	Outlays from discretionary balances .....	12	9	11
87.00	Total outlays (gross) .....	114	109	123

**General and special funds—Continued**

NATIONAL AGRICULTURAL STATISTICS SERVICE—Continued

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

Identification code 12-1801-0-1-352	2000 actual	2001 est.	2002 est.
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00			
Federal sources .....	- 8	- 8	- 8
88.40			
Non-Federal sources .....	- 3	- 3	- 3
88.90			
Total, offsetting collections (cash) .....	- 11	- 11	- 11
<b>Net budget authority and outlays:</b>			
89.00			
Budget authority .....	99	101	114
90.00			
Outlays .....	103	98	112

*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 46 field offices serving the 50 States and Puerto Rico; most of these offices are operated as joint State and Federal services. Cooperative arrangements with State agencies provide additional State and county data. The 2002 program includes enhancements for improvements to the computer security architecture.

*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. A proposed increase reflects funding of 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		
	2000 actual	2001 est.	2002 est.
Percentage of reports released on time .....	99	100	100

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

Identification code 12-1801-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1			
Full-time permanent .....	55	55	59
11.5			
Other personnel compensation .....	1	1	1
11.9			
Total personnel compensation .....	56	56	60
12.1			
Civilian personnel benefits .....	14	14	15
21.0			
Travel and transportation of persons .....	2	2	3
23.3			
Communications, utilities, and miscellaneous charges .....	3	3	3
24.0			
Printing and reproduction .....	1	1	4
25.2			
Other services .....	16	16	20
25.3			
Purchases of goods and services from Government accounts .....	5	5	6
25.7			
Operation and maintenance of equipment .....	1	1	1
26.0			
Supplies and materials .....	1	1	1
31.0			
Equipment .....	1	1	1
99.0			
Subtotal, direct obligations .....	100	100	114

99.0	Reimbursable obligations .....	11	11	11
99.9	Total new obligations .....	111	111	125

**Personnel Summary**

Identification code 12-1801-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001			
Total compensable workyears: Full-time equivalent employment .....	1,011	1,027	1,085
<b>Reimbursable:</b>			
2001			
Total compensable workyears: Full-time equivalent employment .....	107	108	103

**AGRICULTURAL RESEARCH SERVICE**

**Federal Funds**

**General and special funds:**

SALARIES AND EXPENSES

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, [\$898,812,000] \$915,591,000: *Provided*, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be 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 \$375,000, except for greenhouses or greenhouses which shall each be limited to \$1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed \$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 \$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 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 [2001] 2002, 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, 2001, as enacted by section 1(a) of P.L. 106-387.)

**Unavailable Collections** (in millions of dollars)

Identification code 12-1400-0-1-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....	5	5	5
07.99 Balance, end of year .....	5	5	5

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

Identification code 12-1400-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Research on soil, water and air science .....	87	96	90
00.02 Research on plant science .....	290	327	325
00.03 Research on animal science .....	135	143	147
00.04 Research on commodity conversion and delivery .....	175	200	202
00.05 Human nutrition research .....	71	75	76
00.06 Integration of agricultural systems .....	32	37	38
00.07 Repair and maintenance of facilities .....	19	18	18
00.09 Collaborative research program .....		5	
00.10 Agricultural information and library science .....	18	20	20
09.00 Reimbursable program .....	41	60	60
10.00 Total new obligations .....	868	981	976
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	6	
22.00 New budget authority (gross) .....	876	975	976
23.90 Total budgetary resources available for obligation .....	877	981	976
23.95 Total new obligations .....	-868	-981	-976
23.98 Unobligated balance expiring or withdrawn .....	-3		
24.40 Unobligated balance carried forward, end of year .....	6		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	834	899	916
40.76 Reduction pursuant to P.L. 106-113 .....	-4		
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-2	
42.00 Transferred from other accounts .....	5		
43.00 Appropriation (total discretionary) .....	835	897	916
Mandatory:			
60.00 Appropriation .....		18	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	41	60	60
70.00 Total new budget authority (gross) .....	876	975	976
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	234	245	267
72.99 Obligated balance, start of year .....	234	245	267
73.10 Total new obligations .....	868	981	976
73.20 Total outlays (gross) .....	-857	-960	-971
73.40 Adjustments in expired accounts (net) .....	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	245	267	272
74.99 Obligated balance, end of year .....	245	267	272
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	686	778	793
86.93 Outlays from discretionary balances .....	171	167	175
86.97 Outlays from new mandatory authority .....		14	
86.98 Outlays from mandatory balances .....			4
87.00 Total outlays (gross) .....	857	960	971
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-36	-53	-53
88.40 Non-Federal sources .....	-5	-7	-7
88.90 Total, offsetting collections (cash) .....	-41	-60	-60
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	835	915	916
90.00 Outlays .....	816	900	911

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 2002, the Service proposes increased emphases for critical research needs in agriculture, such as: Emerging and exotic diseases, Invasive species, biobased products and new uses, Agricultural genome and bioinformatic tools, and Biotechnology risk assessment. In 2000, the Service submitted 64 new patent applications, participated in 69 new Cooperative research and development agreements (CRADAs), licensed 24 new products, and developed 70 new plant varieties to release to industry for further development and marketing.

*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

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	345	379	399
11.3 Other than full-time permanent .....	14	15	16
11.5 Other personnel compensation .....	19	20	20
11.9 Total personnel compensation .....	378	414	435
12.1 Civilian personnel benefits .....	90	99	103
21.0 Travel and transportation of persons .....	15	17	16
22.0 Transportation of things .....	1	1	1
23.2 Rental payments to others .....	2	2	2
23.3 Communications, utilities, and miscellaneous charges .....	32	36	34
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	10	12	9
25.3 Purchases of goods and services from Government accounts .....	4	5	5
25.4 Operation and maintenance of facilities .....	20	23	21
25.5 Research and development contracts .....	118	142	125
25.7 Operation and maintenance of equipment .....	6	6	6
25.8 Subsistence and support of persons .....	1	1	1
26.0 Supplies and materials .....	83	85	84
31.0 Equipment .....	37	42	42
32.0 Land and structures .....	7	8	8
41.0 Grants, subsidies, and contributions .....	22	27	23
99.0 Subtotal, direct obligations .....	827	921	916
99.0 Reimbursable obligations .....	41	60	60
99.9 Total new obligations .....	868	981	976

**Personnel Summary**

Identification code 12-1400-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	7,356	7,732	7,732
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	287	287	287

**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, **[\$74,200,000]** \$30,462,000, 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-1401-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	30	50	49
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	86	109	133
22.00 New budget authority (gross) .....	53	74	30
23.90 Total budgetary resources available for obligation .....	139	183	163
23.95 Total new obligations .....	-30	-50	-49
24.40 Unobligated balance carried forward, end of year .....	109	133	114
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	53	74	30
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	72	51	39
72.99 Obligated balance, start of year .....	72	51	39
73.10 Total new obligations .....	30	50	49
73.20 Total outlays (gross) .....	-51	-62	-56
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	51	39	32
74.99 Obligated balance, end of year .....	51	39	32
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	13	9	4
86.93 Outlays from discretionary balances .....	38	53	52
87.00 Total outlays (gross) .....	51	62	56
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	53	74	30
90.00 Outlays .....	51	62	56

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 2002 request provides the continuing modernization of the National Agricultural Library, Beltsville, MD; U.S. National Arboretum, Washington, DC; ongoing upgrades to existing facilities at Plum Island; Wyndmoor, PA; Davis, CA; Peoria, IL; and Albany, CA; and other high priority projects.

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

Identification code 12-1401-0-1-352	2000 actual	2001 est.	2002 est.
25.2 Other services .....	22	35	34
32.0 Land and structures .....	8	15	15
99.9 Total new obligations .....	30	50	49

**Trust Funds**

**MISCELLANEOUS CONTRIBUTED FUNDS**

**Unavailable Collections (in millions of dollars)**

Identification code 12-8214-0-7-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....			
<b>Receipts:</b>			
02.20 Science and education contributed funds .....	20	23	23
<b>Appropriations:</b>			
05.00 Miscellaneous contributed funds .....	-20	-23	-23
07.99 Balance, end of year .....			



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

Identification code 12-8214-0-7-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	20	23	23
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	14	14	14
22.00 New budget authority (gross) .....	20	23	23
23.90 Total budgetary resources available for obligation	34	37	37
23.95 Total new obligations .....	-20	-23	-23
24.40 Unobligated balance carried forward, end of year .....	14	14	14
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.27 Appropriation (trust fund, indefinite) .....	20	23	23
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	8	8	10
72.99 Obligated balance, start of year .....	8	8	10
73.10 Total new obligations .....	20	23	23
73.20 Total outlays (gross) .....	-20	-21	-21
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	8	10	10
74.99 Obligated balance, end of year .....	8	10	10
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	10	7	7
86.98 Outlays from mandatory balances .....	10	16	16
87.00 Total outlays (gross) .....	20	21	21
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	20	23	23
90.00 Outlays .....	20	21	21

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	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	6	6	6
12.1 Civilian personnel benefits .....	1	1	1
25.2 Other services .....	9	11	11
26.0 Supplies and materials .....	3	4	4
31.0 Equipment .....	1	1	1
99.9 Total new obligations .....	20	23	23

**Personnel Summary**

Identification code 12-8214-0-7-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	117	117	117

**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, as authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), **[\$41,941,000] \$41,849,000**, as follows: payments for the water quality program, **[\$13,000,000] \$12,971,000**; payments for the food safety program, **[\$15,000,000] \$14,967,000**; payments for the national agriculture pesticide impact assessment program, **[\$4,541,000] \$4,531,000**; payments for the Food Quality Protection Act risk mitigation program

for major food crop systems, **[\$4,900,000] \$4,889,000**; payments for the crops affected by Food Quality Protection Act implementation, **[\$1,500,000] \$1,497,000**; payments for the methyl bromide transition program, **[\$2,500,000] \$2,495,000**; and payments for the organic transition program, **[\$500,000] \$499,000**. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-1502-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.20 Water quality .....	13	13	13
00.30 Food safety .....	15	15	15
00.40 Pesticide impact assessment .....	5	5	5
00.50 Crops at risk .....	1	1	1
00.60 Food Quality Protection Act risk mitigation program	4	5	5
00.70 Methyl bromide transition program .....	2	2	2
00.88 Organic transition .....	1	1	1
10.00 Total new obligations .....	40	42	42
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	40	42	42
23.95 Total new obligations .....	-40	-42	-42
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	40	42	42
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....		39	64
72.99 Obligated balance, start of year .....		39	64
73.10 Total new obligations .....	40	42	42
73.20 Total outlays (gross) .....	-1	-17	-31
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	39	64	75
74.99 Obligated balance, end of year .....	39	64	75
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	1	2	2
86.93 Outlays from discretionary balances .....	15	15	29
87.00 Total outlays (gross) .....	1	17	31
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	40	42	42
90.00 Outlays .....	1	17	31

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:

**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.

**General and special funds—Continued**

**INTEGRATED ACTIVITIES—Continued**

*Crops at risk from FQPA implementation.*—Funding will support the development of multi-tactic IPM strategies. Grant opportunities will be available to colleges and universities.

*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.

*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.

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

Identification code 12-1502-0-1-352	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	1	1	1
21.0 Travel and transportation of persons .....	1	1	1
41.0 Grants, subsidies, and contributions .....	38	40	40
99.9 Total new obligations .....	40	42	42

**Personnel Summary**

Identification code 12-1502-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	8	8	7

**INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS**

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

Identification code 12-1503-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	120	120	120
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	120	120	120
22.00 New budget authority (gross) .....	120	120	120
23.90 Total budgetary resources available for obligation .....	240	240	240
23.95 Total new obligations .....	-120	-120	-120
24.40 Unobligated balance carried forward, end of year .....	120	120	120
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....			
40.35 Appropriation deferred .....			-120
43.00 Appropriation (total discretionary) .....			-120
Mandatory:			
60.00 Appropriation .....	240	240	240
60.35 Appropriation deferred .....	-120	-120	
62.50 Appropriation (total mandatory) .....	120	120	240
70.00 Total new budget authority (gross) .....	120	120	120
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....		120	192
72.99 Obligated balance, start of year .....		120	192
73.10 Total new obligations .....	120	120	120

73.20 Total outlays (gross) .....		-48	-96
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	120	192	216
74.99 Obligated balance, end of year .....	120	192	216

**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	90	
87.00 Total outlays (gross) .....	48	96	

**Net budget authority and outlays:**

89.00 Budget authority .....	120	120	120
90.00 Outlays .....	48	96	

*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 2000 appropriations language blocked the use of 2000 funds in 2000. However, these funds were available in 2001. The 2001 appropriations language blocked the use of 2001 funds in 2001. The 2002 budget allows the use of 2001 funds, but blocks the use of \$120 million of 2002 funds in 2002. However, these funds would be available in 2003.

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

Identification code 12-1503-0-1-352	2000 actual	2001 est.	2002 est.
11.3 Personnel compensation: Other than full-time permanent .....	2	2	2
12.1 Civilian personnel benefits .....	1	1	1
25.2 Other services .....	2	2	2
41.0 Grants, subsidies, and contributions .....	115	115	115
99.9 Total new obligations .....	120	120	120

**Personnel Summary**

Identification code 12-1503-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	26	26	25

**RESEARCH AND EDUCATION ACTIVITIES**

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, **[\$506,193,000] \$407,319,000**, as follows: to carry out the provisions of the Hatch Act (7 U.S.C. 361a-i), **[\$180,545,000] \$180,148,000**; for grants for cooperative forestry research (16 U.S.C. 582a-a7), **[\$21,932,000] \$21,884,000**; for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222), **[\$32,676,000] \$32,604,000**, of which **[\$1,000,000] \$998,000** shall be made available to West Virginia State College in Institute, West Virginia; for special grants for agricultural research (7 U.S.C. 450i(c)), **[\$85,669,000] \$2,755,000**; for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)), **[\$13,721,000] \$13,691,000**; for competitive research grants (7 U.S.C. 450i(b)), **[\$106,000,000] \$105,767,000**; for the support of animal health and disease programs (7 U.S.C. 3195), **[\$5,109,000] \$5,098,000**; for supplemental and alternative crops and products (7 U.S.C. 3319d), **\$800,000**; for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), **\$640,000**, to remain available until expended; for the 1994 research program (7 U.S.C. 301 note), **[\$1,000,000] \$998,000**, to remain available until expended; for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), **[\$3,000,000] \$2,993,000**, to remain available until expended (7 U.S.C. 2209b); for higher education challenge grants (7 U.S.C. 3152(b)(1)), **[\$4,350,000] \$4,340,000**; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), **[\$1,000,000] \$998,000**, to remain available until expended (7 U.S.C. 2209b); for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), **[\$3,500,000] \$3,492,000**; for a program of noncompetitive grants, to

be awarded on an equal basis, to Alaska Native-serving and Native Hawaiian-serving Institutions to carry out higher education programs (7 U.S.C. 3242), **[\$3,000,000] \$2,993,000**; for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(h)), **[\$800,000] \$798,000**; for aquaculture grants (7 U.S.C. 3322), **[\$4,000,000] \$3,991,000**; for sustainable agriculture research and education (7 U.S.C. 5811), **[\$9,250,000] \$9,230,000**; 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, **[\$9,500,000] \$9,479,000**, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382, **[\$1,552,000] \$1,549,000**; and 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, **[\$18,149,000] \$4,511,000**.

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: *Provided*, That this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco.

**NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND**

For the Native American Institutions Endowment Fund authorized by Public Law 103–382 (7 U.S.C. 301 note), \$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, 2001, as enacted by section 1(a) of P.L. 106–387.*)

**Unavailable Collections** (in millions of dollars)

Identification code 12–1500–0–1–352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....	19	24	31
Receipts:			
02.40 Federal payment, Native American Institutions Endowment Fund .....	6	7	7
02.41 Earnings on investments .....		1	2
02.99 Total receipts and collections .....	6	8	9
04.00 Total: Balances and collections .....	25	32	40
Appropriations:			
05.00 Cooperative state research activities .....	–1	–1	–2
07.99 Balance, end of year .....	24	31	38

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

Identification code 12–1500–0–1–352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Payments under the Hatch Act .....	181	181	180
00.02 Cooperative forestry research .....	22	22	22
00.03 Payments to 1890 colleges and Tuskegee University .....	31	33	33
00.04 Special research grants .....	88	114	30
00.05 National research initiative competitive grants .....	99	164	106
00.06 Animal health and disease research .....	5	5	5
00.07 Federal administration .....	14	17	4
00.08 Higher education .....	24	28	27
00.09 Native American Institutions Endowment Fund .....	6	8	9
00.10 Agricultural risk grants .....		28	
09.00 Reimbursable program .....	14	16	16
10.00 Total new obligations .....	484	616	432
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	50	67	9
22.00 New budget authority (gross) .....	501	557	432
23.90 Total budgetary resources available for obligation .....	551	624	441
23.95 Total new obligations .....	–484	–616	–432
24.40 Unobligated balance carried forward, end of year .....	67	9	9
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	490	513	414
40.25 Appropriation (special fund, indefinite) .....	1	1	2
40.76 Reduction pursuant to P.L. 106–113 .....	–4		

40.77 Reduction pursuant to P.L. 106–554 (0.22 percent) .....		–1	
43.00 Appropriation (total discretionary) .....	487	513	416
Mandatory:			
60.00 Appropriation .....		28	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	14	16	16
70.00 Total new budget authority (gross) .....	501	557	432
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	441	463	554
72.99 Obligated balance, start of year .....	441	463	554
73.10 Total new obligations .....	484	616	432
73.20 Total outlays (gross) .....	–462	–525	–490
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	463	554	496
74.99 Obligated balance, end of year .....	463	554	496
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	218	268	229
86.93 Outlays from discretionary balances .....	244	243	254
86.97 Outlays from new mandatory authority .....		14	
86.98 Outlays from mandatory balances .....			7
87.00 Total outlays (gross) .....	462	525	490
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	–14	–16	–16
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	487	541	416
90.00 Outlays .....	448	509	474

Note.—In 2001 and 2002 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. 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. 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

**General and special funds—Continued**

**NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND—Continued**

chemical and drug residues in food products by half. These pest management programs will be coordinated to address Food Quality and Protection Act issues. The IR-4 and IPM programs are contained under improved pest control funding. Improved pest control also includes Pest Management Alternatives, Critical Issues, and Expert IPM Decision Support System Programs. A 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.*—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.

*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.*—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 Native American institutions, Alaska Native-serving and Native Hawaiian-serving Institutions, and Secondary Agriculture Education and 2-year Post-secondary programs. 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 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	8	10	10
12.1 Civilian personnel benefits .....	2	2	2
21.0 Travel and transportation of persons .....	2	2	2
23.3 Communications, utilities, and miscellaneous charges .....		1	1
25.1 Advisory and assistance services .....		1	1
25.2 Other services .....	2	5	1
25.3 Purchases of goods and services from Government accounts .....	2	5	1
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	1	1	1
41.0 Grants, subsidies, and contributions .....	452	572	396
99.0 Subtotal, direct obligations .....	470	600	416
99.0 Reimbursable obligations .....	14	16	16
99.9 Total new obligations .....	484	616	432

**Personnel Summary**

Identification code 12-1500-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	165	201	185
<b>Reimbursable:</b>			
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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0) .....		3	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	3	3	
22.10 Resources available from recoveries of prior year obligations .....			
23.90 Total budgetary resources available for obligation .....	3	3	
23.95 Total new obligations .....		-3	
24.40 Unobligated balance carried forward, end of year .....	3		
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	99	65	43
72.99 Obligated balance, start of year .....	99	65	43
73.10 Total new obligations .....		3	
73.20 Total outlays (gross) .....	-34	-25	-31
73.45 Recoveries of prior year obligations .....			
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	65	43	12
74.99 Obligated balance, end of year .....	65	43	12
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	34	25	31

Net budget authority and outlays:			
89.00	Budget authority .....		
90.00	Outlays .....	34	25 31

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 2002.

**Personnel Summary**

Identification code 12-1501-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	1	1	

**EXTENSION ACTIVITIES**

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa, **[\$433,429,000] \$413,404,000**, as follows: 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] \$275,940,000**; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), **[\$3,280,000] \$3,273,000**; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, **[\$58,695,000] \$58,566,000**; payments for the pest management program under section 3(d) of the Act, **[\$10,783,000] \$10,759,000**; **payments for the farm safety program under section 3(d) of the Act, \$4,000,000;** 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), **[\$12,200,000] \$12,173,000**, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, **[\$908,000] \$906,000**; payments for youth-at-risk programs under section 3(d) of the Act, **[\$8,500,000] \$8,481,000**; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, **[\$500,000] \$499,000**; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, **[\$3,192,000] \$3,185,000**; payments for Indian reservation agents under section 3(d) of the Act, **[\$2,000,000] \$1,996,000**; payments for sustainable agriculture programs under section 3(d) of the Act, **[\$3,800,000] \$3,792,000**; **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;** 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, **[\$28,243,000] \$28,181,000**, of which **[\$1,000,000] \$998,000** shall be made available to West Virginia State College in Institute, West Virginia; 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, **[\$18,152,000] \$5,653,000**: *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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0502-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Smith-Lever Act, 3(b) and 3(c) .....	276	276	276
00.02 Youth at risk .....	9	8	8

00.04 Expanded food and nutrition education program (EFNEP) .....	59	59	59
00.05 Pest management .....	11	11	11
00.06 Farm safety .....	4	4	
00.09 Indian reservation extension agents .....	2	2	2
00.12 Rural development .....	1	1	1
00.13 Payments to 1890 colleges and Tuskegee University .....	27	28	28
00.15 Renewable resources extension act .....	3	3	3
00.16 Federal administration .....	12	18	5
00.18 Rural health and safety education .....	3	3	
00.19 1890 facilities (section 1447) .....	11	13	12
00.21 Sustainable agriculture .....	3	4	4
00.22 1994 institutions activities .....	3	3	3
00.23 Youth farm safety pilot program .....		1	1
09.00 Reimbursable program .....	16	25	25
10.00 Total new obligations .....	440	459	438

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year .....	2	2	2
22.00 New budget authority (gross) .....	440	457	438
23.90 Total budgetary resources available for obligation .....	442	459	440
23.95 Total new obligations .....	-440	-459	-438
24.40 Unobligated balance carried forward, end of year .....	2	2	2

**New budget authority (gross), detail:**

<b>Discretionary:</b>			
40.00 Appropriation .....	425	433	413
40.76 Reduction pursuant to P.L. 106-113 .....	-1		
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-1	
43.00 Appropriation (total discretionary) .....	424	432	413
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	16	25	25
70.00 Total new budget authority (gross) .....	440	457	438

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	253	240	253
72.99 Obligated balance, start of year .....	253	240	253
73.10 Total new obligations .....	440	459	438
73.20 Total outlays (gross) .....	-453	-446	-485
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	240	253	206
74.99 Obligated balance, end of year .....	240	253	206

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	274	284	272
86.93 Outlays from discretionary balances .....	179	162	213
87.00 Total outlays (gross) .....	453	446	485

**Offsets:**

<b>Against gross budget authority and outlays:</b>			
88.00 Offsetting collections (cash) from: Federal sources .....	-16	-25	-25

**Net budget authority and outlays:**

89.00 Budget authority .....	424	432	413
90.00 Outlays .....	437	421	460

Note.—In 2001 and 2002 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 mag-

General and special funds—Continued

EXTENSION ACTIVITIES—Continued

nify 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 2002 funding has been requested for: the Expanded Food and Nutrition Education Program, pest management, rural development centers, children, youth and families at risk, a youth farm safety education and certification pilot project, extension services on Indian reservations, sustainable agriculture, and 1994 (Native American) institutions.

Object Classification (in millions of dollars)			
Identification code 12-0502-0-1-352	2000 actual	2001 est.	2002 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent .....	8	10	10
12.1 Civilian personnel benefits .....	3	3	3
21.0 Travel and transportation of persons .....	1	1	1
25.2 Other services .....	1	1	1
25.3 Purchases of goods and services from Government accounts .....	1	1	
31.0 Equipment .....		1	1
41.0 Grants, subsidies, and contributions .....	410	417	397
99.0 Subtotal, direct obligations .....	424	434	413
99.0 Reimbursable obligations .....	16	25	25
99.9 Total new obligations .....	440	459	438

Personnel Summary			
Identification code 12-0502-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	168	200	184

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 Acts of March 2, 1931 (46 Stat. 1468) and December 22, 1987 (101 Stat. 1329-1331) (7 U.S.C. 426-426c); and to protect the environment, as authorized by law, **[\$530,564,000]** **\$702,925,000**, of which **[\$4,105,000]** **\$4,096,000** 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[]; of which \$59,400,000 shall be used for the boll weevil eradication program for cost share purposes or for debt retirement for active eradication zones]; *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 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[]; *Provided further*, That not to exceed \$1,000,000 of the funds available under this heading for wildlife services methods development may be used by the Secretary of Agriculture to conduct pilot projects in up to four States representative of wildlife predation of livestock in connection with farming operations for direct assistance in the application of non-lethal predation control methods; *Provided further*, That the General Accounting Office shall report to the Committees on Appropriations by November 30, 2001, on the Department's compliance with this provision and on the effectiveness of the non-lethal measures].

In fiscal year **[2001]** **2002** 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 **[2001]**, **\$85,000,000]** **2002**, **\$84,813,000** 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, 2001, as enacted by section 1(a) of P.L. 106-387.)

**Unavailable Collections** (in millions of dollars)

Identification code 12-1600-0-1-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year	117	130	145
Receipts:			
02.00 Agricultural quarantine inspection fees	234	240	246
04.00 Total: Balances and collections	351	370	391
Appropriations:			
05.00 Salaries and expenses	-221	-225	-230
05.99 Total appropriations	-221	-225	-230
07.99 Balance, end of year	130	145	161

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

Identification code 12-1600-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Pest and disease exclusion	334	352	393
00.02 Plant and animal health monitoring	79	85	88
00.03 Pest and disease management programs	91	162	292
00.04 Animal care	10	13	13
00.05 Scientific and technical services	54	55	58
00.06 Contingencies	4	4	4
00.07 Emergency program funding	217	326	19
01.00 Total direct program	789	997	867
09.01 Reimbursable program	76	60	60
10.00 Total new obligations	865	1,057	927

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year	35	35	72
22.00 New budget authority (gross)	865	1,094	927
23.90 Total budgetary resources available for obligation	900	1,129	999
23.95 Total new obligations	-865	-1,057	-927
24.40 Unobligated balance carried forward, end of year	35	72	72

**New budget authority (gross), detail:**

Discretionary:			
40.00 Appropriation	354	446	618
40.20 Appropriation (special fund, definite)	87	85	85
40.76 Reduction pursuant to P.L. 106-113	-3		
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent)		-2	
42.00 Transferred from other accounts	217	327	19
43.00 Appropriation (total discretionary)	655	856	722
Mandatory:			
60.00 Appropriation		38	
60.25 Appropriation (special fund, indefinite)	134	140	145
62.50 Appropriation (total mandatory)	134	178	145
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	76	60	60
70.00 Total new budget authority (gross)	865	1,094	927

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	83	245	203
72.99 Obligated balance, start of year	83	245	203
73.10 Total new obligations	865	1,057	927
73.20 Total outlays (gross)	-703	-1,099	-1,081
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	245	203	49
74.99 Obligated balance, end of year	245	203	49

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority	482	674	668
86.93 Outlays from discretionary balances	111	273	243
86.97 Outlays from new mandatory authority	103	146	138
86.98 Outlays from mandatory balances	7	7	32
87.00 Total outlays (gross)	703	1,099	1,081

**Offsets:**

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-19	-10	-10

88.40 Non-Federal sources	-57	-50	-50
88.90 Total, offsetting collections (cash)	-76	-60	-60

**Net budget authority and outlays:**

89.00 Budget authority	789	1,034	867
90.00 Outlays	627	1,039	1,021

**Summary of Budget Authority and Outlays**

(in millions of dollars)

Enacted/requested:	2000 actual	2001 est.	2002 est.
Budget Authority	789	1,034	867
Outlays	627	1,040	1,021
Legislative proposal, not subject to PAYGO:			
Budget Authority			-5
Outlays			-5
Total:			
Budget Authority	789	1,034	862
Outlays	627	1,040	1,016

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

**General and special funds—Continued**

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

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	234	271	251
11.3 Other than full-time permanent .....	16	18	18
11.5 Other personnel compensation .....	36	44	43
11.9 Total personnel compensation .....	286	333	312
12.1 Civilian personnel benefits .....	69	82	80
13.0 Benefits for former personnel .....	1	1	1
21.0 Travel and transportation of persons .....	20	22	26
22.0 Transportation of things .....	7	5	5
23.2 Rental payments to others .....	6	6	6
23.3 Communications, utilities, and miscellaneous charges .....	15	14	14
24.0 Printing and reproduction .....	1	2	1
25.2 Other services .....	259	330	289
26.0 Supplies and materials .....	28	34	34
31.0 Equipment .....	17	16	17
<b>Grants, subsidies, and contributions:</b>			
41.0 United States-Colombia Commission to Prevent Foot-and-Mouth Disease .....	2	2	2
41.0 Joint Screwworm eradication programs .....	5	5	5
41.0 Joint Commission on the Mediterranean Fruit Fly .....	5	5	5
41.0 Other grants, subsidies, and contributions .....	11	17	9
<b>Insurance claims and indemnities:</b>			
42.0 Brucellosis .....	2	2	2
42.0 Pseudorabies .....	30	57	34
42.0 Other insurance claims and indemnities .....	26	64	25
99.0 Subtotal, direct obligations .....	789	997	867
99.0 Reimbursable obligations .....	76	60	60
99.9 Total new obligations .....	865	1,057	927

**Personnel Summary**

Identification code 12-1600-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	5,667	6,044	6,144
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	700	748	748

**SALARIES AND EXPENSES**  
(Legislative proposal, not subject to PAYGO)

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

Identification code 12-1600-2-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
<b>Direct program:</b>			
00.04 Animal care .....			-5
09.01 Reimbursable program .....			5
10.00 Total new obligations .....			
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....			-5
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....			5
70.00 Total new budget authority (gross) .....			

**Offsets:**

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....			-5

**Net budget authority and outlays:**

89.00 Budget authority .....			-5
90.00 Outlays .....			-5

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.

This is one of the 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....			-3
12.1 Civilian personnel benefits .....			-1
25.2 Other services .....			-1
99.0 Subtotal, direct obligations .....			-5
99.0 Reimbursable obligations .....			5
99.9 Total new obligations .....			

**Personnel Summary**

Identification code 12-1600-2-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....			-42
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....			42

**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, **[\$9,870,000]** \$5,189,000, to remain available until expended. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-1601-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 25.2) .....	2	17	14
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	12	16	9
22.00 New budget authority (gross) .....	5	10	5
23.90 Total budgetary resources available for obligation .....	17	26	14
23.95 Total new obligations .....	-2	-17	-14
24.40 Unobligated balance carried forward, end of year .....	16	9	2
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	5	10	5
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	13	6	15
72.99 Obligated balance, start of year .....	13	6	15
73.10 Total new obligations .....	2	17	14
73.20 Total outlays (gross) .....	-9	-8	-10



74.40	Unpaid obligations, end of year:			
	Unpaid obligations, end of year .....	6	15	17
74.99	Obligated balance, end of year .....	6	15	17
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	1	2	1
86.93	Outlays from discretionary balances .....	8	5	8
87.00	Total outlays (gross) .....	9	8	10
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	5	10	5
90.00	Outlays .....	11	8	10

The buildings and facilities account 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 2002 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	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....			
Receipts:			
02.20 Miscellaneous contributed funds .....	17	13	13
Appropriations:			
05.00 Miscellaneous trust funds .....	-17	-13	-13
07.99 Balance, end of year .....			

Program and Financing (in millions of dollars)

Identification code 12-9971-0-7-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	14	11	11
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	6	9	11
22.00 New budget authority (gross) .....	17	13	13
23.90 Total budgetary resources available for obligation	23	22	24
23.95 Total new obligations .....	-14	-11	-11
24.40 Unobligated balance carried forward, end of year .....	9	11	13
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.27 Appropriation (trust fund, indefinite) .....	17	13	13
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1	-8	-10
72.99 Obligated balance, start of year .....	1	-8	-10
73.10 Total new obligations .....	14	11	11
73.20 Total outlays (gross) .....	-23	-13	-9
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	-8	-10	-8
74.99 Obligated balance, end of year .....	-8	-10	-8
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	17	12	8
86.98 Outlays from mandatory balances .....	6	1	1
87.00 Total outlays (gross) .....	23	13	9
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	17	13	13

90.00	Outlays .....	23	13	9
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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 cooperative 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	2000 actual	2001 est.	2002 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 .....	4	1	1
26.0 Supplies and materials .....	1	1	1
99.9 Total new obligations .....	14	11	11

Personnel Summary

Identification code 12-9971-0-7-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	101	108	108

FOOD SAFETY AND INSPECTION SERVICE

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, including not to exceed \$50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$696,704,000]** **\$715,542,000**, [of which no less than \$591,258,000 shall be available for Federal food inspection;] 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 [not more than \$2,500,000 of this appropriation may be used to implement section 752 of title VII of this Act: *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 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[: *Provided further*, That from amounts appropriated under this heading not needed for federal food inspection, up to \$6,000,000 may be used to liquidate obligations incurred in previous years, to the extent approved by the Director of the Office of Management and Budget based on documentation provided by the Secretary of Agriculture]. (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, 2001, as enacted by section 1(a) of P.L. 106-387.)

Program and Financing (in millions of dollars)

Identification code 12-3700-0-1-554	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	638	695	716

## General and special funds—Continued

## SALARIES AND EXPENSES—Continued

## Program and Financing (in millions of dollars)—Continued

Identification code 12-3700-0-1-554	2000 actual	2001 est.	2002 est.
09.01 Reimbursable program .....	94	96	99
10.00 Total new obligations .....	732	791	815
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2	17	17
22.00 New budget authority (gross) .....	747	791	815
23.90 Total budgetary resources available for obligation .....	749	808	832
23.95 Total new obligations .....	-732	-791	-815
24.40 Unobligated balance carried forward, end of year .....	17	17	17
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	649	697	716
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-2	
43.00 Appropriation (total discretionary) .....	649	695	716
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	98	96	99
70.00 Total new budget authority (gross) .....	747	791	815
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	53	40	40
72.99 Obligated balance, start of year .....	53	40	40
73.10 Total new obligations .....	732	791	815
73.20 Total outlays (gross) .....	-745	-791	-832
73.40 Adjustments in expired accounts (net) .....			
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	40	40	23
74.99 Obligated balance, end of year .....	40	40	23
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	708	752	775
86.93 Outlays from discretionary balances .....	37	39	57
87.00 Total outlays (gross) .....	745	791	832
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-98	-96	-99
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	649	695	716
90.00 Outlays .....	647	695	733

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 is a priority of the Administration, and the 2002 budget proposes a \$20 million increase for inspection of meat, poultry, shell egg and egg products. This increase will cover pay cost increases for Federal and State inspection programs, and initiatives for: Continued improvements toward a science-driven, risk-based food safety program, and strengthening international market access.

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.

## FEDERALLY FUNDED INSPECTION ACTIVITIES

	2000 actual	2001 est.	2002 est.
Federally inspected establishments:			
Slaughter plants .....	247	243	240
Processing plants .....	4,343	4,335	4,330
Combination slaughter and processing plants .....	963	955	950
Talmadge-Aiken plants .....	244	240	238
Import establishments .....	129	125	122
Egg plants .....	79	77	75
Federally inspected and passed production (millions of pounds):			
Meat slaughter .....	44,788	44,000	44,000
Poultry slaughter .....	48,137	48,000	48,000
Egg products .....	3,764	3,800	3,800
Import/export activity (millions of pounds):			
Meat and poultry imported .....	3,700	4,000	4,000
Meat and poultry exported .....	10,027	10,209	10,330
States and territories with cooperative programs: <sup>a</sup>			
Intrastate inspection .....	25	27	29
Talmadge-Aiken inspection .....	9	9	9
Number of slaughter and/or processing plants (excludes exempt plants) .....	2,081	2,110	2,150
Pounds inspected slaughter (millions) .....	560	561	561
Compliance activities:			
Corrective action reviews .....	49,392	50,000	50,000
Corrective actions completed .....	769	800	800
Product Testing (samples analyzed):			
Food chemistry .....	10,673	11,000	11,000
Food microbiology .....	85,385	86,000	86,000
Chemical residues .....	58,897	59,000	110,000
Antibiotic residues .....	208,270	208,000	208,000
Pathology samples .....	4,779	5,000	5,000
Egg Products:			
Food microbiology .....	1,797	1,800	1,800
Chemical residues .....	1,727	1,700	1,700
Consumer Education and public outreach:			
Meat and Poultry Hotline Calls received .....	86,000	90,000	95,000
Epidemiological Investigations:			
Cooperative efforts with State and public health offices .....	29	29	29
Illnesses reported and treated <sup>b</sup> .....	9,300	9,000	9,000
Field Automation and Information Management Project:			
Number of computers to be provided to federal field inspection staff .....	680	1,150	850
Number of computers to be provided to state field inspection staff .....	400	86	240

<sup>a</sup> States with cooperative agreements which are operating programs.

<sup>b</sup> 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	2000 actual	2001 est.	2002 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	366	386	400
11.3 Other than full-time permanent .....	16	16	17
11.5 Other personnel compensation .....	15	19	19
11.9 Total personnel compensation .....	397	421	436
12.1 Civilian personnel benefits .....	114	125	129
13.0 Benefits for former personnel .....	2	2	2
21.0 Travel and transportation of persons .....	24	28	28
22.0 Transportation of things .....	2	3	3
23.1 Rental payments to GSA .....	1	1	1
23.2 Rental payments to others .....			1
23.3 Communications, utilities, and miscellaneous charges .....	8	8	8
24.0 Printing and reproduction .....	1	1	1
25.1 Advisory and assistance services .....	10	12	12
25.2 Other services .....	6	13	12
25.3 Purchases of goods and services from Government accounts .....	11	12	12
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 .....	7	9	9
31.0 Equipment .....	9	10	11
41.0 Grants, subsidies, and contributions .....	43	47	48
99.0 Subtotal, direct obligations .....	638	695	716
99.0 Reimbursable obligations .....	94	96	99
99.9 Total new obligations .....	732	791	815

**Personnel Summary**

Identification code 12-3700-0-1-554	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	9,439	9,393	9,409
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	70	231	231

**Trust Funds**

**EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS**

**Unavailable Collections (in millions of dollars)**

Identification code 12-8137-0-7-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....			
<b>Receipts:</b>			
02.20 Fees for inspection and grading of farm products .....	3	3	3
<b>Appropriations:</b>			
05.00 Expenses and refunds, inspection and grading of farm products .....	-3	-3	-3
07.99 Balance, end of year .....			

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

Identification code 12-8137-0-7-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	2	3	3
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	3	3	3
23.95 Total new obligations .....	-2	-3	-3
<b>New budget authority (gross), detail:</b>			
<b>Mandatory:</b>			
60.27 Appropriation (trust fund, indefinite) .....	3	3	3
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	-1		
72.99 Obligated balance, start of year .....	-1		
73.10 Total new obligations .....	2	3	3
73.20 Total outlays (gross) .....	-2	-3	-3
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	-1	3	3
86.98 Outlays from mandatory balances .....	-1		
87.00 Total outlays (gross) .....	-2	3	3
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	3	3	3
90.00 Outlays .....	-2	3	3

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	1	2	1

11.5 Other personnel compensation .....	1		1
11.9 Total personnel compensation .....	2	2	2
12.1 Civilian personnel benefits .....		1	
99.0 Subtotal, direct obligations .....	2	3	2
99.5 Below reporting threshold .....			1
99.9 Total new obligations .....	2	3	3

**Personnel Summary**

Identification code 12-8137-0-7-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	36	21	21

**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, **[\$31,420,000] \$32,907,000: 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, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-2400-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Standardization .....	3	4	4
00.02 Compliance .....	5	5	5
00.03 Methods development .....	3	5	6
00.04 Packers and stockyards program .....	15	18	18
10.00 Total new obligations .....	26	32	33
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	26	32	33
23.95 Total new obligations .....	-26	-32	-33
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	26	32	33
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	5	6	6
72.99 Obligated balance, start of year .....	5	6	6
73.10 Total new obligations .....	26	32	33
73.20 Total outlays (gross) .....	-25	-32	-33
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	6	6	6
74.99 Obligated balance, end of year .....	6	6	6
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	21	27	28
86.93 Outlays from discretionary balances .....	4	5	5
87.00 Total outlays (gross) .....	25	32	33
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	26	32	33

**General and special funds—Continued**

**SALARIES AND EXPENSES—Continued**

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

Identification code 12-2400-0-1-352	2000 actual	2001 est.	2002 est.
90.00 Outlays .....	25	32	33

**Summary of Budget Authority and Outlays**

(in millions of dollars)

Enacted/requested:	2000 actual	2001 est.	2002 est.
Budget Authority .....	26	32	33
Outlays .....	25	32	33
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			-4
Outlays .....			-4
<b>Total:</b>			
Budget Authority .....	26	32	29
Outlays .....	25	32	29

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 Office of International Affairs 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 2002, 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 mar-

keting 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.

**MAIN WORKLOAD FACTORS**

	2000 actual	2001 est.	2002 est.
U.S. standards in effect at end of year .....	19	19	19
Standards reviews in progress .....	3	3	3
Standards reviews completed .....		2	2
Inspection techniques developed .....	18	2	2
On-site investigations .....	7	6	6
Designations renewed .....	21	18	20
Registration certificates issued .....	79	77	75
Investigations .....	1,965	1,900	1,900
Market agencies/dealers registered .....	6,195	6,300	6,300
Stockyards posted .....	1,318	1,300	1,300
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	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	17	19	20
12.1 Civilian personnel benefits .....	4	4	4
21.0 Travel and transportation of persons .....	1	2	2
25.2 Other services .....	2	4	4
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	1	2	2
99.9 Total new obligations .....	26	32	33

**Personnel Summary**

Identification code 12-2400-0-1-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	310	348	355

**SALARIES AND EXPENSES**

(Legislative proposal, not subject to PAYGO)

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

Identification code 12-2400-2-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Standardization .....			-4
09.01 Reimbursable program .....			4
10.00 Total new obligations .....			
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....			-4
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....			4
70.00 Total new budget authority (gross) .....			
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....			-4
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			-4
90.00 Outlays .....			-4

Legislation will be proposed to establish a fee for the standardization activities of the Grain Inspection, Packers and Stockyards Administration.

This is one of the 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....			-2
12.1 Civilian personnel benefits .....			-1
25.2 Other services .....			-1
99.0 Subtotal, direct obligations .....			-4
99.0 Reimbursable obligations .....			4
99.9 Total new obligations .....			

**Personnel Summary**

Identification code 12-2400-2-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....			-45
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....			45

**Public enterprise funds:**

**[LIMITATION ON] INSPECTION AND WEIGHING [SERVICE EXPENSES] SERVICES**

Not to exceed **[\$42,557,000] \$42,463,000** (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 Committees on Appropriations of both Houses of Congress. (7 U.S.C. 71, 74-79, 84-87, 1621-27; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-4050-0-3-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	35	43	43
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	6	6	6
22.00 New budget authority (gross) .....	35	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 carried forward, end of year .....	6	6	6
<b>New budget authority (gross), detail:</b>			
<b>Mandatory:</b>			
69.00 Offsetting collections (cash) .....	35	43	43
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	-3	-3	-3
72.99 Obligated balance, start of year .....	-3	-3	-3
73.10 Total new obligations .....	35	43	43
73.20 Total outlays (gross) .....	-35	-43	-43
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	-3	-3	-3
74.99 Obligated balance, end of year .....	-3	-3	-3
<b>Outlays (gross), detail:</b>			
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 .....	-35	-43	-43

**Net budget authority and outlays:**

89.00 Budget authority .....			
90.00 Outlays .....			

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 2005.

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).

	2000 actual	2001 est.	2002 est.
<b>Export grain inspected and/or weighed (million metric tons):</b>			
By Federal personnel .....	84.3	85.7	87.9
By delegated States .....	26.1	27.1	27.8
Quantity of grain inspected (all official inspections) domestically million metric tons .....	128.3	132.4	132.4
<b>Number of inspections and reinspections:</b>			
By Federal personnel .....	119,409	112,000	112,000
By delegated state/official agency licenses .....	1,824,222	1,820,000	1,820,000
Number of appeals .....	3,103	3,000	3,000
Number of appeals carried to the Board of Appeals and Review .....	254	250	250
Quantity of rice inspected (million metric tons) .....	3.4	3.3	3.7
Quantity of rice exports (million metric tons) .....	3.3	3.1	2.8

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

Identification code 12-4050-0-3-352	2000 actual	2001 est.	2002 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	18	22	22
11.3 Other than full-time permanent .....	1	1	1
11.5 Other personnel compensation .....	5	6	6
11.9 Total personnel compensation .....	24	29	29
12.1 Civilian personnel benefits .....	5	6	6
21.0 Travel and transportation of persons .....	1	1	1
23.1 Rental payments to GSA .....		1	1
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
25.2 Other services .....	3	3	3
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....		1	1
99.9 Total new obligations .....	35	43	43

**Personnel Summary**

Identification code 12-4050-0-3-352	2000 actual	2001 est.	2002 est.
2001 Total compensable workyears: Full-time equivalent employment .....	440	453	455

**AGRICULTURAL MARKETING SERVICE**

*Federal Funds*

**General and special funds:**

MARKETING SERVICES

For necessary expenses to carry out 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, **[\$65,335,000] \$71,430,000**, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building: *Provided further*, That, only after promulgation of a final rule on a National Organic Standards Program, \$639,000 of this amount shall be available for the Expenses and Refunds, Inspection and Grading of Farm Products fund account for the cost of the National Organic Standards Program and such funds shall remain available until expended.

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. 91-99, 136i-136l, 138-138l, 291-292, 415b-415d, 471-476, 501-508, 581-599, 951-957, 1031-1056, 1291, 1551-56, 1621-27, 2204(b)(c), 4401-06, 6501-22; 15 U.S.C. 714-714p; 21 U.S.C. 1031-56; 26 U.S.C. 6804, 7233, 7263, 7492-93, 7701; 49 U.S.C. 1653.)

LIMITATION ON ADMINISTRATIVE EXPENSES LEVEL

Not to exceed **[\$60,730,000] \$60,596,000** (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 Committees on Appropriations of both Houses of Congress. (7 U.S.C. 15b, 51-65, 511-511q, 511r; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-2500-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Market news service .....	22	28	29
00.02 Inspection and standardization .....	6	6	6
00.03 Market protection and promotion .....	18	25	30
00.04 Wholesale market development .....	3	3	3
00.05 Transportation services .....	3	3	3
09.01 Reimbursable program .....	47	63	63
10.00 Total new obligations .....	99	128	134
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	40	43	43
22.00 New budget authority (gross) .....	102	128	134
23.90 Total budgetary resources available for obligation	142	171	177
23.95 Total new obligations .....	-99	-128	-134
24.40 Unobligated balance carried forward, end of year .....	43	43	43
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	52	65	71
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	50	63	63
70.00 Total new budget authority (gross) .....	102	128	134
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	-19	-21	-13
72.99 Obligated balance, start of year .....	-19	-21	-13
73.10 Total new obligations .....	99	128	134
73.20 Total outlays (gross) .....	-102	-120	-134

74.40	Unpaid obligations, end of year:			
	Unpaid obligations, end of year .....	-21	-13	-13
74.99	Obligated balance, end of year .....	-21	-13	-13
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	102	120	126
86.93	Outlays from discretionary balances .....			8
87.00	Total outlays (gross) .....	102	120	134
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources .....	-50	-63	-63
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	52	65	71
90.00	Outlays .....	52	57	71

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

In 2002, \$1 million has been included to support cooperative efforts with various international organizations that are using or developing new international commodity standards. Also in 2002, \$4 million has been included to provide quality assurance in biotechnology testing services to differentiate bio-engineered from conventional crops in the seed, fruit, and vegetable industries.

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.

**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**

	2000 actual	2001 est.	2002 est.
Percentage of reports released on time .....	92%	93%	93%

**COTTON AND TOBACCO USER FEE PROGRAM**

	2000 actual	2001 est.	2002 est.
Cotton classed (samples in millions) .....	17,320	16,742	16,739
Tobacco graded at auction markets (million pounds) .....	1,858	611	407
Imported tobacco inspected at markets and ports of entry (million pounds) .....	314	410	410

**FEDERALLY FUNDED INSPECTION AND PROCUREMENT ACTIVITIES**

	2000 actual	2001 est.	2002 est.
States and Commonwealths with cooperative agreements .....	24	42	42
Percentage of noncomplying shell egg lots that are reprocessed or diverted .....	100%	100%	100%

**STANDARDIZATION ACTIVITIES**

	2000 actual	2001 est.	2002 est.
International and U.S. standards in effect, end of fiscal year	352	355	357
Number of commodities covered	145	146	147

*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, popcorn, blueberries, avocado, olive oil, peanut, and promoflor; (2) the Federal Seed Act; and (3) the administration of the Capper-Volstead Act and the Agricultural Fair Practices Act.

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 certifies that organically produced food products meet national standards.

**MARKET PROTECTION AND PROMOTION ACTIVITIES**

	2000 actual	2001 est.	2002 est.
<b>Pesticide data program:</b>			
Number of analyses performed	63,439	62,000	62,000
Percentage of sampling and analysis goal	100%	100%	100%
<b>Pesticide recordkeeping:</b>			
Number of State/Federal Inspections conducted	38	36	36
Percentage of sampling goal attained	104%	98%	98%
<b>Seed Act:</b>			
<b>Interstate investigations:</b>			
Completed	567	560	560
Pending	623	600	600
Seed samples tested	5,613	3,400	3,400
Percentage of cases submitted that are completed	92%	92%	92%
<b>Plant Variety Protection Act:</b>			
Percentage of application processing goal completed	99%	100%	100%
Number of applications received	354	400	350
Certificates of protection issued	185	240	185
Research and promotion collections (dollars in millions)	.654	.642	.581
Percentage of board budgets and marketing plans approved within time frame goal	92%	93%	93%

*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**

	2000 actual	2001 est.	2002 est.
Number of projects completed	10	8	8

**TRANSPORTATION SERVICES ACTIVITIES**

	2000 actual	2001 est.	2002 est.
Number of projects completed	6	7	8

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

Identification code 12-2500-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent	21	25	28
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	22	26	29
12.1 Civilian personnel benefits	5	6	7
21.0 Travel and transportation of persons	2	2	3
23.2 Rental payments to others	1	1	1
23.3 Communications, utilities, and miscellaneous charges	2	2	3
25.2 Other services	15	23	19
25.3 Purchases of goods and services from Government accounts	2	2	4
25.7 Operation and maintenance of equipment	1	1	2
26.0 Supplies and materials	1	1	1
31.0 Equipment	1	1	2
99.0 Subtotal, direct obligations	52	65	71
99.0 Reimbursable obligations	47	63	63
99.9 Total new obligations	99	128	134

**Personnel Summary**

Identification code 12-2500-0-1-352	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment	442	526	552
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment	644	649	649

**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)), **[\$1,350,000] \$1,347,000.** (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-2501-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)	1	1	1
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	1	1	1
23.95 Total new obligations	-1	-1	-1
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation	1	1	1
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year	2	2	1
72.99 Obligated balance, start of year	2	2	1
73.10 Total new obligations	1	1	1
73.20 Total outlays (gross)	-1	-1	-1
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year	2	1	1
74.99 Obligated balance, end of year	2	1	1
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances	1	1	1
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	1	1	1
90.00 Outlays	1	1	1

Grants are made on a matching fund basis to State departments of agriculture to carry out specifically approved pro-

**General and special funds—Continued**

**PAYMENTS TO STATES AND POSSESSIONS—Continued**

grams 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.

**PERISHABLE AGRICULTURAL COMMODITIES ACT FUND**

**Unavailable Collections (in millions of dollars)**

Identification code 12-5070-0-2-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year			
Receipts:			
02.00 Deposits of Perishable Agricultural Commodities Act fees	7	37	7
Appropriations:			
05.00 Perishable Agricultural Commodities Act fund	-7	-37	-7
05.99 Total appropriations	-7	-37	-7
07.99 Balance, end of year			

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

Identification code 12-5070-0-2-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations	9	9	9
<b>Budgetary resources available for obligation:</b>			
21.00 Unobligated balance carried forward, start of year	6	4	32
22.00 New budget authority (gross)	7	37	7
23.90 Total budgetary resources available for obligation	13	41	39
23.95 Total new obligations	-9	-9	-9
24.40 Unobligated balance carried forward, end of year	4	32	30
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.20 Appropriation (special fund, definite)		30	
60.25 Appropriation (special fund, indefinite)	7	7	7
62.50 Appropriation (total mandatory)	7	37	7
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	-4	-3	-3
72.99 Obligated balance, start of year	-4	-3	-3
73.10 Total new obligations	9	9	9
73.20 Total outlays (gross)	-7	-9	-9
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	-3	-3	-3
74.99 Obligated balance, end of year	-3	-3	-3
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority	7	9	7
86.98 Outlays from mandatory balances	1	1	1
87.00 Total outlays (gross)	7	9	9
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	7	37	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.

The Agricultural Risk Protection Act of 2000 provided \$30 million for replenishment of the Perishable Agricultural Commodities Act Fund.

**PERISHABLE AGRICULTURAL COMMODITIES ACT ACTIVITIES**

	2000 actual	2001 est.	2002 est.
Percentage of informal reparation complaints completed within time frame goal	79%	85%	85%

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

Identification code 12-5070-0-2-352	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent	4	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	1	1	1
25.2 Other services	1	1	1
25.3 Purchases of goods and services from Government accounts	1	1	1
99.9 Total new obligations	9	9	9

**Personnel Summary**

Identification code 12-5070-0-2-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment	88	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 **[\$13,438,000] \$13,874,000** 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**Unavailable Collections (in millions of dollars)**

Identification code 12-5209-0-2-605	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year	9,846	10,251	10,913
Receipts:			
02.00 30% of customs duties, Funds for strengthening markets, income and supply	6,140	6,399	6,949
02.40 General fund payment. Funds for strengthening markets, income and supply		1	1
02.80 Funds for strengthening markets, income, and supply, offsetting collections	1	1	1
02.99 Total receipts and collections	6,141	6,401	6,951



04.00	Total: Balances and collections .....	15,987	16,652	17,864
Appropriations:				
05.00	Funds for strengthening markets, income, and supply (section 32) .....	-5,736	-5,739	-6,141
05.99	Total appropriations .....	-5,736	-5,739	-6,141
07.99	Balance, end of year .....	10,251	10,913	11,723

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

Identification code 12-5209-0-2-605	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
Direct program:				
Commodity program payments:				
00.01	Child nutrition program purchases .....	400	400	400
00.02	Emergency surplus removal .....	200	126	215
00.04	Direct payment program .....	31		
00.05	Lamb grading and certification support .....		1	
00.06	Specialty crop purchases .....		200	
00.91	Subtotal, Commodity program payments .....	631	727	615
01.01	Administrative expenses .....	21	23	24
01.92	Total direct program .....	652	750	639
09.11	Reimbursable program .....	1	1	1
10.00	Total new obligations .....	653	751	640
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	113	241	229
22.00	New budget authority (gross) .....	730	738	710
22.10	Resources available from recoveries of prior year obligations .....	50		
23.90	Total budgetary resources available for obligation .....	893	979	939
23.95	Total new obligations .....	-653	-751	-640
24.40	Unobligated balance carried forward, end of year .....	241	229	300
<b>New budget authority (gross), detail:</b>				
Mandatory:				
60.05	Appropriation (indefinite) .....		200	
60.25	Appropriation (special fund, indefinite) .....	5,735	5,738	6,140
61.00	Transferred to other accounts .....	-5,005	-5,201	-5,430
62.50	Appropriation (total mandatory) .....	730	737	710
69.00	Offsetting collections (cash) .....	1	1	1
70.00	Total new budget authority (gross) .....	731	738	711
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	15	74	74
72.99	Obligated balance, start of year .....	15	74	74
73.10	Total new obligations .....	653	751	640
73.20	Total outlays (gross) .....	-543	-750	-639
73.45	Recoveries of prior year obligations .....	-50		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	74	74	74
74.99	Obligated balance, end of year .....	74	74	74
<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority .....	415	435	335
86.98	Outlays from mandatory balances .....	128	315	303
87.00	Total outlays (gross) .....	543	750	639
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources .....	-1	-1	-1
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	729	737	709
90.00	Outlays .....	543	749	638

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	2000 actual	2001 est.	2002 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 .....	2	2	2
23.3	Communications, utilities, and miscellaneous charges .....	1	1	1
24.0	Printing and reproduction .....	1		
25.2	Other services .....	5	5	5
25.3	Purchases of goods and services from Government accounts .....	3	3	3
25.7	Operation and maintenance of equipment .....	1	1	1
26.0	Supplies and materials: Grants of commodities to States .....	627	724	611
31.0	Equipment .....	1	1	1
99.0	Subtotal, direct obligations .....	652	750	639
99.0	Reimbursable obligations .....	1	1	1
99.9	Total new obligations .....	653	751	640

**Personnel Summary**

Identification code 12-5209-0-2-605	2000 actual	2001 est.	2002 est.	
Direct:				
1001	Total compensable workyears: Full-time equivalent employment .....	149	168	168
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment .....	13	13	13

**Trust Funds**

**EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS**

**Unavailable Collections (in millions of dollars)**

Identification code 12-8015-0-7-352	2000 actual	2001 est.	2002 est.	
01.99	Balance, start of year .....			
Receipts:				
02.20	Deposits of fees from inspection and grading of farm products .....	119	153	114
02.41	Payments from general fund, Wool research, development, and promotion .....		2	2
02.99	Total receipts and collections .....	119	155	116
Appropriations:				
05.00	Expenses and refunds, inspection and grading of farm products .....	-119	-155	-114
05.99	Total appropriations .....	-119	-155	-114
07.99	Balance, end of year .....			2

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

Identification code 12-8015-0-7-352	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
00.01	Dairy products .....	6	6	6
00.02	Fruits and vegetables .....	55	90	55
00.03	Meat grading .....	24	24	24
00.04	Poultry products .....	24	25	25
00.05	Miscellaneous agricultural commodities .....	7	10	10
10.00	Total new obligations .....	116	155	120

EXPENSES AND REFUNDS, INSPECTION AND GRADING OF FARM PRODUCTS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-8015-0-7-352	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	25	28	28
22.00 New budget authority (gross)	119	155	114
23.90 Total budgetary resources available for obligation	144	183	142
23.95 Total new obligations	-116	-155	-120
24.40 Unobligated balance carried forward, end of year	28	28	21
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.26 Appropriation (trust fund, definite)		41	
60.27 Appropriation (trust fund, indefinite)	119	114	114
62.50 Appropriation (total mandatory)	119	155	114
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	-10	-15	21
72.99 Obligated balance, start of year	-10	-15	21
73.10 Total new obligations	116	155	120
73.20 Total outlays (gross)	-121	-119	-117
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	-15	21	25
74.99 Obligated balance, end of year	-15	21	25
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority	115	113	109
86.98 Outlays from mandatory balances	6	6	8
87.00 Total outlays (gross)	121	119	117
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	119	155	114
90.00 Outlays	119	119	117

*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.

The Agricultural Risk Protection Act of 2000 provided \$29 million for replenishment of the trust fund account; and \$12 million to improve the infrastructure and system used for inspecting fruits and vegetables, including improved inspector training and technical resources for inspectors.

WORKLOAD INDICATORS

	2000 actual	2001 est.	2002 est.
Weighted average cost per cwt. (1990 index)	.08¢	.08¢	.08¢

Object Classification (in millions of dollars)

Identification code 12-8015-0-7-352	2000 actual	2001 est.	2002 est.
Personnel compensation:			
11.1 Full-time permanent	59	79	60
11.3 Other than full-time permanent	5	6	5
11.5 Other personnel compensation	9	12	9
11.9 Total personnel compensation	73	97	74
12.1 Civilian personnel benefits	18	24	18
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	7	9	7
23.2 Rental payments to others	2	2	2

23.3 Communications, utilities, and miscellaneous charges	2	2	2
24.0 Printing and reproduction	1	1	1
25.2 Other services	6	13	9
25.3 Purchases of goods and services from Government accounts	2	2	2
26.0 Supplies and materials	2	2	2
31.0 Equipment	2	2	2
99.9 Total new obligations	116	155	120

Personnel Summary

Identification code 12-8015-0-7-352	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment	1,561	1,500	1,507

MILK MARKET ORDERS ASSESSMENT FUND

Unavailable Collections (in millions of dollars)

Identification code 12-8412-0-8-351	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year			
Receipts:			
02.80 Milk market orders assessment fund, offsetting collections	48	42	42
Appropriations:			
05.00 Milk market orders assessment fund	-48	-42	-42
07.99 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 12-8412-0-8-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
09.01 Administration	35	38	41
09.02 Marketing service	6	6	6
10.00 Total new obligations	41	44	47

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	19	26	24
22.00 New budget authority (gross)	48	42	42
23.90 Total budgetary resources available for obligation	67	68	66
23.95 Total new obligations	-41	-44	-47
24.40 Unobligated balance carried forward, end of year	26	24	21

New budget authority (gross), detail:

Mandatory:			
69.00 Offsetting collections (cash)	48	42	42

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	-19	-1	43
72.99 Obligated balance, start of year	-19	-1	43
73.10 Total new obligations	41	44	47
73.20 Total outlays (gross)	-23		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	-1	43	90
74.99 Obligated balance, end of year	-1	43	90

Outlays (gross), detail:

86.97 Outlays from new mandatory authority	23		
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Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-48	-42	-42

Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	-23	-42	-42

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**

	2000 actual	2001 est.	2002 est.
Percentage of formal and informal rulemaking completed within internal timeframes .....	96%	85%	85%

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

Identification code 12-8412-0-8-351	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	27	28	30
12.1 Civilian personnel benefits .....	5	6	6
21.0 Travel and transportation of persons .....	2	2	3
23.2 Rental payments to others .....	3	3	3
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
25.2 Other services .....	1	1	1
26.0 Supplies and materials .....	1	2	2
31.0 Equipment .....	1	1	1
99.9 Total new obligations .....	41	44	47

**Personnel Summary**

Identification code 12-8412-0-8-351	2000 actual	2001 est.	2002 est.
2001 Total compensable workyears: Full-time equivalent employment .....	444	441	441

**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), **[\$65,597,000] \$74,752,000: 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-2707-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	77	65	75
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	77	65	75
23.95 Total new obligations .....	-77	-65	-75
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	64	65	75
Mandatory:			
62.00 Transferred from other accounts .....	13		
70.00 Total new budget authority (gross) .....	77	65	75
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	19	32	39
72.99 Obligated balance, start of year .....	19	32	39
73.10 Total new obligations .....	77	65	75
73.20 Total outlays (gross) .....	-64	-69	-92
73.40 Adjustments in expired accounts (net) .....		11	
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	32	39	22
74.99 Obligated balance, end of year .....	32	39	22
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	54	46	53
86.93 Outlays from discretionary balances .....	10	23	39
87.00 Total outlays (gross) .....	64	69	92
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	77	65	75
90.00 Outlays .....	64	69	92

This appropriation finances the administrative and operating expenses of the Risk Management Agency (RMA), which provides crop insurance to farmers. The 2002 budget includes an additional \$8 million to support the implementation of the Agricultural Risk Protection Act of 2000 (P.L. 106-224).

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	2000 actual	2001 est.	2002 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	30	33	34
11.3 Other than full-time permanent .....	1	1	2
11.9 Total personnel compensation .....	31	34	36
12.1 Civilian personnel benefits .....	7	8	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 .....	32	16	24
26.0 Supplies and materials .....	1	2	2
31.0 Equipment .....	2	1	1
99.9 Total new obligations .....	77	65	75

## General and special funds—Continued

## ADMINISTRATIVE AND OPERATING EXPENSES—Continued

## Personnel Summary

Identification code 12-2707-0-1-351	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	512	568	568

## 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

## 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

## Program and Financing (in millions of dollars)

Identification code 12-4085-0-3-351	2000 actual	2001 est.	2002 est.
<b>Offsets by program activity:</b>			
00.02 Delivery and other expenses .....	542	529	736
01.01 Indemnities .....	2,464	3,127	3,348
10.00 Total new obligations .....	3,006	3,656	4,084
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1,124	284	458
22.00 New budget authority (gross) .....	1,337	3,830	4,127
22.22 Unobligated balance transferred from other accounts	830	.....	.....
23.90 Total budgetary resources available for obligation	3,291	4,114	4,585
23.95 Total new obligations .....	-3,006	-3,656	-4,084
24.40 Unobligated balance carried forward, end of year .....	284	458	501
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.00 Appropriation .....	711	2,805	3,037
61.00 Transferred to other accounts .....	-13	.....	.....
62.50 Appropriation (total mandatory) .....	698	2,805	3,037
69.00 Offsetting collections (cash) .....	639	1,025	1,090
70.00 Total new budget authority (gross) .....	1,337	3,830	4,127
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1,138	1,227	1,275
72.99 Obligated balance, start of year .....	1,138	1,227	1,275
73.10 Total new obligations .....	3,006	3,656	4,084
73.20 Total outlays (gross) .....	-2,917	-3,608	-4,011
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	1,227	1,275	1,348
74.99 Obligated balance, end of year .....	1,227	1,275	1,348
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	1,337	2,519	2,580
86.98 Outlays from mandatory balances .....	1,580	1,089	1,431
87.00 Total outlays (gross) .....	2,917	3,608	4,011

## Offsets:

Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-639	-1,025	-1,090

## Net budget authority and outlays:

89.00 Budget authority .....	698	2,805	3,037
90.00 Outlays .....	2,278	2,583	2,921

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 \$100 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 \$30 per crop, 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 III of the Dairy Options Pilot Program (DOPP) during 2001 which includes reaching producers in a total of 275 counties in 39 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.

On June 20, 2000, the President signed into law the Agriculture Risk Protection Act of 2000 (ARPA) with provisions that invest \$7 billion over five years to further improve Federal crop insurance. ARPA amended the Federal Crop Insurance Act to strengthen the safety net for agricultural producers by providing greater access to more affordable risk management tools and improved protection from production and income loss. Due to this legislation, RMA will improve basic products by implementing higher premium subsidies to make buy-up coverage more affordable for producers; make adjustments in actual production history guarantees; and revise administrative fees for CAT coverage.

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 2000, 205.1 million acres were insured, with an estimated \$2,517 million in total premium income, including \$1,076 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 2002. Amounts in the 2000 column are as of September 30, 2000, and pertain to the 2000 crop year.

	2000 crop year estimate	2001 crop year estimate	2002 crop year estimate
Number of States .....	50	50	50
Number of counties .....	3,022	3,022	3,022
Insurance in force (millions) .....	34,218	37,325	36,803
Insured acreage (millions) .....	205	216	215
Producer premium (millions) <sup>1</sup> .....	1,441	1,269	1,214
Premium subsidy (millions) <sup>1</sup> .....	1,076	1,905	1,891
Total premium (millions) <sup>1</sup> .....	2,517	3,174	3,105
Indemnities (million) <sup>1</sup> .....	2,385	3,412	3,338
Loss ratio .....	.94	1.075	1.075

<sup>1</sup>Includes amounts that will appear on the books of the reinsured companies. The Corporation records will only reflect the net reinsurance income and net reinsurance loss.

**Financing.**—The Corporation is authorized under the Federal Crop Insurance Act, as amended, to use funds from the issuance of capital stock which provides working capital for the Corporation.

Receipts, which are for deposit to this fund, come mainly from premiums paid by farmers. The principal payments from this fund are for indemnities to insured farmers, 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]		
	2000 fiscal year actual	2001 fiscal year estimate	2002 fiscal year estimate
Premiums:			
Additional coverage premium subsidy .....	790	1,555	1,670
Catastrophic coverage—Reinsurance premium subsidy .....	267	225	223
Subtotal, premium subsidy .....	1,057	1,780	1,893
Producer premium .....	890	1,295	1,222
Total premiums .....	1,947	3,075	3,115
Indemnities:			
Additional coverage .....	2,210	3,072	3,108
Catastrophic coverage—Reinsurance .....	254	203	240
Total indemnities .....	2,464	3,275	3,348

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]		
	2000 crop year est.	2001 crop year est.	2002 crop year est.
Producer premium less indemnities .....	–1,143	–2,061	–2,172
Interest expense, net .....	2		
Delivery expenses <sup>1</sup> .....	–540	–691	–678
Other income or expense, net .....	7		
Research and development expenses (2000); ARPA Costs (2001 and 2002) .....	–4	–68	–58
Reinsurance underwriting gain (+) or loss (–) .....	–305	–222	–217
Net income or loss (–) .....	–1,948	–2,982	–3,065

<sup>1</sup> Figures 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	1999 actual	2000 actual	2001 est.	2002 est.
0101 Revenue .....	622	639	1,025	1,005
0102 Expense .....	–2,488	–3,006	–3,656	–4,084
0105 Net income or loss (–) .....	–1,866	–2,367	–2,631	–3,079
0199 Total comprehensive income .....	–1,866	–2,367	–2,631	–3,079

## Balance Sheet (in millions of dollars)

Identification code 12–4085–0–3–351	1999 actual	2000 actual	2001 est.	2002 est.
ASSETS:				
1101 Federal assets: Fund balances with Treasury .....	2,794	1,776	2,567	2,567
1206 Non-Federal assets: Receivables, net .....	827	1,049	750	750
1803 Other Federal assets: Property, plant and equipment, net .....	1	1	1	1
1999 Total assets .....	3,622	2,826	3,318	3,318
LIABILITIES:				
Federal liabilities:				
2101 Accounts payable .....	12	14	1	1
2105 Other .....	249	231	175	175
Non-Federal liabilities:				
2201 Accounts payable .....	80	45	70	70
2207 Other .....	1,797	1,882	1,750	1,750
2999 Total liabilities .....	2,138	2,172	1,996	1,996
NET POSITION:				
3100 Appropriated capital .....	864	36	700	700
3300 Cumulative results of operations .....	621	618	622	622
3999 Total net position .....	1,485	654	1,322	1,322
4999 Total liabilities and net position .....	3,623	2,826	3,318	3,318

Public enterprise funds—Continued

FEDERAL CROP INSURANCE CORPORATION FUND—Continued

Object Classification (in millions of dollars)				
Identification code 12-4085-0-3-351		2000 actual	2001 est.	2002 est.
25.2	Other services .....	542	717	736
42.0	Insurance claims and indemnities (reinsured buyup) .....	2,464	2,939	3,348
99.9	Total new obligations .....	3,006	3,656	4,084

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, **[\$828,385,000] \$939,030,000: 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.

**[For an additional amount for “Salaries and Expenses”, \$50,000,000, to remain available until expended: *Provided,* That the entire amount shall be available only to the extent that an official budget request for \$50,000,000, 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 further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.] (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)**

Program and Financing (in millions of dollars)

Identification code 12-0600-0-1-351		2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>				
Direct program:				
00.01	Farm programs .....	693	736	768
00.02	Conservation and environment .....	144	130	146
00.04	Commodity operations .....	23	23	25
03.00	Subtotal, direct program .....	860	889	939
Reimbursable program:				
09.01	Farm loans .....	210	265	273
09.02	Other programs .....	149	92	95
09.99	Subtotal, reimbursable program .....	359	357	368
10.00	Total new obligations .....	1,219	1,246	1,307
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....		13	
22.00	New budget authority (gross) .....	1,232	1,233	1,307
23.90	Total budgetary resources available for obligation .....	1,232	1,246	1,307
23.95	Total new obligations .....	-1,219	-1,246	-1,307
24.40	Unobligated balance carried forward, end of year .....	13		
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	795	828	939
40.15	Appropriation (emergency) .....	78	50	
40.77	Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-2	
43.00	Appropriation (total discretionary) .....	873	876	939
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash) .....	334	357	368
68.10	Change in uncollected customer payments from Federal sources .....	23		
68.55	Portion of change in uncollected customer payments from Federal sources in expired accounts .....	2		

68.90	Spending authority from offsetting collections (total discretionary) .....	359	357	368
70.00	Total new budget authority (gross) .....	1,232	1,233	1,307
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	153	217	231
72.95	Uncollected customer payments from Federal sources, start of year .....	-18	-41	-41
72.99	Obligated balance, start of year .....	135	176	190
73.10	Total new obligations .....	1,219	1,246	1,307
73.20	Total outlays (gross) .....	-1,118	-1,253	-1,344
73.40	Adjustments in expired accounts (net) .....	-38	19	
74.00	Change in uncollected customer payments from Federal sources .....	-23		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	217	231	194
74.95	Uncollected customer payments from Federal sources, end of year .....	-41	-41	-41
74.99	Obligated balance, end of year .....	176	190	153
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	1,037	1,143	1,210
86.93	Outlays from discretionary balances .....	81	110	134
87.00	Total outlays (gross) .....	1,118	1,253	1,344
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources .....	-305	-327	-339
88.40	Non-Federal sources .....	-29	-30	-29
88.90	Total, offsetting collections (cash) .....	-334	-357	-368
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources .....	-23		
88.96	Adjustment to uncollected customer payments from Federal sources .....	-2		
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	873	876	939
90.00	Outlays .....	783	896	976

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 tobacco 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 coun-

ty office employees are not Federal employees, although their salaries and benefits are fully paid through Federal funds appropriated to this account.

**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 prevent 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 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 examina-

tions 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	128	148	155
11.3 Other than full-time permanent .....	3	7	7
11.5 Other personnel compensation .....	4	8	6
11.9 Total personnel compensation .....	135	163	168
12.1 Civilian personnel benefits .....	29	34	35
13.0 Benefits for former personnel .....	1	1	1
21.0 Travel and transportation of persons .....	14	17	14
22.0 Transportation of things .....	2	2	2
23.2 Rental payments to others .....	5	4	4
23.3 Communications, utilities, and miscellaneous charges .....	11	16	16
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	70	62	75
26.0 Supplies and materials .....	8	7	7
31.0 Equipment .....	37	10	8
41.0 Grants, subsidies, and contributions .....	547	571	607
42.0 Insurance claims and indemnities .....		1	1
99.0 Subtotal, direct obligations .....	860	889	939
99.0 Reimbursable obligations .....	359	357	368
99.9 Total new obligations .....	1,219	1,246	1,307

**Personnel Summary**

Identification code 12-0600-0-1-351	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	2,448	2,557	2,559
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	3,421	3,344	3,342

**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]** \$2,993,000. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

STATE MEDIATION GRANTS—Continued

Program and Financing (in millions of dollars)			
Identification code 12-0170-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)	3	3	3
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	3	3	3
23.95 Total new obligations	-3	-3	-3
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation	3	3	3
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	1	2	2
72.99 Obligated balance, start of year	1	2	2
73.10 Total new obligations	3	3	3
73.20 Total outlays (gross)	-2	-3	-2
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	2	2	3
74.99 Obligated balance, end of year	2	2	3
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	1	1	1
86.93 Outlays from discretionary balances	1	2	1
87.00 Total outlays (gross)	2	3	2
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	3	3	3
90.00 Outlays	2	3	2

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 mediation program. In no case will the total amount of a grant exceed \$500,000 annually.

GRANT OBLIGATIONS

	2000 actual	2001 est.	2002 est.
Number of States receiving grants	23	23	27
Amount of grants (in millions of dollars)	3	3	3

TREE ASSISTANCE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-2701-0-1-351	2000 actual	2001 est.	2002 est.
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	8	7	3
72.99 Obligated balance, start of year	8	7	3
73.20 Total outlays (gross)	-2	-4	-3
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	7	3	
74.99 Obligated balance, end of year	7	3	
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances	2	4	3
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			

90.00 Outlays	2	4	3
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Funding of \$14 million for the Tree Assistance Program (TAP) was provided by the 1998 Emergency Supplemental Appropriations Act, P.L. 105-174, for obligation through September 30, 1998. The 1999 Appropriations Act, P.L. 105-277, extended the use of unobligated 1998 TAP funds 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 could receive more than \$25,000 per person.

No funding is requested for this program for 2002.

CONSERVATION RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3319-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Technical assistance		1	
10.00 Total new obligations (object class 25.2)		1	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1	1	
23.95 Total new obligations		-1	
24.40 Unobligated balance carried forward, end of year	1		
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	20		
72.99 Obligated balance, start of year	20		
73.10 Total new obligations		1	
73.20 Total outlays (gross)	-19	-1	
<b>Outlays (gross), detail:</b>			
86.98 Outlays from mandatory balances	19	1	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			
90.00 Outlays	19	1	

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 2000, annual rental payments, cost-share payments, and technical assistance for acres enrolled in the program were paid through the Commodity Credit Corporation. Just over \$1 million in unobligated appropriated funds were available at the end of 2000; these funds are expected to be exhausted in 2001. Outlays of \$20 million in CRP appropriated funds were made to the Natural Resources Conservation Service (NRCS) for a prior year obligation. In providing technical assistance, the 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.

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	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	41	45	45
22.10 Resources available from recoveries of prior year obligations	4		
23.90 Total budgetary resources available for obligation	45	45	45
24.40 Unobligated balance carried forward, end of year	45	45	45
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	25	17	14
72.99 Obligated balance, start of year	25	17	14
73.10 Total new obligations			
73.20 Total outlays (gross)	-4	-3	-4
73.45 Recoveries of prior year obligations	-4		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	17	14	10
74.99 Obligated balance, end of year	17	14	10
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances	4	3	4
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			
90.00 Outlays	4	3	4

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 2000, there were \$17 million in unliquidated obligations for ACP agreements.

**[EMERGENCY CONSERVATION PROGRAM]**

[For an additional amount for "Emergency Conservation Program," for expenses resulting from natural disasters, \$80,000,000, to remain available until expended: *Provided*, That the entire amount shall be available only to the extent an official budget request for \$80,000,000, 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-3316-0-1-453	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)	66	85	62
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	73	67	62

22.00 New budget authority (gross)	60	80	
23.90 Total budgetary resources available for obligation	133	147	62
23.95 Total new obligations	-66	-85	-62
24.40 Unobligated balance carried forward, end of year	67	62	

**New budget authority (gross), detail:**

Discretionary:			
40.00 Appropriation	60	80	

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	25	25	28
72.99 Obligated balance, start of year	25	25	28
73.10 Total new obligations	66	85	62
73.20 Total outlays (gross)	-65	-82	-64
73.40 Adjustments in expired accounts (net)	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	25	28	26
74.99 Obligated balance, end of year	25	28	26

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority		8	
86.93 Outlays from discretionary balances	65	74	64
87.00 Total outlays (gross)	65	82	64

**Net budget authority and outlays:**

89.00 Budget authority	60	80	
90.00 Outlays	65	82	64

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 2000, \$50 million in supplemental funding was provided by the 2000 Emergency Supplemental Appropriations Act, P.L. 106-113. In addition, \$10 million was provided by the 2000 supplemental division of the 2001 Military Construction Appropriations Act, P.L. 106-246, enacted July 13, 2000. These funds are available until expended. Under the 2000 program, cost-sharing and technical assistance were provided in 44 States as well as the Virgin Islands to treat farmlands damaged by floods, hurricanes, drought, ice storms, tornadoes, and other natural disasters. The 2000 program rehabilitated approximately 7,624,332 acres of farmland damaged by these natural disasters.

Title VIII of the 2001 Agriculture Appropriations Act provided \$80 million for this program. These funds are available until expended. The 2002 budget proposes no funding. If ECP funds are needed in 2002 to address an emergency situation, the President proposes to provide these funds from a National Emergency Reserve.

**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, [\$998,000,000] \$1,128,000,000, of which [\$870,000,000] 1,000,000,000 shall be for guaranteed loans; operating loans, [\$1,972,741,000] \$2,600,000,000, of which [\$1,077,839,000] \$1,500,000,000 shall be for unsubsidized guaranteed loans and [\$369,902,000] \$500,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, [\$2,006,000] \$2,000,000; for emergency insured loans, \$25,000,000 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

**Credit accounts—Continued**

**AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT—Continued**

(INCLUDING TRANSFERS OF FUNDS)—Continued

Budget Act of 1974, as follows: farm ownership loans, **[\$18,223,000]** \$7,866,000, of which **[\$4,437,000]** \$4,500,000 shall be for guaranteed loans; operating loans, **[\$92,310,000]** \$174,030,000, of which **[\$14,770,000]** \$52,650,000 shall be for unsubsidized guaranteed loans and **[\$30,185,000]** \$67,800,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, **[\$323,000]** \$118,400; and for emergency insured loans, **[\$6,133,000]** \$3,362,500 to meet the needs resulting from natural disasters.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, **[\$269,454,000]** \$280,595,000, of which **[\$265,315,000]** \$272,595,000 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] *after advance notice has been transmitted* to the Committees on Appropriations of both Houses of Congress.

**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]** \$100,000, 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**General Fund Credit Receipt Accounts (in millions of dollars)**

Identification code 12-1140-0-1-351	2000 actual	2001 est.	2002 est.
0101 Agriculture credit insurance, downward reestimates of subsidies .....	3	1	
0102 Negative subsidies/subsidy reestimates .....	417	269	

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

Identification code 12-1140-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loan subsidy .....	64	151	60
00.02 Guaranteed loan subsidy .....	89	63	125
00.05 Reestimates of direct loan subsidy .....	484	225	
00.06 Interest on reestimates of direct loan subsidy .....	84	56	
00.07 Reestimates of guaranteed loan subsidy .....	124	205	
00.08 Interest on reestimates of guaranteed loan subsidy .....	34	39	
<b>Administrative expenses:</b>			
00.09 Administrative expenses—salaries and expenses ...	210	265	273
00.10 Administrative expenses—non-recoverable costs ....	21	4	8
10.00 Total new obligations .....	1,110	1,008	466

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year	14	100	
22.00 New budget authority (gross) .....	1,200	914	466
22.10 Resources available from recoveries of prior year obligations .....	14		
23.90 Total budgetary resources available for obligation	1,228	1,014	466
23.95 Total new obligations .....	-1,110	-1,008	-466
23.98 Unobligated balance expiring or withdrawn .....	-18	-6	
24.40 Unobligated balance carried forward, end of year .....	100		

**New budget authority (gross), detail:**

<b>Discretionary:</b>			
40.00 Appropriation .....	296	390	466
40.15 Appropriation (emergency) .....	179		
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-1	
43.00 Appropriation (total discretionary) .....	475	389	466
<b>Mandatory:</b>			
60.00 Appropriation .....	725	525	
70.00 Total new budget authority (gross) .....	1,200	914	466

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	32	12	13
72.99 Obligated balance, start of year .....	32	12	13
73.10 Total new obligations .....	1,110	1,008	466
73.20 Total outlays (gross) .....	-1,116	-1,007	-465
73.45 Recoveries of prior year obligations .....	-14		
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	12	13	14
74.99 Obligated balance, end of year .....	12	13	14

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	378	384	460
86.93 Outlays from discretionary balances .....	13	98	5
86.97 Outlays from new mandatory authority .....	725	525	
87.00 Total outlays (gross) .....	1,116	1,007	465

**Net budget authority and outlays:**

89.00 Budget authority .....	1,200	914	466
90.00 Outlays .....	1,116	1,007	465

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

Identification code 12-1140-0-1-351	2000 actual	2001 est.	2002 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150 Farm ownership .....	233	128	128
1150 Farm operating .....	664	524	600
1150 Emergency disaster .....	151	25	25
1150 Indian tribe land acquisition .....	1	2	2
1150 Boll weevil eradication .....	100	100	100
1159 Total direct loan levels .....	1,149	779	855
<b>Direct loan subsidy (in percent):</b>			
1320 Farm ownership .....	6.41	10.77	2.63
1320 Farm operating .....	13.66	9.02	8.93
1320 Emergency disaster .....	25.97	24.53	13.45
1320 Indian tribe land acquisition .....	16.45	16.10	5.95
1320 Boll weevil eradication .....	-2.59	-0.78	-2.18
1329 Weighted average subsidy rate .....	5.92	8.47	6.78
<b>Direct loan subsidy budget authority:</b>			
1330 Farm ownership .....	9	14	3
1330 Farm operating .....	39	47	54
1330 Emergency disaster .....	23	6	3
1330 Boll weevil eradication .....	-3	-1	-2
1330 Upward reestimate .....	568	281	
1330 Downward reestimate .....	-219	-269	
1339 Total subsidy budget authority .....	417	78	58
<b>Direct loan subsidy outlays:</b>			
1340 Farm ownership .....	12	14	4
1340 Farm operating .....	44	63	53
1340 Emergency disaster .....	25	69	5
1340 Boll weevil eradication .....	-3	-1	-2
1340 Upward reestimate .....	568	281	
1340 Downward reestimate .....	-219	-269	
1349 Total subsidy outlays .....	427	157	60

Guaranteed loan levels supportable by subsidy budget authority:				
2150	Farm ownership, unsubsidized .....	873	868	1,000
2150	Farm operating, unsubsidized .....	999	1,076	1,500
2150	Farm operating, subsidized .....	802	369	500
2159	Total loan guarantee levels .....	2,674	2,313	3,000
Guaranteed loan subsidy (in percent):				
2320	Farm ownership, unsubsidized .....	0.51	0.51	0.45
2320	Farm operating, unsubsidized .....	3.37	1.37	3.51
2320	Farm operating, subsidized .....	13.19	8.16	13.56
2329	Weighted average subsidy rate .....	3.37	2.12	4.20
Guaranteed loan subsidy budget authority:				
2330	Farmer ownership, unsubsidized .....	5	4	5
2330	Farm operating, unsubsidized .....	14	15	53
2330	Farm operating, subsidized .....	71	30	68
2330	Upward reestimate .....	158	244	
2330	Downward reestimate .....	-198		
2339	Total subsidy budget authority .....	50	293	126
Guaranteed loan subsidy outlays:				
2340	Farmer ownership, unsubsidized .....	3	4	5
2340	Farm operating, unsubsidized .....	18	14	49
2340	Farm operating, subsidized .....	67	49	66
2340	Upward reestimate .....	158	244	
2340	Downward reestimate .....	-198		
2349	Total subsidy outlays .....	48	311	120
Administrative expense data:				
3510	Budget authority .....	219	269	281
3590	Outlays from new authority .....	219	269	281

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 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.

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 2001, \$36.4 thousand was paid to producers and manufacturers who filed claims under the program.

The 2002 budget requests \$100 thousand for this program.

Object Classification (in millions of dollars)				
Identification code 12-1140-0-1-351		2000 actual	2001 est.	2002 est.
25.3	Purchases of goods and services from Government accounts .....	231	269	281
41.0	Grants, subsidies, and contributions .....	879	739	185
99.9	Total new obligations .....	1,110	1,008	466

AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)				
Identification code 12-4212-0-3-351	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
Operating program:				
00.01	Direct loans .....	1,165	1,266	855
00.02	Advances on behalf of borrowers .....	3	3	3
00.04	Interest on Treasury borrowing .....	297	258	258
00.91	Subtotal, Operating program .....	1,465	1,527	1,116
08.01	Negative subsidy receipts .....	3	1	
Reestimates:				
08.02	Downward reestimate of subsidy .....	153	247	
08.04	Downward reestimate of subsidy—interest .....	66	22	
08.91	Subtotal, reestimates .....	222	270	
10.00	Total new obligations .....	1,687	1,797	1,116
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	95	150	
22.00	New financing authority (gross) .....	3,408	1,868	1,118
22.10	Resources available from recoveries of prior year obligations .....	33		
22.60	Portion applied to repay debt .....	-1,685	-221	
22.70	Balance of authority to borrow withdrawn .....	-14		
23.90	Total budgetary resources available for obligation .....	1,837	1,797	1,118
23.95	Total new obligations .....	-1,687	-1,797	-1,116
24.40	Unobligated balance carried forward, end of year .....	150		
<b>New financing authority (gross), detail:</b>				
Mandatory:				
67.15	Authority to borrow (indefinite) .....	1,878	541	155
69.00	Offsetting collections (cash) .....	1,546	1,327	963
69.10	Change in uncollected customer payments from Federal sources .....	-16		
69.90	Spending authority from offsetting collections (total mandatory) .....	1,530	1,327	963
70.00	Total new financing authority (gross) .....	3,408	1,868	1,118
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	203	169	137
72.95	Uncollected customer payments from program account, start of year .....	-25	-9	-9
72.99	Obligated balance, start of year .....	178	160	128
73.10	Total new obligations .....	1,687	1,797	1,116
73.20	Total financing disbursements (gross) .....	-1,672	-1,829	-1,146
73.45	Recoveries of prior year obligations .....	-33		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	169	137	107
74.95	Uncollected customer payments from program account, end of year .....	-9	-9	-9
74.99	Obligated balance, end of year .....	160	128	98
87.00	Total financing disbursements (gross) .....	1,672	1,829	1,146
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: Payments from program account .....	-649	-427	-62
88.25	Interest on uninvested funds .....	-147	-102	-102
Non-Federal sources:				
88.40	Repayments of principal .....	-627	-665	-665
88.40	Non-Federal sources .....	-123	-133	-134
88.90	Total, offsetting collections (cash) .....	-1,546	-1,327	-963
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	16		
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	1,878	541	155
90.00	Financing disbursements .....	126	502	183

**Credit accounts—Continued**

**AGRICULTURAL CREDIT INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT—Continued**

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

Identification code 12-4212-0-3-351	2000 actual	2001 est.	2002 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111 Limitation on direct loans	1,770	780	855
1112 Unobligated direct loan limitation	-452		
1113 Unobligated limitation carried forward	452		
1150 Total direct loan obligations	1,770	780	855
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	3,443	3,909	3,958
1231 Disbursements: Direct loan disbursements	1,149	780	855
1251 Repayments: Repayments and prepayments	-639	-684	-766
1263 Write-offs for default: Direct loans	-44	-47	-50
1290 Outstanding, end of year	3,909	3,958	3,997

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Investments in US securities:				
1106 Federal assets: Receivables, net	275	342	363	385
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	3,004	3,909	3,952	3,997
1402 Interest receivable	40	160	45	50
1403 Accounts receivable from foreclosed property	15	5	18	20
1405 Allowance for subsidy cost (-)	-760	-241	-999	-988
1499 Net present value of assets related to direct loans	2,299	3,833	3,016	3,079
1999 Total assets	2,574	4,175	3,379	3,464
<b>LIABILITIES:</b>				
2103 Federal liabilities: Debt	2,562	4,166	3,364	3,449
2207 Non-Federal liabilities: Other	12	9	15	15
2999 Total liabilities	2,574	4,175	3,379	3,464
<b>NET POSITION:</b>				
3999 Total net position				
4999 Total liabilities and net position	2,574	4,175	3,379	3,464

**AGRICULTURAL CREDIT INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT**

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

Identification code 12-4213-0-3-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Default claims	57	59	61
00.02 Interest assistance on guaranteed loans	192	200	203
00.04 Interest payments to Treasury	6	6	20
00.05 Capital investments	2	2	2
00.91 Subtotal, Operating program	257	267	286
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	455	267	286

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year	104		
22.00 New financing authority (gross)	406	350	286
22.10 Resources available from recoveries of prior year obligations	32		
22.60 Portion applied to repay debt	-87	-83	
23.90 Total budgetary resources available for obligation	455	267	286
23.95 Total new obligations	-455	-267	-286

**New financing authority (gross), detail:**

<b>Discretionary:</b>			
47.05 Authority to borrow (indefinite)			127
<b>Mandatory:</b>			
67.15 Authority to borrow (indefinite)	121		
<b>Discretionary:</b>			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)		106	159
<b>Mandatory:</b>			
69.00 Offsetting collections (cash)	285	244	
70.00 Total new financing authority (gross)	406	350	286

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year	261	389	300
72.99 Obligated balance, start of year	261	389	300
73.10 Total new obligations	455	267	286
73.20 Total financing disbursements (gross)	-296	-356	-309
73.45 Recoveries of prior year obligations	-32		
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year	389	300	277
74.99 Obligated balance, end of year	389	300	277
87.00 Total financing disbursements (gross)	296	356	309

**Offsets:**

<b>Against gross financing authority and financing disbursements:</b>			
<b>Offsetting collections (cash) from:</b>			
88.00 Payments from program account	-246	-311	-120
88.25 Interest on uninvested funds	-20	-20	-20
88.40 Fees and premiums	-19	-19	-19
88.90 Total, offsetting collections (cash)	-285	-350	-159

**Net financing authority and financing disbursements:**

89.00 Financing authority	121		127
90.00 Financing disbursements	10	6	150

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

Identification code 12-4213-0-3-351	2000 actual	2001 est.	2002 est.
<b>Position with respect to appropriations act limitation on commitments:</b>			
2111 Limitation on guaranteed loans made by private lenders	3,778	2,318	3,000
2150 Total guaranteed loan commitments	3,778	2,318	3,000
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	7,023	8,601	10,248
2231 Disbursements of new guaranteed loans	2,591	2,700	2,879
2251 Repayments and prepayments	-901	-937	-974
2263 Adjustments: Terminations for default that result in claim payments	-112	-116	-119
2290 Outstanding, end of year	8,601	10,248	12,034

**Memorandum:**

2299 Guaranteed amount of guaranteed loans outstanding, end of year	7,255	7,835	10,831
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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 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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury .....	365	271	282	293
Investments in US securities:				
1106 Receivables, net .....	158	249	259	269
1206 Non-Federal assets: Receivables, net .....	1	1	1	1
1999 Total assets .....	524	521	542	563
<b>LIABILITIES:</b>				
Non-Federal liabilities:				
2201 Accounts payable .....	459	394	408	420
2203 Debt .....	90	6	8	9
2204 Liabilities for loan guarantees .....	-25	121	126	134
2999 Total liabilities .....	524	521	542	563
4999 Total liabilities and net position .....	524	521	542	563

**AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT**

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

Identification code 12-4140-0-3-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Capital investment:			
00.08 Loan recoverable costs .....	8	7	7
Operating expenses:			
01.07 Loss settlement expenses on guaranteed loans .....	2	2	2
01.08 Administrative expenses—Department of Justice fees .....	1	1	1
01.09 Costs incident to acquisition of property .....	1	1	1
01.10 Undistributed charges .....	1	1	1
01.13 Interest assistance—guaranteed loans .....	6	5	4
01.17 Unclassified costs .....	1	1	1
01.18 Civil rights settlements .....	1	1	1
01.91 Total operating expenses .....	13	12	11
10.00 Total new obligations .....	21	19	18
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....		46	
22.00 New budget authority (gross) .....	54	19	18
22.10 Resources available from recoveries of prior year obligations .....	13		
22.40 Capital transfer to general fund .....		-46	
23.90 Total budgetary resources available for obligation .....	67	19	18
23.95 Total new obligations .....	-21	-19	-18
24.40 Unobligated balance carried forward, end of year .....	46		
<b>New budget authority (gross), detail:</b>			
Mandatory:			
69.00 Offsetting collections (cash) .....	920	870	829
69.27 Capital transfer to general fund .....	-866	-851	-811
69.90 Spending authority from offsetting collections (total mandatory) .....	54	19	18
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	61	51	51
72.99 Obligated balance, start of year .....	61	51	51
73.10 Total new obligations .....	21	19	18
73.20 Total outlays (gross) .....	-18	-19	-18
73.45 Recoveries of prior year obligations .....	-13		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	51	51	51
74.99 Obligated balance, end of year .....	51	51	51
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	18	19	18

**Offsets:**

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Rent on acquired property .....	-1	-1	-1
88.40 Guaranteed insurance purchased from holders—principal .....	-1	-1	-1
88.40 Interest on loans .....	-313	-300	-285
88.40 Guaranteed loss recoveries .....	-1		-1
88.40 Interest on judgments .....	-2	-2	-2
88.40 Repayments on loans—principal .....	-537	-500	-475
88.40 Judgments—principal .....	-11	-10	-9
88.40 Shared appreciation recapture .....	-16	-15	-14
88.40 Sale of acquired property/chattels .....	-34	-40	-40
88.40 Miscellaneous income .....	-1		
88.40 Undistributed receipts .....	-3	-1	-1
88.90 Total, offsetting collections (cash) .....	-920	-870	-829
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	-866	-851	-811
90.00 Outlays .....	-902	-851	-811

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

Identification code 12-4140-0-3-351	2000 actual	2001 est.	2002 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	5,817	5,067	4,357
1251 Repayments: Repayments and prepayments .....	-537	-506	-455
1261 Adjustments: Capitalized interest .....	19	15	14
Write-offs for default:			
1263 Direct loans .....	-205	-200	-180
1264 Other adjustments, net <sup>1</sup> .....	-27	-19	-17
1290 Outstanding, end of year .....	5,067	4,357	3,719

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

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

Identification code 12-4140-0-3-351	2000 actual	2001 est.	2002 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	594	471	369
2251 Repayments and prepayments .....	-111	-100	-65
2263 Adjustments: Terminations for default that result in claim payments .....	-12	-2	-2
2290 Outstanding, end of year .....	471	369	302
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	405	289	272

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	1999 actual	2000 actual	2001 est.	2002 est.
0101 Revenue .....	386	149	146	150
0102 Expense .....	856	-196	-165	-110
0105 Net income or loss (-) .....	1,242	-47	-19	40

**Balance Sheet** (in millions of dollars)

Identification code 12-4140-0-3-351	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	61	97	90	90

**Credit accounts—Continued**

**AGRICULTURAL CREDIT INSURANCE FUND LIQUIDATING ACCOUNT—Continued**

**Balance Sheet (in millions of dollars)—Continued**

Identification code 12-4140-0-3-351	1999 actual	2000 actual	2001 est.	2002 est.
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross .....	5,817	5,067	4,357	3,719
1602 Interest receivable .....	354	130	135	134
1603 Allowance for estimated uncollectible loans and interest (-) .....	-904	-904	-900	-850
1604 Direct loans and interest receivable, net .....	5,267	4,293	3,592	3,003
1606 Foreclosed property .....	95	71	64	54
1699 Value of assets related to direct loans .....	5,362	4,364	3,656	3,057
1999 Total assets .....	5,423	4,461	3,746	3,147
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury .....	4,687	4,676	4,600	4,600
Non-Federal liabilities:				
2201 Accounts payable .....	112	107	106	96
2207 Other .....	10	11	10	10
2999 Total liabilities .....	4,809	4,794	4,716	4,706
<b>NET POSITION:</b>				
3300 Cumulative results of operations .....	614	-333	-970	-1,559
3999 Total net position .....	614	-333	-970	-1,559
4999 Total liabilities and net position .....	5,423	4,461	3,746	3,147

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

Identification code 12-4140-0-3-351	2000 actual	2001 est.	2002 est.
25.2 Other services .....	5	5	4
33.0 Investments and loans .....	10	9	9
43.0 Interest and dividends .....	6	5	5
99.9 Total new obligations .....	21	19	18

**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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**Public enterprise funds:**

**COMMODITY CREDIT CORPORATION FUND**

**REIMBURSEMENT FOR NET REALIZED LOSSES**

For fiscal year [2001] 2002, 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 [2001] 2002, 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, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**Unavailable Collections (in millions of dollars)**

Identification code 12-4336-0-3-999	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....	39		
Appropriations:			
05.00 Commodity credit corporation fund .....	-39		
07.99 Balance, end of year .....			

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

Identification code 12-4336-0-3-999	2000 actual	2001 est.	2002 est.
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**Obligations by program activity:**

<b>Support and related programs:</b>				
<b>Operating expenses:</b>				
00.01	Commodity purchases and related inventory transactions .....	2,067	2,078	588
00.02	Storage, transportation, and other obligations not included above .....	97	96	81
00.03	Export enhancement program .....	1	478	478
00.04	Market access program .....	96	123	90
00.05	Dairy export incentive program .....	112	59	42
00.06	Section 416/Food for progress ocean transportation .....	370	310	36
00.07	Foreign market development cooperative .....	10	27	28
00.08	Quality samples program .....	1	2	3
<b>Direct producer payments:</b>				
00.10	Feed grains .....	9,997	5,021	2,133
00.11	Wheat .....	4,971	1,555	1,041
00.12	Rice .....	1,637	626	561
00.13	Cotton .....	2,736	950	600
00.14	Tobacco .....	328	350	
00.15	Peanuts .....	55	62	
00.16	Senior's farmers market .....		15	
00.17	Wool and mohair .....		30	
00.18	Honey .....		16	
00.19	Dairy marketing loss assistance .....	122	675	
00.20	Dairy option pilot program .....		8	14
00.22	Noninsured assistance program .....	38	176	160
00.23	Oilseeds loan deficiency .....	1,431	5,262	1,475
00.24	Certificates Issued .....		106	
00.25	Other market loss assistance payments .....		195	
00.26	Marketing loan writeoffs .....	1,689	898	920
00.27	Crop disaster .....	1,251	1,808	
00.28	Livestock assistance .....	188	430	
00.29	Livestock indemnity .....	5	19	
00.30	Disaster reserve assistance/American indian livestock feed .....	7	14	
00.31	Disaster reserve flood compensation .....	1	86	
00.32	BioEnergy program .....		150	150
00.33	Conservation reserve program (CRP) .....	1,474	1,656	1,788
<b>Other conservation programs:</b>				
00.35	Environmental quality incentives program (EQIP) .....	133	156	156
00.36	Wetlands reserve program (WRP) .....	154	148	
00.37	Farmland protection program (FPP) .....		17	
00.38	Conservation farm option .....			60
00.40	Soil and water conservation program .....		20	
00.41	Agricultural management assistance program .....		10	10
00.42	Reimbursement agreement and transfers to State and Federal agencies .....	36	36	36
<b>Interest:</b>				
00.43	Treasury .....	636	704	455
00.44	Other .....	27	22	18
00.45	EQIP technical assistance .....	33	38	38
00.46	EQIP educational assistance .....	4	6	6
00.47	CRP technical assistance .....		26	
00.48	WRP technical assistance .....		14	
00.49	FPP technical assistance .....		1	
01.92	Total support and related programs .....	29,707	24,479	10,967
<b>Reimbursable program:</b>				
09.01	Commodity loans .....	9,691	8,689	9,172
09.03	Commodities procured—PL 480 Titles II and III commodity costs .....	477	399	399
09.04	PL 480 ocean transportation .....	515	458	466
09.09	Subtotal, reimbursable programs .....	10,683	9,546	10,037

10.00	Total new obligations .....	40,390	34,025	21,004
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	563	1,065	1,385
22.00	New budget authority (gross) .....	41,259	34,369	21,004
22.21	Unobligated balance transferred to other accounts .....	- 833	- 24	.....
22.22	Unobligated balance transferred from other accounts .....	4	.....	.....
22.60	Portion applied to repay debt .....	462	.....	.....
23.90	Total budgetary resources available for obligation .....	41,455	35,410	22,389
23.95	Total new obligations .....	-40,390	-34,025	-21,004
24.40	Unobligated balance carried forward, end of year .....	1,065	1,385	1,385
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.05	Appropriation (indefinite) .....	38,737	25,264	23,116
40.47	Portion applied to repay debt .....	-38,492	-24,937	-23,097
40.76	Reduction pursuant to P.L. 106-113 .....	- 28	.....	.....
41.00	Transferred to other accounts .....	-217	-327	-19
43.00	Appropriation (total discretionary) .....	.....	.....	.....
Mandatory:				
60.28	Appropriation (unavailable balances) .....	39	.....	.....
67.15	Authority to borrow (indefinite) .....	30,134	23,364	10,093
69.00	Offsetting collections (cash) .....	11,086	11,005	10,911
70.00	Total new budget authority (gross) .....	41,259	34,369	21,004
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	804	4,454	6,861
72.99	Obligated balance, start of year .....	804	4,454	6,861
73.10	Total new obligations .....	40,390	34,025	21,004
73.20	Total outlays (gross) .....	-43,358	-31,618	-24,000
73.40	Adjustments in expired accounts (net) .....	6,618	.....	.....
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	4,454	6,861	3,867
74.99	Obligated balance, end of year .....	4,454	6,861	3,867
<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority .....	30,234	23,147	9,954
86.98	Outlays from mandatory balances .....	13,124	8,471	14,046
87.00	Total outlays (gross) .....	43,358	31,618	24,000
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Federal sources:				
Federal sources:				
88.00	Sales to special activities .....	-477	-400	-400
88.00	Interest revenue .....	1	.....	.....
88.00	Advance from foreign assistance programs (P.L. 480) .....	-860	-857	-865
Non-Federal sources (62 stat.1070): Support and related programs:				
Non-Federal sources:				
88.40	Sales and other proceeds .....	-387	-179	-221
88.40	Assessments .....	.....	.....	-44
88.40	Interest revenue .....	-150	-73	-97
88.40	Other revenue and certificates redeemed .....	-480	-630	.....
88.40	Loans repaid .....	-8,686	-8,824	-9,239
88.40	Export credit sales program repayments .....	-11	-14	-17
88.40	Interest revenue .....	-36	-28	-28
88.90	Total, offsetting collections (cash) .....	-11,086	-11,005	-10,911
<b>Net budget authority and outlays:</b>				
89.00	Budget Authority .....	30,173	23,364	10,093
90.00	Outlays .....	32,272	20,613	13,089

**Summary of Budget Authority and Outlays**

(in millions of dollars)

	2000 actual	2001 est.	2002 est.
Enacted/requested:			
Budget Authority .....	30,173	23,364	10,093
Outlays .....	32,272	20,613	13,089
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	-89
Outlays .....	.....	.....	-7
Total:			
Budget Authority .....	30,173	23,364	10,004
Outlays .....	32,272	20,613	13,082

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

Identification code 12-4336-0-3-999	2000 actual	2001 est.	2002 est.	
<b>SHORT TERM CREDIT LOANS</b>				
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	375	364	350
1251	Repayments: Repayments and prepayments .....	-11	-14	-17
1290	Outstanding, end of year .....	364	350	333
<b>COMMODITY LOANS</b>				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	.....	.....	.....
1131	Direct loan obligations exempt from limitation .....	9,691	8,689	9,171
1150	Total direct loan obligations .....	9,691	8,689	9,171
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	2,441	3,070	1,858
1231	Disbursements: Direct loan disbursements .....	9,691	8,689	9,171
1251	Repayments: Repayments and prepayments .....	-8,686	-8,824	-9,294
1264	Write-offs for default: Other adjustments, net .....	-376	-1,077	-303
1290	Outstanding, end of year .....	3,070	1,858	1,432
<b>SALE OF INVENTORY ON CREDIT TERMS</b>				
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 2001 and 2002 budget estimates: (a) national income will rise both in 2001 and 2002 from the present level; (b) 2001 crop production will increase from 2001 crop levels for some commodities; (c) generally, exports of agricultural commodities in 2002 are expected to be higher than 2001 levels; (d) yields for the 2001 crops are based on recent averages adjusted for trends; (e) acreage allotments and marketing quotas will be in effect for the 2001 crops of certain kinds of tobacco; and (f) poundage quotas will be in effect for the 2001 crop of peanuts. Marketing loan rates for the 2001 crop are assumed to equal rates for the 2000 crop.

It is difficult to accurately forecast requirements for the year ending September 30, 2002, 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 converting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural

**Public enterprise funds—Continued**COMMODITY CREDIT CORPORATION FUND—Continued  
OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE  
MANAGEMENT—Continued

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.

In 2000, a general CRP signup was held from January 18 through February 11, 2000, (signup 20) in which about 2.34 million acres were enrolled. Contracts for this acreage begin in 2001 and rental payments averaging \$51 per acre will begin in 2002. CRP continuous signup acreage, which contributes to the USDA Conservation Buffer Initiative and the Conservation Reserve Enhancement Program, is estimated to enroll 4 million acres through 2002. During 2000, about 280,000 acres were signed up for continuous practices in signups 21 and 22. Technical assistance for these signups was paid with funds for 2000 provided in the 1999 Emergency Supplemental Appropriations Act.

The 2001 Appropriations Act authorized the Secretary to enroll 500,000 acres during 2001 and 2002 for a Farmable Wetlands Pilot Program and required that the acreage enrolled not reduce the continuous-signup or CREP acreage.

It is assumed for budgeting purposes that no general signup will be held in 2001. A one-year contract extension was announced in January 2001 for CRP participants with contracts of original duration of less than 15 years that are scheduled to expire September 20, 2001.

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

**2002 ESTIMATE**

(In millions of dollars)

Program	Gross obligations	Net outlays	Net realized loss for year
Farm income, marketing assistance loans, and price support:			
Commodity loans .....	9,172	853	115
Feed grain payments .....	2,133	3,198	2,133
Wheat payments .....	1,041	1,145	1,041
Rice payments .....	561	570	561
Cotton payments .....	600	670	599
Export enhancement program .....	478	478	478
Other support and related .....	3,442	3,118	3,090
Other items not distributed by program:			
Interest .....	473	548	349
All other .....	189	445	189
Total, farm income, marketing assistance loans, and price-support programs .....	18,089	11,025	8,555
Conservation programs:			
Conservation reserve program .....	1,788	1,788	1,760
Environmental quality incentives program .....	200	179	179
Wetlands reserve program .....		89	89
Farmland protection program .....		6	6
Conservation farm option program .....	62	2	2
Total, conservation programs .....	2,050	2,064	2,036
Total, Commodity Credit Corporation .....	20,139	13,089	10,591

## 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 receive final payments by September 30, with an option to receive advances on December 15 or January 15. For 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.

*Loan deficiency program revision.*—The 2001 Appropriations Act increased the payment cap for loan deficiency payments and marketing loan gains from \$75,000 to \$150,000 for the 2000 crop only for contract commodities, oilseeds, and honey.

*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. The 2001 Appropriations Act suspended the TRQ threshold for the 2001 and 2002 crops. For 2000, CCC established a Payment-in-Kind (PIK) Diversion Program. The 2000 PIK Program used the cost-reduction option of the 1985 Farm Bill to reduce the costs of the Sugar Loan Program. During 2000, producers submitted 5,022 acceptable bids to participate in the program. Sugar beet acreage diverted from production totaled 101,833 acres and resulted in a reduction of about \$555 thousand in monthly CCC storage-related costs.

*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.

*Noninsured Assistance Program.*—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 (NAP), administered by the Farm Service Agency. As enacted, the program has been reimbursing producers at the same rates and terms as the catastrophic program where assistance is triggered by area wide disasters. However, for 2000, an additional \$20 million was provided without any area loss requirement, to producers located in a county for which a natural disaster was declared by the Secretary or a major disaster or emergency was declared by the President. The Agricultural Risk Protection Act of 2000 (ARPA) eliminated the area loss requirement for triggering assistance and made other changes including a provision that all types and varieties of a crop may be considered a single eligible crop for NAP assistance. The ARPA also authorizes the collection of service fees.

*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 Appropriations Act extended the price support program through calendar year 2000 at the \$9.90 per hundred-weight support level. The 2001 Appropriations Act extended the price support program to December 31, 2001, at the \$9.90 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 Appropriations Act postponed the start of the Dairy

Recourse Loan Program until January 1, 2001. The 2001 Appropriations Act again postponed the implementation of the Dairy Recourse Loan Program, until January 1, 2002. 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.

*Emergency Livestock Feed Assistance.*—The 2000 appropriations act allows for not less than \$200 million to be provided to livestock producers affected by disasters.

The 2001 Appropriations Act also provided \$490 million to make and administer payments for livestock losses using the criteria established to carry out the 1999 LAP to producers for 2000 losses in a county which received an emergency designation after January 1, 2000. Of this amount, \$40 million is designated for the Pasture Recovery Program, \$12 million will be used for the American Indian Livestock Feed Program, and \$438 million will be used for LAP and other assistance mandated by the 2001 Consolidated Appropriations Act, P.L. 106-554.

*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 and 2000 crops.

*Livestock Indemnity Program, Livestock Assistance Program, and Dairy Market Loss Assistance.*—The 2000 appropriations act provided \$200 million in assistance to livestock producers for losses incurred in 1999 due to drought or other natural disasters. The funds were used to implement a Livestock Indemnity Program (LIP) and a Livestock Assistance Program (LAP). The 2001 Appropriations Act provided \$10 million to make LIP payments to producers on farms that have incurred livestock losses during calendar year 2000 due to a disaster, including losses due to fires and anthrax.

*Dairy Market Loss Assistance II Program.*—Provisions of this program were implemented on January 19, 2000. U.S. dairy producers were experiencing a decline in the basic formula price, which is used by the Federal milk marketing order system to set manufacturing, and is the price mover for fluid milk. Under the 2000 appropriations act, \$125 million was made available to dairy producers. The 2001 appropriations act authorized payments equal to 35 percent of the reduction in market value of milk per unit compared to the previous five year average with payments to be made on CY 2000 production.

*Emergency and Market Loss Assistance.*—Under provisions of Title XI, Subtitle A, this assistance is provided fairly and equitably to producers who have incurred crop and livestock losses in all affected geographic regions of the United States. The Secretary may determine (1) one or more loss thresholds producers on a farm must incur, with respect to a crop, to be eligible for assistance, (2) the payment rate for crop and livestock feed losses incurred, and (3) eligibility and payment limitation criteria. This is in addition to AMTA and NAP (crop insurance indemnities provided for the 1998 crops under the Federal Crop Insurance Act, and emergency loans available for 1998 crops under subtitle C of the Consolidated Farm and Rural Development Act).

**Public enterprise funds—Continued**

COMMODITY CREDIT CORPORATION FUND—Continued

PROGRAMS OF THE CORPORATION—Continued

*Crop Loss Assistance.*—The 2000 Appropriations Act made available \$1.2 billion to producers for 1999 crop losses and other programs. The 2000 Omnibus Appropriation Act increased the amount available to producers for 1999 crop losses by \$186 million for a total of \$1.334 billion. The 2001 Appropriations Act authorized such sums as are necessary for payments based on provisions similar to prior year programs.

*Market Loss Assistance.*—Of the balance remaining from amounts authorized for 1998 and 1999 market loss assistance payments, \$4.7 million was transferred to APHIS to reimburse AMS for livestock reporting, \$79.1 million was used for cottonseed support, and \$10 million will be used for ELS cotton competitiveness payments.

The Agricultural Risk Protection Act of 2000 made \$5,465 million available for market loss assistance payments to farmers who were eligible under the 1996 Act for 2000 final production flexibility contract payments. Payments of \$5,457 million were made during 2000.

*Other Disaster Assistance.*—Under the 2001 Appropriations Act, other assistance is provided during 2001, as follows (These numbers reflect the 0.22 percent rescission mandated by P.L. 106-554):

Program	Authorized amount (in thousands)
—Oilseed Payments .....	\$500,000
—California Citrus Losses and Nursery Stock .....	37,916
—Apple Market Loss .....	99,780
—Apple and Potato Quality Loss .....	37,916
—Cranberry Market Assistance .....	19,956
—Market Loss for California .....	19,956
—Hawaiian Assistance for Agricultural Cooperative ..	7,184
—South Carolina Grain Dealers Fund .....	2,494

Under the 2001 Consolidated Appropriations Act, P.L. 106-554, Montana received \$299 thousand and Alabama received just under \$5 million for transportation needs associated with their emergency livestock haying and feeding programs. These assistance amounts incorporate the 0.22 percent rescission.

*Seniors' Farmers Market Nutrition Pilot Program.*—In 2001, the Secretary awarded nearly \$15 million in grants to help more than 370,000 low-income seniors in 31 States, four Indian Tribal Governments and one Indian Tribal Organization to buy fresh produce at farmers markets. The purposes of this new initiative are to provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs to low-income seniors, increase domestic consumption of agricultural commodities by expanding or aiding the expansion of domestic markets, and develop new domestic farmers markets, roadside stands, and community supported agriculture programs. The Food and Nutrition Service manages the program.

*Bioenergy Program.*—The 2002 Budget assumes that CCC will provide incentive payments, under the new Bioenergy Program, to ethanol, biodiesel, and other bioenergy producers to expand production of bio-based fuels. Payments will be made on a portion of the increase in agricultural commodities purchased for expanded bioenergy production, with smaller and cooperatively-owned facilities receiving higher payment rates. A \$150 million program level is estimated for 2001 and 2002. This program is authorized by the CCC Charter Act.

*Agricultural Management Assistance Program.*—The Agricultural Risk Protection Act of 2000 authorized CCC funding of \$10 million for 2001 and subsequent years to provide grants to qualified public and private entities for the purpose of educating agricultural producers about the full range of

risk management activities, including futures, options, agricultural trade options, crop insurance, cash forward contracting, debt reduction, production diversification, farm resources risk reduction, and other risk management strategies. The Secretary delegated authority to Natural Resources Conservation Service, Risk Management Agency, and the Agricultural Marketing Service.

*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 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 1999, 2000 and 2001 program levels have been limited to \$174 million by the appropriations acts. The 2001 Consolidated Appropriations Act, P.L. 106-554, then provided \$26 million in contingent emergency funds, with \$57 thousand rescinded, making \$199.9 million the total amount available in 2001. In 2002, \$174 million is proposed for EQIP.

The Farmland Protection Program (FPP) authorizes the Secretary to assist State, local, and tribal governments and nonprofit organizations 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 2000 Appropriations Act provided \$250,000 for the use in the state of New Hampshire. The Agricultural Risk Protection Act of 2000 provided for payments using CCC funds totaling \$10 million for 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.

Section 211(b) of the Agricultural Risk Protection Act of 2000 provides an additional \$40 million for soil and water conservation assistance to provide financial assistance to farmers and ranchers to address a wide range of threats to soil, water and related natural resources. The 2001 Consolidated Appropriations Act gave the Secretary the authority to reallocate these funds to WHIP or FPP; \$8 million in

additional funds was provided for FPP, bringing its total 2001 funding level to \$18 million, and \$12 million was allocated to WHIP.

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 must 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 were incurred in 1997–2001. In 1999–2001, appropriations acts precluded operations of the CFO. In 2002, funds are not requested for the CFO.

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.

The 2001 Appropriations Act raised the enrollment cap by 100,000 acres to 1,075,000 acres from the previous cap of 975,000 acres. It is estimated that 140,000 acres will enroll in 2001, reaching the 1,075,000 acre limitation. No additional acres will enroll in 2002.

*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 purchased 5 million metric tons of wheat in the course of 1999 and 2000, which was subsequently used for donation purposes under Section 416(b) of the Agricultural Act of 1949. A portion of this amount was a part of the comprehensive U.S. food aid package to Russia, as announced by the President in November 1998. An estimated 1,700,000 metric tons were shipped to Russia during 1999 and 2000. The program included purchases of primarily wheat and wheat flour. In the 2002 budget, CCC-owned commodities will be available for the regular Section 416(b) program when inventory stocks are available. Commodities will be shipped in 2001 to complete Section 416(b) programming approved during 2000 and to provide for new 2001 programming, including programming for the President's Global Food for Education Initiative which currently consists of 632,533 metric tons of commodities.

The Flood Compensation Program was authorized in the Agricultural Risk Protection Act of 2000. \$24 million of CCC

will be used to compensate producers for the loss of cropland or pastureland due to long-term flooding. This program provides assistance for producers who are experiencing losses due to flooding but were not compensated by the Flood Compensation Program authorized by the 1998 Omnibus Appropriation.

*Supply and foreign purchases.*—The Corporation can procure from domestic and foreign sources food, agricultural commodities, and products and related materials to supply the needs of Federal agencies, foreign governments, and private and international relief agencies, under section 5 (b) and (c) of the Commodity Credit Corporation Charter Act, as amended.

*Commodity 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. The Budget assumes that CCC will purchase commodities for use in the Food for Progress program at a level that can be supported within the annual \$30 million limitation on Food for Progress ocean transportation and other non-commodity expenses. An estimated 218,000 metric tons of commodities valued at about \$61 million will be shipped in 2001.

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

Item	[In millions of dollars]		
	2000 actual	2001 est.	2002 est.
Loans outstanding, gross, start of year:			
Commodity Credit Corporation .....	2,440	3,070	1,858
Additional loans made .....	9,691	8,689	9,172
Deduct:			
Loans repaid .....	-8,686	-8,824	-9,239
Acquisition of loan collateral .....	-334	-522	-188
Write-offs .....	-41	-555	-115
Total loans outstanding, gross, end of year	3,070	1,858	1,488

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

#### AGRICULTURAL COMMODITIES

Item	[In millions of dollars]		
	2000 actual	2001 est.	2002 est.
On hand, start of year, gross .....	713	1,204	1,625
Acquisitions:			
Forfeiture of loan collateral .....	334	522	188
Excess of collateral acquired over loans canceled .....	7	5	4
Purchases .....	2,084	2,198	579
Transfers and exchanges .....	-38		

**Public enterprise funds—Continued**COMMODITY CREDIT CORPORATION FUND—Continued  
PROGRAMS OF THE CORPORATION—Continued

Item	[In millions of dollars]		
	2000 actual	2001 est.	2002 est.
<b>Carrying charges:</b>			
Charges to inventory .....	15	9	5
Storage and handling (non-add) .....	(56)	(71)	(69)
Transportation (non-add) .....	(10)	(14)	(7)
Total acquisitions .....	2,402	2,734	776
<b>Dispositions:</b>			
Domestic donations to:			
Families .....	19	51	42
Institutions .....	26	41	31
School lunch .....		44	36
Total domestic donations .....	45	136	109
Export donations .....	351	940	148
Sales and transfers:			
Special programs: Title II, Public Law 480 .....	470	400	399
Title III, Public Law 480 .....	7		
Other sales .....	852	797	221
Net loss or gain (–) on sales and transfers .....	186	40	13
Total sales and transfers .....	1,515	1,237	633
Total dispositions .....	1,911	2,313	890
On hand, end of year, gross .....	1,204	1,625	1,511
Allowances for losses .....	–358	–483	–449
On hand, end of year, net .....	846	1,142	1,062

*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]		
	2000 actual	2001 est.	2002 est.
Loans made .....	9,691	8,689	9,172
Loans repaid .....	8,686	8,824	9,239
Loan collateral forfeited .....	334	522	188
Loans outstanding, end of year .....	3,070	1,858	1,488
Acquisitions .....	2,402	2,734	777
Cost of commodities sold .....	1,515	1,237	633
Cost of commodities donated .....	396	1,076	257
Inventory, end of year .....	1,204	1,625	1,511
Investment in loans and inventory, end of year .....	4,274	3,483	2,999
Direct producer payments .....	27,070	16,322	10,522
Net expenditures .....	32,265	20,715	13,060
Realized losses .....	28,803	24,473	10,591

*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 1996, and \$275 million for the six-year period including 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. At the end of 2000, CCC had \$2 million to carry forward to 2001. The remaining funds will be exhausted in 2001.

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 1995 were \$46 million. The 1995 cap was revised to \$36.209 million effective 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	2002 estimate [In millions of dollars]	
	Gross obligations	Outlays (reimbursable)
(1) Financing sales of agricultural commodities for foreign currencies or for dollars on credit terms .....	142	181
(2) Commodities supplied in connection with dispositions abroad (Title II) .....	835	808
Total .....	977	989

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 obligations 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]		
	2000 actual	2001 est.	2002 est.
Statutory borrowing authority .....	30,000	30,000	30,000
Deduct: Borrowings from Treasury .....	22,949	18,981	8,893
Net statutory borrowing authority available .....	7,051	11,091	21,107

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]	
	2000 actual	
Realized losses, 1933 to 2000, inclusive .....	316,031	
Reimbursements by the Treasury:		
Reimbursements of realized losses:		
Appropriations (61 times) .....	288,900	
Note cancellations (6 times) .....	2,698	
Less dividends paid to Treasury (4 times) .....	-138	
Total reimbursements for net realized losses .....	291,460	
Other reimbursements:		
Appropriations (2 times) .....	542	
Note cancellation (1 time) .....	56	
Total other reimbursements .....	598	

Total .....	292,058
Realized deficit as of September 30, 2000, support and related programs .....	23,973

Foreign Market Development Cooperator Program (FMDCP) and Quality Samples Program. In 2000, funding for the FMDCP shifted from the Foreign Agricultural Service annual appropriation to CCC funding. The FMDCP encourages export promotion and overseas market development activities of U.S. agricultural products. The 2001 program level is \$27.5 million. Also in 2001, CCC is funding the Quality Samples Program at an authorized annual level of \$2.5 million. Under this program, samples of U.S. agricultural products are 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." CCC announced on February 8, 2000, that commodity certificates will be issued in an effort to discourage producers from forfeiting commodities pledged as collateral for CCC commodity loans. Certificates are used to repay 1998-2002 crop marketing assistance loans when the adjusted world price (for rice and upland cotton) or the posted county price (for wheat, feed grains, soybeans, and designated minor oilseeds) is lower than the applicable loan rate.

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 resumed the program in 2000 due to a current shortage of sufficient storage space. The estimated direct loan level is \$175 million for 2001, \$125 million for FY's 2002 and 2003, and \$100 million for FY's 2004 through 2006. The cost to the U.S. government (subsidy) for the FSFL program is estimated using procedures stipulated by the Federal Credit Reform Act of 1990.

## Statement of Operations (in millions of dollars)

Identification code 12-4336-0-3-999		1999 actual	2000 actual	2001 est.	2002 est.
0101	Revenue .....	1,045	1,733	1,625	1,067
0102	Expense .....	-24,912	-30,536	-26,098	-11,658
0105	Net income or loss (-) .....	-23,867	-28,803	-24,473	-10,591

## Balance Sheet (in millions of dollars)

Identification code 12-4336-0-3-999		1999 actual	2000 actual	2001 est.	2002 est.
ASSETS:					
Federal assets:					
1101	Fund balances with Treasury .....	-1,410	-1,508	-1,508	-1,508
Investments in US securities:					
1106	Receivables, net .....	151	441	441	441
Non-Federal assets:					
1206	Receivables, net .....	38	111	111	111
1207	Advances and prepayments .....	11	19	19	19
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:					
1601	Direct loans, gross .....	2,846	3,464	2,238	1,795
1602	Interest receivable .....	232	525	525	525
1603	Allowance for estimated uncollectible loans and interest (-) .....	-274	-180	-180	-180
1604	Direct loans and interest receivable, net .....	2,804	3,809	2,583	2,140

**Public enterprise funds—Continued**

**COMMODITY CREDIT CORPORATION FUND—Continued**

**FINANCING—Continued**

**Balance Sheet (in millions of dollars)—Continued**

Identification code 12-4336-0-3-999	1999 actual	2000 actual	2001 est.	2002 est.
1699 Value of assets related to direct loans .....	2,804	3,809	2,583	2,140
Other Federal assets:				
1802 Inventories and related properties .....	355	846	1,142	1,062
1803 Property, plant and equipment, net .....	46	16	28	28
1999 Total assets .....	1,995	3,734	2,816	2,293
<b>LIABILITIES:</b>				
Federal liabilities:				
2101 Accounts payable .....	430	704	704	704
2102 Interest payable .....	510	6	6	6
2103 Debt .....	28,712	22,949	18,981	8,894
2105 Other .....	444	527	527	527
Non-Federal liabilities:				
2201 Accounts payable .....	10	22	22	22
2207 Other .....	2,537	4,459	3,037	1,334
2999 Total liabilities .....	32,643	28,667	23,277	11,487
<b>NET POSITION:</b>				
3300 Cumulative results of operations .....	-30,566	-24,933	-20,461	-9,194
3999 Total net position .....	-30,566	-24,933	-20,461	-9,194
4999 Total liabilities and net position .....	2,077	3,734	2,816	2,293

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
22.0 Transportation of things .....	380	344	43
Other services:			
25.2 Other services .....	104	132	86
25.2 Other services: Storage and handling .....	56	71	69
26.0 Supplies and materials: Costs of commodities sold or donated—PL 480 .....	2,067	2,078	588
41.0 Grants, subsidies, and contributions .....	26,437	21,128	9,708
43.0 Interest and dividends .....	663	726	473
99.0 Subtotal, direct obligations .....	29,707	24,479	10,967
<b>Reimbursable obligations:</b>			
22.0 Transportation of things: PL 480 ocean transportation .....	515	458	466
26.0 Supplies and materials: Cost of commodities sold or donated—PL 480 .....	477	399	399
33.0 Investments and loans .....	9,691	8,689	9,172
99.0 Subtotal, reimbursable obligations .....	10,683	9,546	10,037
99.9 Total new obligations .....	40,390	34,025	21,004

**COMMODITY CREDIT CORPORATION FUND**  
(Legislative proposal, not subject to PAYGO)

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

Identification code 12-4336-2-3-999	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Support and related programs:			
Operating expenses:			
Other conservation programs:			
00.35 Environmental quality incentives program (EQIP) .....			-26
00.38 Conservation farm option program .....			-63
10.00 Total new obligations .....			-89
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....			-89
23.95 Total new obligations .....			89

**New budget authority (gross), detail:**

Discretionary:			
40.00 Appropriation .....			-89
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....			-89
73.20 Total outlays (gross) .....			7
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....			-82
74.99 Obligated balance, end of year .....			-82

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....			-7
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**Net budget authority and outlays:**

89.00 Budget authority .....			-89
90.00 Outlays .....			-7

The Budget proposes to block \$26 million in authorized funding for the Environmental Quality Incentives Program (EQIP), bringing its total funding level to \$174 million. The Budget also cuts the Conservation Farm Option program by \$62.5 million in order to gain discretionary savings, which has been done each year since the program was authorized. Savings from both programs will be used to fund higher priority discretionary activities.

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

Identification code 12-4336-2-3-999	2000 actual	2001 est.	2002 est.
25.2 Other services .....			-17
41.0 Grants, subsidies, and contributions .....			-72
99.9 Total new obligations .....			-89

**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] \$4,014,000**; 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] \$3,224,000** may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which **[\$589,000] \$790,000** 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-1336-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.02 Guaranteed loan subsidy .....	195	305	266
00.09 Administrative expenses .....	4	4	4
10.00 Total new obligations .....	199	309	270
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	330	345	345
22.00 New budget authority (gross) .....	213	309	270
23.90 Total budgetary resources available for obligation .....	543	654	615
23.95 Total new obligations .....	-199	-309	-270
24.40 Unobligated balance carried forward, end of year .....	345	345	345
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	4	4	4
Mandatory:			
60.05 Appropriation (indefinite) .....	209	305	266
70.00 Total new budget authority (gross) .....	213	309	270

<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	204	198	192
72.99	Obligated balance, start of year .....	204	198	192
73.10	Total new obligations .....	199	309	270
73.20	Total outlays (gross) .....	-204	-315	-277
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	198	192	185
74.99	Obligated balance, end of year .....	198	192	185
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	4	4	4
86.97	Outlays from new mandatory authority .....	131	244	213
86.98	Outlays from mandatory balances .....	69	67	61
87.00	Total outlays (gross) .....	204	315	277
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	213	309	270
90.00	Outlays .....	204	315	277

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

Identification code 12-1336-0-1-351	2000 actual	2001 est.	2002 est.	
Guaranteed loan levels supportable by subsidy budget authority:				
2150	Loan guarantee levels .....	3,081	3,792	3,904
2159	Total loan guarantee levels .....	3,081	3,792	3,904
Guaranteed loan subsidy (in percent):				
2320	Subsidy rate .....	6.80	8.04	6.80
2329	Weighted average subsidy rate .....	6.80	8.04	6.80
Guaranteed loan subsidy budget authority:				
2330	Subsidy budget authority .....	209	305	266
2339	Total subsidy budget authority .....	209	305	266
Guaranteed loan subsidy outlays:				
2340	Subsidy outlays .....	200	311	273
2349	Total subsidy outlays .....	200	311	273
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 2002 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	2000 actual	2001 est.	2002 est.	
25.3	Purchases of goods and services from Government accounts .....	4	4	4
41.0	Grants, subsidies, and contributions .....	195	305	266
99.9	Total new obligations .....	199	309	270

**COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING ACCOUNT**

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

Identification code 12-4337-0-3-351	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
New loans:				
00.01	Default claims .....	208	380	334
00.02	Interest on debt to Treasury .....	62	62	62
10.00	Total new obligations .....	270	442	396
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	1,539	1,625	1,741
22.00	New financing authority (gross) .....	355	558	541
23.90	Total budgetary resources available for obligation .....	1,894	2,183	2,282
23.95	Total new obligations .....	-270	-442	-396
24.40	Unobligated balance carried forward, end of year .....	1,625	1,741	1,886
<b>New financing authority (gross), detail:</b>				
Mandatory:				
69.00	Offsetting collections (cash) .....	559	558	541
69.10	Change in uncollected customer payments from Federal sources .....	-204		
69.90	Spending authority from offsetting collections (total mandatory) .....	355	558	541
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....			127
72.95	Uncollected customer payments from program account, start of year .....	-204		
72.99	Obligated balance, start of year .....	-204		127
73.10	Total new obligations .....	270	442	396
73.20	Total financing disbursements (gross) .....	-270	-315	-278
74.00	Change in uncollected customer payments from Federal sources .....	204		

COMMODITY CREDIT CORPORATION EXPORT GUARANTEE FINANCING  
ACCOUNT—Continued

## Program and Financing (in millions of dollars)—Continued

Identification code 12-4337-0-3-351	2000 actual	2001 est.	2002 est.
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....		127	245
74.99 Obligated balance, end of year .....		127	245
87.00 Total financing disbursements (gross) .....	270	315	278
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account .....	-200	-311	-273
88.25 Interest on uninvested funds .....	-99	-79	-83
Non-Federal sources:			
88.40 Loan origination fee .....	-16	-25	-26
88.40 Principal collections .....	-24	-25	-44
88.40 Interest collections .....	-76	-118	-115
88.40 Non-Federal sources .....	-144		
88.90 Total, offsetting collections (cash) .....	-559	-558	-541
Against gross financing authority only:			
88.95 Change in receivables from program accounts .....	204		
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....			
90.00 Financing disbursements .....	-290	-243	-263

## Status of Guaranteed Loans (in millions of dollars)

Identification code 12-4337-0-3-351	2000 actual	2001 est.	2002 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 .....	3,081	3,792	3,904
2150 Total guaranteed loan commitments .....	3,081	3,792	3,904
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	5,472	6,483	6,186
2231 Disbursements of new guaranteed loans .....	2,844	3,792	3,904
2251 Repayments and prepayments .....	-1,625	-3,709	-3,644
2261 Adjustments: Terminations for default that result in loans receivable .....	-208	-380	-334
2290 Outstanding, end of year .....	6,483	6,186	6,112
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	6,353	6,063	5,990
<b>Addendum:</b>			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	336	464	819
2331 Disbursements for guaranteed loan claims .....	208	380	334
2351 Repayments of loans receivable .....	-80	-25	-44
2390 Outstanding, end of year .....	464	819	1,109

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	1,539	1,625	1,741	1,886

Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:				
1501 Defaulted guaranteed loans receivable, gross .....	336	464	819	1,109
1599 Net present value of assets related to defaulted guaranteed loans .....	336	464	819	1,109
1999 Total assets .....	1,875	2,089	2,560	2,995
<b>LIABILITIES:</b>				
2103 Federal liabilities: Debt .....	851	851	851	851
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	1,024	1,238	1,709	2,144
2999 Total liabilities .....	1,875	2,089	2,560	2,995
4999 Total liabilities and net position .....	1,875	2,089	2,560	2,995

COMMODITY CREDIT CORPORATION GUARANTEED LOANS LIQUIDATING  
ACCOUNT

## Program and Financing (in millions of dollars)

Identification code 12-4338-0-3-351	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	59	-20	
22.00 New budget authority (gross) .....	214	397	312
22.40 Capital transfer to general fund .....	-292	-377	-312
23.90 Total budgetary resources available for obligation .....	-19		
24.40 Unobligated balance carried forward, end of year .....	-20		

## New budget authority (gross), detail:

<b>Mandatory:</b>			
69.00 Offsetting collections (cash) .....	214	397	312

## Outlays (gross), detail:

86.98 Outlays from mandatory balances .....		-20	
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## Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Repayments of principal .....	-79	-152	-164
88.40 Interest received on loans .....	-135	-245	-148
88.90 Total, offsetting collections (cash) .....	-214	-397	-312

## Net budget authority and outlays:

89.00 Budget authority .....			
90.00 Outlays .....	-214	-417	-312

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	2000 actual	2001 est.	2002 est.
<b>Addendum:</b>			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	4,210	4,131	3,979
2351 Repayments of loans receivable .....	-79	-152	-164
2390 Outstanding, end of year .....	4,131	3,979	3,815

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	277			



Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:					
1701	Defaulted guaranteed loans, gross	4,210	4,131	3,979	3,815
1702	Interest receivable	151	54	54	54
1703	Allowance for estimated uncollectible loans and interest (-)	-3,054	-3,398	-3,019	-3,019
1799	Value of assets related to loan guarantees	1,307	787	1,014	850
1999	Total assets	1,584	787	1,014	850
<b>LIABILITIES:</b>					
2104	Federal liabilities: Resources payable to Treasury	2,664	2,231	2,372	2,372
2207	Non-Federal liabilities: Other	25	27		
2999	Total liabilities	2,689	2,258	2,372	2,372
4999	Total liabilities and net position	2,689	2,258	2,372	2,372

FARM STORAGE FACILITY LOANS PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-3301-0-1-351	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
00.01	Direct loan subsidy	2	4	3
10.00	Total new obligations (object class 41.0)	2	4	3
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year		8	
22.00	New budget authority (gross)	10	4	3
22.40	Capital transfer to general fund		-8	
23.90	Total budgetary resources available for obligation	10	4	3
23.95	Total new obligations	-2	-4	-3
24.40	Unobligated balance carried forward, end of year	8		
<b>New budget authority (gross), detail:</b>				
Mandatory:				
60.05	Appropriation (indefinite)	10	4	3
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year		2	
72.99	Obligated balance, start of year		2	
73.10	Total new obligations	2	4	3
73.20	Total outlays (gross)		-6	-3
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year		2	
74.99	Obligated balance, end of year		2	
<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority		4	3
86.98	Outlays from mandatory balances		2	
87.00	Total outlays (gross)		6	3
<b>Net budget authority and outlays:</b>				
89.00	Budget authority	10	4	3
90.00	Outlays		6	3

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

Identification code 12-3301-0-1-351	2000 actual	2001 est.	2002 est.	
Direct loan levels supportable by subsidy budget authority:				
1150	Direct loan levels	80	175	125
1159	Total direct loan levels	80	175	125
Direct loan subsidy (in percent):				
1320	Subsidy rate	2.85	2.14	2.42
1329	Weighted average subsidy rate	2.85	2.14	2.42
Direct loan subsidy budget authority:				
1330	Subsidy budget authority	2	4	3

1339	Total subsidy budget authority	2	4	3
Direct loan subsidy outlays:				
1340	Subsidy outlays		6	3
1349	Total subsidy outlays		6	3

*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 was implemented in 2000 by CCC under Section 504(c) of the Federal Credit Reform Act of 1990. This program provides 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	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
00.01	Direct loans	80	175	125
00.03	Interest to Treasury	22	20	20
10.00	Total new obligations	102	195	145
<b>Budgetary resources available for obligation:</b>				
22.00	New financing authority (gross)	101	195	145
23.95	Total new obligations	-102	-195	-145
<b>New financing authority (gross), detail:</b>				
Mandatory:				
67.15	Authority to borrow (indefinite)	77	188	134
Offsetting collections (cash):				
69.00	Payments from program account		6	3
69.00	Interest from Treasury	22	25	25
69.00	Principal		11	36
69.00	Interest		3	8
69.10	Change in uncollected customer payments from Federal sources	2	-2	
69.47	Portion applied to repay debt		-36	-61
69.90	Spending authority from offsetting collections (total mandatory)	24	7	11
70.00	Total new financing authority (gross)	101	195	145
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year		69	4
72.95	Uncollected customer payments from program account, start of year		-2	
72.99	Obligated balance, start of year		67	4
73.10	Total new obligations	102	195	145
73.20	Total financing disbursements (gross)	-32	-261	-146

FARM STORAGE FACILITY DIRECT LOAN FINANCING ACCOUNT—  
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4158-0-3-351	2000 actual	2001 est.	2002 est.
74.00 Change in uncollected customer payments from Federal sources .....	-2	2	
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	69	4	3
74.95 Uncollected customer payments from program account, end of year .....	-2		
74.99 Obligated balance, end of year .....	67	4	3
87.00 Total financing disbursements (gross) .....	32	261	146
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources .....		-6	-3
88.25 Interest on uninvested funds .....	-22	-25	-25
Non-Federal sources:			
88.40 Principal collections .....		-11	-36
88.40 Interest collections .....		-3	-8
88.90 Total, offsetting collections (cash) .....	-22	-45	-72
Against gross financing authority only:			
88.95 Change in receivables from program accounts .....	-2	2	
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	77	152	73
90.00 Financing disbursements .....	10	216	74

Status of Direct Loans (in millions of dollars)

Identification code 12-4158-0-3-351	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....			
1131 Direct loan obligations exempt from limitation .....	80	175	125
1150 Total direct loan obligations .....	80	175	125
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....		32	195
1231 Disbursements: Direct loan disbursements .....	32	174	126
1251 Repayments: Repayments and prepayments .....		-11	-36
1290 Outstanding, end of year .....	32	195	285

Balance Sheet (in millions of dollars)

Identification code 12-4158-0-3-351	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross .....		32	195	285
1402 Interest receivable .....			3	8
1405 Allowance for subsidy cost (-) .....		-2	-6	-9
1499 Net present value of assets related to direct loans .....		30	192	284
1999 Total assets .....		30	192	284
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury .....		77	232	313
2999 Total liabilities .....		77	232	313

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.

APPLE LOANS PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-3302-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loan subsidy .....		5	
10.00 Total new obligations (object class 41.0) .....		5	
<b>Budgetary resources available for obligation:</b>			
22.22 Unobligated balance transferred from other accounts .....		5	
23.95 Total new obligations .....		-5	
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....		5	
73.20 Total outlays (gross) .....		-5	
<b>Outlays (gross), detail:</b>			
86.98 Outlays from mandatory balances .....		5	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....		5	

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

Identification code 12-3302-0-1-351	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct loan levels .....		100	
1159 Total direct loan levels .....		100	
Direct loan subsidy (in percent):			
1320 Subsidy rate .....		5.01	
1329 Weighted average subsidy rate .....		5.01	
Direct loan subsidy budget authority:			
1330 Subsidy budget authority .....		5	
1339 Total subsidy budget authority .....		5	
Direct loan subsidy outlays:			
1340 Subsidy outlays .....		5	
1349 Total subsidy outlays .....		5	

The Agricultural Risk Protection Act of 2000 authorized up to \$5 million for the cost to provide loans to producers of apples for economic losses as the result of low prices for apples. Although the program is funded through CCC, program management is performed through farm loan programs. No funding is requested for this program in 2002.

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.

APPLE LOANS DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4211-0-3-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loans .....		100	
00.04 Interest on Treasury borrowing .....		6	
10.00 Total new obligations .....		106	
<b>Budgetary resources available for obligation:</b>			
22.00 New financing authority (gross) .....		106	33
22.60 Portion applied to repay debt .....			-33

23.90	Total budgetary resources available for obligation .....	106	.....
23.95	Total new obligations .....	-106	.....

**New financing authority (gross), detail:**

<b>Mandatory:</b>			
67.15	Authority to borrow (indefinite) .....	101	.....
<b>Discretionary:</b>			
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	5	33
70.00	Total new financing authority (gross) .....	106	33

**Change in unpaid obligations:**

73.10	Total new obligations .....	106	.....
73.20	Total financing disbursements (gross) .....	-106	.....
87.00	Total financing disbursements (gross) .....	106	.....

**Offsets:**

<b>Against gross financing authority and financing disbursements:</b>			
<b>Offsetting collections (cash) from:</b>			
88.00	Federal sources .....	-5	.....
88.40	Principal repayments .....		-33
88.90	Total, offsetting collections (cash) .....	-5	-33

**Net financing authority and financing disbursements:**

89.00	Financing authority .....	101	.....
90.00	Financing disbursements .....	101	-33

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

Identification code 12-4211-0-3-351	2000 actual	2001 est.	2002 est.
<b>Position with respect to appropriations act limitation on obligations:</b>			
1111	Limitation on direct loans .....	100	.....
1150	Total direct loan obligations .....	100	.....
<b>Cumulative balance of direct loans outstanding:</b>			
1210	Outstanding, start of year .....		100
1231	Disbursements: Direct loan disbursements .....	100	.....
1251	Repayments: Repayments and prepayments .....		-33
1290	Outstanding, end of year .....	100	67

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 12-4211-0-3-351	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross .....		100	67
1402	Interest receivable .....		6	.....
1405	Allowance for subsidy cost (-) .....		-5	.....
1499	Net present value of assets related to direct loans .....		101	67
1999	Total assets .....		101	67
<b>LIABILITIES:</b>				
2103	Federal liabilities: Debt .....		101	67
2999	Total liabilities .....		101	67
<b>NET POSITION:</b>				
3999	Total net position .....			

**EMERGENCY BOLL WEEVIL LOAN PROGRAM ACCOUNT**

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

Identification code 12-3303-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01	Direct loan subsidy .....		6
10.00	Total new obligations (object class 41.0) .....		6
<b>Budgetary resources available for obligation:</b>			
22.22	Unobligated balance transferred from other accounts .....	6	.....
23.95	Total new obligations .....	-6	.....
<b>Change in unpaid obligations:</b>			
73.10	Total new obligations .....		6
73.20	Total outlays (gross) .....		-6
<b>Outlays (gross), detail:</b>			
86.98	Outlays from mandatory balances .....		6
<b>Net budget authority and outlays:</b>			
89.00	Budget authority .....		
90.00	Outlays .....		6

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

Identification code 12-3303-0-1-351	2000 actual	2001 est.	2002 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150	Direct loan levels .....		10
1159	Total direct loan levels .....		10
<b>Direct loan subsidy (in percent):</b>			
1320	Subsidy rate .....		60.00
1329	Weighted average subsidy rate .....		60.00
<b>Direct loan subsidy budget authority:</b>			
1330	Subsidy budget authority .....		6
1339	Total subsidy budget authority .....		6
<b>Direct loan subsidy outlays:</b>			
1340	Subsidy outlays .....		6
1349	Total subsidy outlays .....		6

The Agricultural Risk Protection Act of 2000 authorized CCC funding to make an interest-free loan to the Texas Boll Weevil Eradication Foundation, Inc., to enable the Foundation to retire certain debt associated with boll weevil eradication zones which have ended their participation, in whole or in part, in the federally funded boll weevil eradication program. Although the program is funded through CCC, program management is performed through Farm Loan Programs. No funding is requested for this program in 2002.

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.

**EMERGENCY BOLL WEEVIL DIRECT LOAN FINANCING ACCOUNT**

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

Identification code 12-4221-0-4-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01	Direct loans .....		10
00.04	Interest on Treasury borrowing .....		1
10.00	Total new obligations .....		11
<b>Budgetary resources available for obligation:</b>			
22.00	New financing authority (gross) .....		11

EMERGENCY BOLL WEEVIL DIRECT LOAN FINANCING ACCOUNT—  
Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-4221-0-4-351	2000 actual	2001 est.	2002 est.
23.95 Total new obligations .....		- 11	
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.15 Authority to borrow (indefinite) .....		5	
69.00 Offsetting collections (cash) .....		6	1
70.00 Total new financing authority (gross) .....		11	1
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....		11	
73.20 Total financing disbursements (gross) .....		- 11	
87.00 Total financing disbursements (gross) .....		11	
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources .....		- 6	
88.40 Principal repayments .....			- 1
88.90 Total, offsetting collections (cash) .....		- 6	- 1
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....		5	
90.00 Financing disbursements .....		5	- 1

Status of Direct Loans (in millions of dollars)

Identification code 12-4221-0-4-351	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....		10	
1150 Total direct loan obligations .....		10	
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....			10
1231 Disbursements: Direct loan disbursements .....		10	
1251 Repayments: Repayments and prepayments .....			- 1
1290 Outstanding, end of year .....		10	9

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 12-4221-0-4-351	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross .....			10	9
1402 Interest receivable .....			1	
1405 Allowance for subsidy cost (-) .....			- 6	
1499 Net present value of assets related to direct loans .....			5	9
1999 Total assets .....			5	9
<b>LIABILITIES:</b>				
2103 Federal liabilities: Debt .....			5	9
2999 Total liabilities .....			5	9
<b>NET POSITION:</b>				
3999 Total net position .....				

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, **[\$714,116,000] \$773,454,000**, to remain available until expended (7 U.S.C. 2209b), of which not less than **[\$5,990,000] \$6,137,000** is for snow survey and water forecasting, *not to exceed \$44,000,000 is for technical assistance activities in conjunction with the Conservation Reserve Program authorized by subchapter B, chapter 1, Title XII of the Food Security Act of 1985, and not less than [\$9,125,000] \$9,349,000* 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 not to exceed \$2,000,000 of this amount shall be available for the Urban Resources Partnership program, of which \$1,000,000 shall be available only after promulgation of a final rule on this program: *Provided further*, That not to exceed \$204,000 of this amount shall be available for American Heritage Rivers: *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, 2001, as enacted by section 1(a) of P.L. 106-387.)

Program and Financing (in millions of dollars)

Identification code 12-1000-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Technical assistance .....	571	629	677
00.02 Soil surveys .....	79	79	81
00.03 Snow survey and water forecasting .....	6	6	6
00.04 Plant materials centers .....	9	9	9
09.00 Reimbursable program .....	128	149	90
10.00 Total new obligations .....	793	872	863
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	15	11	
22.00 New budget authority (gross) .....	789	861	863
23.90 Total budgetary resources available for obligation .....	804	872	863
23.95 Total new obligations .....	- 793	- 872	- 863
24.40 Unobligated balance carried forward, end of year .....	11		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	661	714	773
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		- 2	
43.00 Appropriation (total discretionary) .....	661	712	773

68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	128	149	90
70.00	Total new budget authority (gross) .....	789	861	863
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	113	138	112
72.99	Obligated balance, start of year .....	113	138	112
73.10	Total new obligations .....	793	872	863
73.20	Total outlays (gross) .....	-768	-898	-860
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	138	112	116
74.99	Obligated balance, end of year .....	138	112	116
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	714	776	770
86.93	Outlays from discretionary balances .....	54	120	89
87.00	Total outlays (gross) .....	768	898	860
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources .....	-112	-132	-73
88.40	Non-Federal sources .....	-16	-17	-17
88.90	Total, offsetting collections (cash) .....	-128	-149	-90
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	661	712	773
90.00	Outlays .....	640	749	770

**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.

Technical assistance targeted towards nutrient management and water quality concerns associated with animal feeding will continue at the 2001 level of \$75 million. These funds will help livestock producers develop comprehensive nutrient management plans.

Additional funding of up to \$44 million shall be available for technical assistance activities in conjunction with the Conservation Reserve Program (CRP).

**MAIN WORKLOAD FACTORS**

	2000 est.	2001 est.	2002 est.
Customers served .....	3,000,000	3,000,000	2,900,000
Onsite technical assistance .....	547,000	550,000	335,000
Acres receiving conservation technical assistance .....	47,000,000	47,000,000	45,000,000

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 on the soil resources of the Nation's private lands. NRCS provides this information as electronic and printed publications for use by the American public and other Federal, State and local agencies in making land-use decisions. NRCS uses the information for program development, resource conservation planning, and installation of planned practices. NRCS provides national leadership for the National Cooperative Soil Survey and digitizing of soil surveys in cooperation with States, and other users of soil survey data. Legislation re-

quires that "a substantial portion of the survey costs for NRCS are to be reimbursed by survey recipients."

**MAIN WORKLOAD FACTORS**

	2000 actual	2001 est.	2002 est.
Acres mapped annually (millions) .....	24.4	24.6	24
Soil surveys ready for publication (number) .....	42	80	120

**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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	399	411	470
11.3 Other than full-time permanent .....	9	9	10
11.5 Other personnel compensation .....	4	4	5
11.9 Total personnel compensation .....	412	424	485
12.1 Civilian personnel benefits .....	104	109	127
21.0 Travel and transportation of persons .....	13	16	17
22.0 Transportation of things .....	3	4	4
23.2 Rental payments to others .....	17	18	19
23.3 Communications, utilities, and miscellaneous charges .....	12	13	13
24.0 Printing and reproduction .....	1	3	3
25.2 Other services .....	73	104	73
26.0 Supplies and materials .....	16	17	18
31.0 Equipment .....	13	15	14
99.0 Subtotal, direct obligations .....	664	723	773
99.0 Reimbursable obligations .....	127	149	90
99.5 Below reporting threshold .....	2		
99.9 Total new obligations .....	793	872	863

**Personnel Summary**

Identification code 12-1000-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	8,252	8,225	9,056
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	1,792	1,799	1,022

**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), **[\$10,868,000]** \$10,960,000: *Provided, That* **[not to exceed \$136,000 shall be available for American Heritage Rivers: *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 \$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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

WATERSHED SURVEYS AND PLANNING—Continued

Program and Financing (in millions of dollars)			
Identification code 12-1066-0-1-301	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	10	11	11
09.01 Reimbursable program .....		1	1
10.00 Total new obligations .....	10	12	12
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	10	12	12
23.95 Total new obligations .....	-10	-12	-12
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	10	11	11
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....		1	1
70.00 Total new budget authority (gross) .....	10	12	12
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	2	2	2
72.99 Obligated balance, start of year .....	2	2	2
73.10 Total new obligations .....	10	12	12
73.20 Total outlays (gross) .....	-10	-12	-12
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	2	2	2
74.99 Obligated balance, end of year .....	2	2	2
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	9	11	10
86.93 Outlays from discretionary balances .....	1	2	1
87.00 Total outlays (gross) .....	10	12	12
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.40 Offsetting collections (cash) from: Non-Federal sources .....		-1	-1
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	10	11	11
90.00 Outlays .....	10	11	11

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 NRCS 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 2002, \$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	2000 actual	2001 est.	2002 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	2	2
99.9 Total new obligations .....	10	12	12

Personnel Summary

Identification code 12-1066-0-1-301	2000 actual	2001 est.	2002 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment .....	111	111	109
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment .....	6	12	12

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] \$100,413,000, to remain available until expended (7 U.S.C. 2209b) (of which up to \$15,000,000 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 [\$44,423,000] \$45,514,000 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 Ohio, New Mexico, Mississippi and Wisconsin for financial and technical assistance for pilot rehabilitation projects of small, upstream dams built under the Watershed and Flood Prevention Act of 1954, Public Law 83-566 (16 U.S.C. 1001 et seq.); Section 13 of the Flood Control Act of 1944, Public Law 78-534 (33 U.S.C. 701 b-1); 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); and Subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451 et seq.): *Provided further*, That the amount of Federal funds that may be made available to an eligible local organization for construction of a particular rehabilitation project shall be equal to 65 percent of the total rehabilitation costs, but not to exceed 100 percent of actual construction costs incurred in the rehabilitation: *Provided further*, That consistent with existing statute, rehabilitation assistance provided may not be used to perform operation and maintenance activities specified in the agreement for the covered water resource projects entered into between the Secretary and the eligible local organization responsible for the works of improvement.

For an additional amount for "Watershed and Flood Prevention Operations", to repair damages to the waterways and watersheds, including the purchase of floodplain easements, resulting from natural disasters, \$110,000,000, to remain available until expended: *Provided*, That of the amount made available in this section, the Secretary may use up to \$2,000,000 to replace, repair and improve snow telemetry equipment impacted by fire, winds, and fire fighting efforts in order to protect watersheds: *Provided further*, That the entire

amount shall be available only to the extent an official budget request for \$110,000,000, 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act]. (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, 2001*, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-1072-0-1-301	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Watershed operations (P.L. 534) .....	8	10	10
00.03 Emergency watershed protection operations .....	95	172	.....
00.04 Small watershed operations (P.L. 566) .....	82	92	90
09.01 Reimbursable program .....	22	25	25
10.00 Total new obligations .....	207	299	125
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	74	65	.....
22.00 New budget authority (gross) .....	198	234	125
23.90 Total budgetary resources available for obligation	272	299	125
23.95 Total new obligations .....	-207	-299	-125
24.40 Unobligated balance carried forward, end of year .....	65	.....	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	100	99	100
40.15 Appropriation (emergency) .....	84	110	.....
40.76 Reduction pursuant to P.L. 106-113 .....	-8	.....	.....
43.00 Appropriation (total discretionary) .....	176	209	100
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	22	25	25
70.00 Total new budget authority (gross) .....	198	234	125
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	233	168	206
72.99 Obligated balance, start of year .....	233	168	206
73.10 Total new obligations .....	207	299	125
73.20 Total outlays (gross) .....	-272	-261	-227
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	168	206	104
74.99 Obligated balance, end of year .....	168	206	104
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	133	146	93
86.93 Outlays from discretionary balances .....	139	117	136
87.00 Total outlays (gross) .....	272	261	227
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-13	-15	-15
88.40 Non-Federal sources .....	-9	-10	-10
88.90 Total, offsetting collections (cash) .....	-22	-25	-25
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	176	209	100
90.00 Outlays .....	250	236	202

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.

*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 published a draft programmatic environmental impact statement (EIS) for public review and comment 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. NRCS will also consider these EIS comments in making any necessary revisions to its regulations.

*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 more environmentally beneficial, with higher investment returns to society. High priority P.L. 534 projects are also eligible to compete 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.

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 2002.

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

**MAIN WORKLOAD FACTORS**

Status of operational projects:	2000 actual	2001 est.	2002 est.
Projects receiving land treatment .....	192	194	195
Structural projects .....	257	253	248
Land treatment and structural .....	68	68	69
Subtotal active projects .....	517	515	512
Projects continuing post-installation assistance .....	918	923	931
Inactive projects .....	17	17	17

WATERSHED AND FLOOD PREVENTION OPERATIONS—Continued

MAIN WORKLOAD FACTORS—Continued

	2000 actual	2001 est.	2002 est.
Completed projects .....	38	42	44
Deauthorized projects .....	158	159	160
Total operational projects .....	1,648	1,656	1,664
New projects approved during year .....	6	8	8

Object Classification (in millions of dollars)

Identification code 12-1072-0-1-301	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	40	44	26
11.3 Other than full-time permanent .....		1	
11.5 Other personnel compensation .....	2	2	1
11.9 Total personnel compensation .....	42	47	27
12.1 Civilian personnel benefits .....	9	10	6
21.0 Travel and transportation of persons .....	2	4	2
23.2 Rental payments to others .....	2	2	1
23.3 Communications, utilities, and miscellaneous charges .....	2	2	2
25.2 Other services .....	56	96	32
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	3	5	1
32.0 Land and structures .....	25	31	
41.0 Grants, subsidies, and contributions .....	42	73	28
99.0 Subtotal, direct obligations .....	184	271	100
99.0 Reimbursable obligations .....	20	25	25
99.5 Below reporting threshold .....	3	3	
99.9 Total new obligations .....	207	299	125

Personnel Summary

Identification code 12-1072-0-1-301	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	807	787	476
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	41	50	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), **[\$42,015,000] \$43,048,000**, 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, 2001, as enacted by section 1(a) of P.L. 106-387.)

Program and Financing (in millions of dollars)

Identification code 12-1010-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.02 Technical assistance .....	35	42	43
09.01 Reimbursable program .....	1	1	1
10.00 Total new obligations .....	36	43	44
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	1	
22.00 New budget authority (gross) .....	36	43	44
23.90 Total budgetary resources available for obligation .....	37	44	44

23.95 Total new obligations .....	-36	-43	-44
24.40 Unobligated balance carried forward, end of year .....	1		

New budget authority (gross), detail:

<b>Discretionary:</b>			
40.00 Appropriation .....	35	42	43
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	1	1
70.00 Total new budget authority (gross) .....	36	43	44

Change in unpaid obligations:

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	9	7	10
72.99 Obligated balance, start of year .....	9	7	10
73.10 Total new obligations .....	36	43	44
73.20 Total outlays (gross) .....	-38	-40	-43
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	7	10	11
74.99 Obligated balance, end of year .....	7	10	11

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....	35	39	40
86.93 Outlays from discretionary balances .....	3	2	3
87.00 Total outlays (gross) .....	38	40	43

Offsets:

<b>Against gross budget authority and outlays:</b>			
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-1	-1	-1

Net budget authority and outlays:

89.00 Budget authority .....	35	42	43
90.00 Outlays .....	37	39	42

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

	2000 actual	2001 est.	2002 est.
Areas authorized at beginning of year .....	315	315	348
Areas authorized at end of year .....	315	348	348
Project plans adopted .....	3,035	3,352	3,352
Projects completed .....	2,612	2,886	2,886

Object Classification (in millions of dollars)

Identification code 12-1010-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....	22	25	27
12.1 Civilian personnel benefits .....	5	6	6
21.0 Travel and transportation of persons .....	1	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 .....	5	7	5
31.0 Equipment .....			1
99.0 Subtotal, direct obligations .....	35	42	43
99.0 Reimbursable obligations .....	1	1	1
99.9 Total new obligations .....	36	43	44



**Personnel Summary**

Identification code 12-1010-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	405	469	469
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	5	5	5

**GREAT PLAINS CONSERVATION PROGRAM**

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

Identification code 12-2268-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 11.1) .....	1		
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	3	3	3
22.10 Resources available from recoveries of prior year obligations .....	1		
23.90 Total budgetary resources available for obligation	4	3	3
23.95 Total new obligations .....	-1		
24.40 Unobligated balance carried forward, end of year .....	3	3	3
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	8	5	3
72.99 Obligated balance, start of year .....	8	5	3
73.10 Total new obligations .....	1		
73.20 Total outlays (gross) .....	-3	-3	-2
73.45 Recoveries of prior year obligations .....	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	5	3	1
74.99 Obligated balance, end of year .....	5	3	1
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	3	3	2
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	3	3	2

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**

Program participants:	2000 actual	2001 est.	2002 est.
Number of contracts serviced during year .....	2,294	1,665	1,015
Number of acres under contracts .....	4,285,200	3,110,220	1,896,000

As of October 1, 2000, there were 1,665 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.

**Personnel Summary**

Identification code 12-2268-0-1-302	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	12		

**【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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-3336-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0) .....	7	9	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	5	3	
22.00 New budget authority (gross) .....	5	6	
23.90 Total budgetary resources available for obligation	10	9	
23.95 Total new obligations .....	-7	-9	
24.40 Unobligated balance carried forward, end of year .....	3		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	6	6	
40.76 Reduction pursuant to P.L. 106-113 .....	-1		
43.00 Appropriation (total discretionary) .....	5	6	
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	18	17	18
72.99 Obligated balance, start of year .....	18	17	18
73.10 Total new obligations .....	7	9	
73.20 Total outlays (gross) .....	-8	-8	-3
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	17	18	15
74.99 Obligated balance, end of year .....	17	18	15
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	3	3	
86.93 Outlays from discretionary balances .....	5	5	3
87.00 Total outlays (gross) .....	8	8	3
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	5	6	
90.00 Outlays .....	8	8	3

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.

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.

WATER BANK PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3320-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)	1		
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1		
23.95 Total new obligations	-1		
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	16	11	5
72.99 Obligated balance, start of year	16	11	5
73.10 Total new obligations	1		
73.20 Total outlays (gross)	-6	-6	-5
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	11	5	
74.99 Obligated balance, end of year	11	5	
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances	6	6	5
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			
90.00 Outlays	6	6	5

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. 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 2001. For 2002, 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.

Personnel Summary

Identification code 12-3320-0-1-302	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment	1		

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-3318-0-1-304	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1	1	1
22.10 Resources available from recoveries of prior year obligations	-1		
23.90 Total budgetary resources available for obligation		1	1
24.40 Unobligated balance carried forward, end of year	1	1	1

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	3	1	
72.99 Obligated balance, start of year	3	1	
73.20 Total outlays (gross)	-1	-1	
73.45 Recoveries of prior year obligations	1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	1		
74.99 Obligated balance, end of year	1		

Outlays (gross), detail:

86.93 Outlays from discretionary balances	1	1	
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Net budget authority and outlays:

89.00 Budget authority			
90.00 Outlays	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 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.

Personnel Summary

Identification code 12-3318-0-1-304	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment	3		

WETLANDS RESERVE PROGRAM

Program and Financing (in millions of dollars)

Identification code 12-1080-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.03 Technical assistance	3		
10.00 Total new obligations	3		
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	3		
23.95 Total new obligations	-3		
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	14	10	2
72.99 Obligated balance, start of year	14	10	2
73.10 Total new obligations	3		
73.20 Total outlays (gross)	-7	-8	-2
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	10	2	
74.99 Obligated balance, end of year	10	2	
<b>Outlays (gross), detail:</b>			
86.98 Outlays from mandatory balances	7	8	2
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			

90.00 Outlays .....	7	8	2
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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) and the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 2001 (P.L. 106-387). 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. For additional information on WRP, see the Commodity Credit Corporation section.

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

Identification code 12-1080-0-1-302	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	2		
12.1 Civilian personnel benefits .....	1		
99.9 Total new obligations .....	3		

**Personnel Summary**

Identification code 12-1080-0-1-302	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	35	6	

**WILDLIFE HABITAT INCENTIVES PROGRAM**

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

Identification code 12-3322-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	1	14	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2	1	
22.22 Unobligated balance transferred from other accounts .....		13	
23.90 Total budgetary resources available for obligation .....	2	14	
23.95 Total new obligations .....	-1	-14	
24.40 Unobligated balance carried forward, end of year .....	1		
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	33	26	29
72.99 Obligated balance, start of year .....	33	26	29
73.10 Total new obligations .....	1	14	
73.20 Total outlays (gross) .....	-8	-11	-7
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	26	29	22
74.99 Obligated balance, end of year .....	26	29	22
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....		4	
86.98 Outlays from mandatory balances .....	8	7	7
87.00 Total outlays (gross) .....	8	11	7
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	8	11	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 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriation Act, 2001 (P.L. 106-387) provided the Secretary of Agriculture discretionary authority to use funding provided under the Agriculture Risk Protection Act of 2000 for WHIP; the Secretary designated \$12 million for the program in 2001.

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1 Personnel compensation: Full-time permanent .....		2	
12.1 Civilian personnel benefits .....		1	
41.0 Grants, subsidies, and contributions .....	1	10	
99.0 Subtotal, direct obligations .....	1	13	
99.5 Below reporting threshold .....		1	
99.9 Total new obligations .....	1	14	

**Personnel Summary**

Identification code 12-3322-0-1-302	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....		36	

**RURAL CLEAN WATER PROGRAM**

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

Identification code 12-3337-0-1-304	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	5	5	5
24.40 Unobligated balance carried forward, end of year .....	5	5	5
<b>Net budget authority and outlays:</b>			
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 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 payments have been made and the program will be closed out in 2001. 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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Interest assistance on guaranteed loans .....		1	
10.00 Total new obligations .....	1	1	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2	2	1
22.00 New financing authority (gross) .....	1		
23.90 Total budgetary resources available for obligation .....	3	2	1
23.95 Total new obligations .....	-1	-1	
24.40 Unobligated balance carried forward, end of year .....	2	1	
<b>New financing authority (gross), detail:</b>			
Discretionary:			
47.05 Authority to borrow (indefinite) .....	1		
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....	1	1	
73.20 Total financing disbursements (gross) .....	-1	-1	
87.00 Total financing disbursements (gross) .....	1	1	
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	1		
90.00 Financing disbursements .....	1	1	1

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

Identification code 12-4177-0-3-351	2000 actual	2001 est.	2002 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	

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	3	3	3	
1999 Total assets .....	3	3	3	

**Trust Funds**

MISCELLANEOUS CONTRIBUTED FUNDS

**Unavailable Collections** (in millions of dollars)

Identification code 12-8210-0-7-302	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....	3	4	5
Receipts:			
02.20 Miscellaneous contributed funds .....	1	1	1
04.00 Total: Balances and collections .....	4	5	6
07.99 Balance, end of year .....	4	5	6

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

Identification code 12-8210-0-7-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 25.2) .....	1	1	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	1	
22.00 New budget authority (gross) .....	1		
23.90 Total budgetary resources available for obligation .....	2	1	
23.95 Total new obligations .....	-1	-1	
24.40 Unobligated balance carried forward, end of year .....	1		
<b>New budget authority (gross), detail:</b>			
Mandatory:			
67.10 Authority to borrow .....	1		

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	21	15	9
72.99 Obligated balance, start of year .....	21	15	9
73.10 Total new obligations .....	1	1	
73.20 Total outlays (gross) .....	-7	-7	-7
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	15	9	2
74.99 Obligated balance, end of year .....	15	9	2

**Outlays (gross), detail:**

86.97 Outlays from new mandatory authority .....	1		
86.98 Outlays from mandatory balances .....	6	7	7
87.00 Total outlays (gross) .....	7	7	7

**Net budget authority and outlays:**

89.00 Budget authority .....	1		
90.00 Outlays .....	7	7	7

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	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	2	1	1

**RURAL DEVELOPMENT**

**Federal Funds**

**General and special funds:**

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses [of administering Rural Development programs as 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 carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; **[\$130,371,000] \$133,722,000:** *Provided*, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$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 from prior years 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0403-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	116	130	134
09.01 Reimbursable program .....	480	470	482
10.00 Total new obligations .....	596	600	616
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	607	600	616
23.95 Total new obligations .....	-596	-600	-616
23.98 Unobligated balance expiring or withdrawn .....	-11		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	127	130	134
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	480	470	482
70.00 Total new budget authority (gross) .....	607	600	616
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	122	99	100
72.99 Obligated balance, start of year .....	122	99	100
73.10 Total new obligations .....	596	600	616
73.20 Total outlays (gross) .....	-590	-600	-593
73.40 Adjustments in expired accounts (net) .....	-29		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	99	100	123
74.99 Obligated balance, end of year .....	99	100	123
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	510	504	518
86.93 Outlays from discretionary balances .....	80	96	75
87.00 Total outlays (gross) .....	590	600	593
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-480	-470	-482
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	127	130	134
90.00 Outlays .....	110	130	111

In 2001, a new consolidated Salaries and Expenses account was 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). The result is 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 were deleted and any obligated and unobligated balances available from prior years were transferred to and merged with the Rural Development account.

The program functions of the Rural Development agencies were not affected by this administrative change. The three agencies, which were all formed as a result of the Secretary's 1995 reorganization plan, 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 (DL0S) was implemented to centralize and streamline the servicing activities 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	61	69	72
11.3 Other than full-time permanent .....	4	5	5
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	66	75	78
12.1 Civilian personnel benefits .....	14	21	22
21.0 Travel and transportation of persons .....	3	3	4
23.2 Rental payments to others .....	5	4	4
23.3 Communications, utilities, and miscellaneous charges .....	6	5	5
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	9	11	11
25.3 Purchases of goods and services from Government accounts .....	8	6	5
25.7 Operation and maintenance of equipment .....	1	2	2
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	2	1	1
99.0 Subtotal, direct obligations .....	116	130	134
99.0 Reimbursable obligations .....	480	470	482
99.9 Total new obligations .....	596	600	616

**Personnel Summary**

Identification code 12-0403-0-1-452	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	1,544	1,575	1,575
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	5,294	5,445	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

**General and special funds—Continued**

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

sections 381E–H, 381N, and 381O of the Consolidated Farm and Rural Development Act, [\$762,542,000] \$692,125,000, to remain available until expended, of which [\$53,225,000] \$32,503,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which [\$644,360,000] \$588,654,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act; and of which [\$64,957,000] \$70,968,000 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, including grants for drinking water and waste disposal systems pursuant to section 306C of such Act, of which \$4,000,000 shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of the Consolidated Farm and Rural Development Act, and of which \$250,000 shall be available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *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 [serving], low-income rural communities, [including] and Federally Recognized [Indian] Native American tribes 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[, nonprofit] and public intermediary organizations [(including tribal)] proposing to carry out a program of financial and technical assistance [to other public entities with a record of achievement in providing technical and financial assistance to housing and community development organizations in rural areas]: *Provided further*, That such intermediary organizations shall provide matching funds from other sources, including [federal] Federal funds for related activities, 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] *That notwithstanding 31 U.S.C. 1345, these funds may be used for reasonable travel, transportation, and subsistence expenses for meetings for program beneficiaries: 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;] and \$2,000,000 shall be for grants to Mississippi Delta Region counties: *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 \$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] to administer the program and [up to] one percent [available] to improve interagency coordination *may be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses"*; not to exceed \$16,215,000 shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act; and not to exceed \$9,500,000 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 [\$42,574,650] \$37,624,000 shall be available through June 30, [2001] 2002, 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] \$1,163,000 shall be for the rural community programs described in section 381E(d)(1) of such Act, of which \$27,431,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which [\$8,435,000] \$9,030,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: *Provided further*, *That any prior year balances for high cost energy grants authorized by section 19 of the Rural*

*Electrification Act of 1936 (7 U.S.C. 901(19)) shall be transferred to and merged with the "Rural Utilities Service, High Energy Costs Grants" account.*

[For an additional amount for the Rural Community Advancement Program, \$200,000,000, to remain available until expended: *Provided*, That of the additional amount appropriated, \$50,000,000 shall be to provide grants for facilities in rural communities with extreme unemployment and severe economic depression: *Provided further*, That of the additional amount appropriated, \$30,000,000 shall be to provide grants in rural communities with extremely high energy costs: *Provided further*, That of the additional amount appropriated, \$50,000,000 shall be for rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009d), of which \$25,000,000 shall be to provide assistance to areas in the State of North Carolina subject to a declaration of a major disaster as a result of Hurricane Floyd, Hurricane Dennis, or Hurricane Irene: *Provided further*, That of the additional amount appropriated, \$70,000,000 shall be for the cost of direct loans and grants of the rural utilities programs described in section 381E(d)(2) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009d) for distribution through the national reserve, of which \$30,000,000 may be used in counties which have received an emergency designation by the President or the Secretary after January 1, 2001, for applications responding to water shortages resulting from the designated emergency: *Provided further*, That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for \$200,000,000, 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.] (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**General Fund Credit Receipt Accounts (in millions of dollars)**

Identification code 12-0400-0-1-452	2000 actual	2001 est.	2002 est.
0102 Rural business and industry, negative subsidies and downward reestimates .....		104	
0104 Rural community advancement program, downward reestimates of subsidies .....		11	
0105 Rural water and waste disposal, downward reestimates of subsidies .....	3		
0106 Rural community facility, downward reestimates of subsidies .....		26	

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

Identification code 12-0400-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Loan program:			
00.01 Direct loan subsidy .....	92	172	69
00.02 Guaranteed loan subsidy .....	31	26	27
00.03 Subsidy for modifications of direct loans .....	2		
00.05 Reestimate of direct loan subsidy .....		18	
00.06 Interest on reestimate of direct loan subsidy .....		3	
00.07 Reestimate of guaranteed loan subsidy .....		80	
00.08 Interest on reestimate of guaranteed loan subsidy .....		11	
Grant program:			
00.11 Water and waste disposal systems grants .....	556	556	529
00.12 Water and waste emergency supplemental .....		17	
00.13 Emergency community water assistance grants .....		20	
00.14 Solid waste management grants .....	3	4	4
00.15 Community facility grants .....	16	34	13
00.16 Community facility emergency supplemental grants .....		15	
00.17 Hazardous weather early warning grants .....		5	
00.18 Economic impact initiative grants .....		50	
00.19 High energy cost grants .....		30	
00.20 Rural business enterprise grants .....	43	47	41
00.21 Rural opportunity grants .....		4	3
00.22 Rural partnership technical assistance grants .....		5	
00.23 Rural community development grants .....			6
10.00 Total new obligations (object class 41.0) .....	743	1,097	692

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year	7	11	3
22.00 New budget authority (gross) .....	734	1,089	692

22.10	Resources available from recoveries of prior year obligations .....	13		
22.22	Unobligated balance transferred from other accounts .....	2		
23.90	Total budgetary resources available for obligation .....	756	1,100	695
23.95	Total new obligations .....	-743	-1,097	-692
24.40	Unobligated balance carried forward, end of year .....	11	3	3
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	724	972	692
40.76	Reduction pursuant to P.L. 106-113 .....	-25		
40.77	Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-2	
42.00	Transferred from other accounts .....	1		
43.00	Appropriation (total discretionary) .....	700	970	692
Mandatory:				
60.05	Appropriation (indefinite) reestimates .....	2	112	
Discretionary:				
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	32	7	
70.00	Total new budget authority (gross) .....	734	1,089	692
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	1,820	1,921	2,135
72.99	Obligated balance, start of year .....	1,820	1,921	2,135
73.10	Total new obligations .....	743	1,097	692
73.20	Total outlays (gross) .....	-627	-883	-742
73.31	Obligated balance transferred to other accounts .....			-24
73.40	Adjustments in expired accounts (net) .....	-2		
73.45	Recoveries of prior year obligations .....	-13		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	1,921	2,135	2,061
74.99	Obligated balance, end of year .....	1,921	2,135	2,061
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	72	104	51
86.93	Outlays from discretionary balances .....	556	667	692
86.97	Outlays from new mandatory authority .....		112	
87.00	Total outlays (gross) .....	627	883	742
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources .....	-32	-7	
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	702	1,082	692
90.00	Outlays .....	596	876	742

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

Identification code 12-0400-0-1-452	2000 actual	2001 est.	2002 est.	
Direct loan levels supportable by subsidy budget authority:				
1150	Direct water and waste disposal loan levels .....	739	879	809
1150	Direct community facility loan levels .....	161	419	249
1150	Direct business and industry loan levels .....	50	50	
1159	Total direct loan levels .....	950	1,348	1,058
Direct loan subsidy (in percent):				
1320	Direct water and waste disposal loans subsidy rate .....	10.42	13.59	6.88
1320	Direct community facility loans subsidy rate .....	6.06	11.69	5.43
1320	Direct business and industry loans subsidy rate .....	-14.16	5.82	0.00
1329	Weighted average subsidy rate .....	8.42	12.76	6.62
Direct loan subsidy budget authority:				
1330	Direct water and waste disposal loans subsidy budget authority .....	77	120	56
1330	Direct community facility loans subsidy budget authority .....	10	49	14
1330	Direct business and industry subsidy budget authority .....	-7	3	
1330	Subsidy reestimate budget authority .....		-95	
1339	Total subsidy budget authority .....	80	77	70
Direct loan subsidy outlays:				
1340	Direct water and waste disposal loans subsidy outlays .....	86	86	94
1340	Direct community facility loans subsidy outlays .....	17	21	25
1340	Direct business and industry loans subsidy .....		1	2
1340	Subsidy reestimate outlays .....		-95	

1349	Total subsidy outlays .....	103	13	121
Guaranteed loan levels supportable by subsidy budget authority:				
2150	Water and waste disposal loan guarantee levels .....	75	75	75
2150	Community facility loan guarantee levels .....	210	210	210
2150	Business and industry loan guarantee levels .....	892	2,700	1,000
2159	Total loan guarantee levels .....	1,177	2,985	1,285
Guaranteed loan subsidy (in percent):				
2320	Guaranteed water and waste disposal loan subsidy rate .....	-0.83	-1.50	-0.80
2320	Guaranteed community facility loan subsidy rate .....	-0.54	-0.54	-0.68
2320	Guaranteed business and industry loan subsidy rate .....	3.11	0.86	2.74
2329	Weighted average subsidy rate .....	2.21	0.77	1.95
Guaranteed loan subsidy budget authority:				
2330	Guaranteed water and waste loans subsidy budget authority .....	-1	-1	-1
2330	Guaranteed community facility loans subsidy budget authority .....	-1	-1	-1
2330	Guaranteed business and industry loans subsidy budget authority .....	28	23	27
2330	Reestimate .....		65	
2339	Total subsidy budget authority .....	26	86	25
Guaranteed loan subsidy outlays:				
2340	Guaranteed business and industry loan subsidy .....	28	7	18
2340	Subsidy outlays—reestimates .....		65	
2349	Total subsidy outlays .....	28	72	18

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 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. 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 exten-

**General and special funds—Continued**

RURAL COMMUNITY ADVANCEMENT PROGRAM—Continued

(INCLUDING TRANSFERS OF FUNDS)—Continued

sion 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 20,000 population, such as hospitals and fire stations.

*Business and industry guaranteed and direct loans* are authorized under section 310B(a)(1) of the Consolidated Farm and Rural Development, 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. For 2002, no funds are requested for direct loans, and the fee on guaranteed loans will be raised to 3.25 percent (2.25 percent for targeted areas), which is reflected in the 2.74 subsidy rate.

*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.

**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	2000 actual	2001 est.	2002 est.
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	6		
72.99 Obligated balance, start of year .....	6		
73.40 Adjustments in expired accounts (net) .....	-6		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....			

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 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), 1490e, and 1490m, **[\$44,000,000] \$38,914,000**, to remain available until expended: *Provided*, [That of the total amount appropriated, \$5,000,000 shall be for a housing demonstration program for agriculture, aquaculture, and seafood processor workers: *Provided further*,] That of the total amount appropriated, \$1,200,000 shall be available through June 30, [2001] 2002, 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-1953-0-1-604	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Domestic farm labor grants .....	16		
00.02 Domestic farm labor natural disaster grants .....	3		
00.03 Very low-income housing repair grants .....	26	30	30
00.04 Very low-income housing repair natural disaster grants .....	4	7	
00.05 Supervisory and technical assistance grants .....	1	2	1
00.06 Processing workers .....		5	
00.07 Rural housing preservation grants .....	6	8	8
00.08 Compensation and construction defects .....	1	1	
10.00 Total new obligations (object class 41.0) .....	57	53	39
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	3	10	
22.00 New budget authority (gross) .....	62	44	39
22.10 Resources available from recoveries of prior year obligations .....	2		
23.90 Total budgetary resources available for obligation .....	67	54	39
23.95 Total new obligations .....	-57	-53	-39
24.40 Unobligated balance carried forward, end of year .....	10		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	60	44	39
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	2		
70.00 Total new budget authority (gross) .....	62	44	39
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	41	53	50
72.99 Obligated balance, start of year .....	41	53	50
73.10 Total new obligations .....	57	53	39
73.20 Total outlays (gross) .....	-43	-56	-53
73.45 Recoveries of prior year obligations .....	-2		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	53	50	36
74.99 Obligated balance, end of year .....	53	50	36
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	28	32	27
86.93 Outlays from discretionary balances .....	17	22	24
87.00 Total outlays (gross) .....	43	56	53
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-2		



Net budget authority and outlays:				
89.00	Budget authority .....	60	44	39
90.00	Outlays .....	41	56	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 funded under this heading until 2001. Starting in 2001, they are funded under 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, **[\$30,000,000] \$28,431,000**, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

Program and Financing (in millions of dollars)

Identification code 12-1954-0-1-604	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01	Direct loan subsidy .....	16	13
00.02	Farm labor housing grants .....	15	15
10.00	Total new obligations (object class 41.0) .....	31	28
<b>Budgetary resources available for obligation:</b>			
22.00	New budget authority (gross) .....	31	28
23.95	Total new obligations .....	-31	-28

New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation .....	30	28
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	1	
70.00	Total new budget authority (gross) .....	31	28

Change in unpaid obligations:			
Unpaid obligations, start of year:			
72.40	Unpaid obligations, start of year .....		24
72.99	Obligated balance, start of year .....		24
73.10	Total new obligations .....	31	28
73.20	Total outlays (gross) .....	-6	-17
Unpaid obligations, end of year:			
74.40	Unpaid obligations, end of year .....	24	35
74.99	Obligated balance, end of year .....	24	35

Outlays (gross), detail:			
86.90	Outlays from new discretionary authority .....	6	6
86.93	Outlays from discretionary balances .....		11
87.00	Total outlays (gross) .....	6	17

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 .....	30	28
90.00	Outlays .....	5	17

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

Identification code 12-1954-0-1-604	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150	Direct loan levels .....	30	28
1159	Total direct loan levels .....	30	28
Direct loan subsidy (in percent):			
1320	Subsidy rate .....	52.59	47.31
1329	Weighted average subsidy rate .....	52.59	47.31
Direct loan subsidy budget authority:			
1330	Subsidy budget authority .....	15	13
1339	Total subsidy budget authority .....	15	13
Direct loan subsidy outlays:			
1340	Subsidy outlays .....	3	8
1349	Total subsidy outlays .....	3	8

The account consists of direct farm labor housing loans and domestic farm labor housing 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.

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, **[\$680,000,000] \$693,504,000**; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate

**General and special funds—Continued**

**RENTAL ASSISTANCE PROGRAM—Continued**

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 **[2001] 2002** 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-0137-0-1-604	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)	640	692	694
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year		14	
22.00 New budget authority (gross)	654	679	694
23.90 Total budgetary resources available for obligation	654	692	694
23.95 Total new obligations	-640	-692	-694
24.40 Unobligated balance carried forward, end of year	14		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation	654	680	694
40.05 Appropriation (indefinite)	61	60	61
40.47 Portion substituted for borrowing authority (in lieu of 4053)	-61	-60	-61
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent)		-1	
43.00 Appropriation (total discretionary)	654	679	694
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	1,837	1,961	2,079
72.40 Unpaid obligations, authority to borrow, start of year	745	684	624
72.99 Obligated balance, start of year	2,582	2,645	2,703
73.10 Total new obligations	640	692	694
73.20 Total outlays (gross)	-575	-634	-675
73.40 Adjustments in expired accounts (net)	-1		
Unpaid obligations, end of year:			
Unpaid obligations, end of year:			
74.40 Unpaid obligations, appropriation, end of year	1,961	2,079	2,159
74.40 Unpaid obligations, authority to borrow, end of year	684	624	562
74.99 Obligated balance, end of year	2,645	2,703	2,722
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority	20	24	24
86.93 Outlays from discretionary balances	555	610	651
87.00 Total outlays (gross)	575	634	675
<b>Net budget authority and outlays:</b>			
89.00 Budget authority	654	679	694
90.00 Outlays	575	634	675

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	2000 actual	2001 est.	2002 est.
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	2	2	1
72.99 Obligated balance, start of year	2	2	1
73.20 Total outlays (gross)	-1	-1	-1
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	2	1	1
74.99 Obligated balance, end of year	2	1	1
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances	1	1	1
<b>Net budget authority and outlays:</b>			
89.00 Budget authority			
90.00 Outlays	1	1	1

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), **[\$34,000,000] \$33,925,000**, to remain available until expended (7 U.S.C. 2209b): *Provided*, That of the total amount appropriated, \$1,000,000 shall be available through June 30, **[2001] 2002**, 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-2006-0-1-604	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)	30	34	34
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	1		
22.00 New budget authority (gross)	28	34	34
22.10 Resources available from recoveries of prior year obligations	2		
23.90 Total budgetary resources available for obligation	31	34	34
23.95 Total new obligations	-30	-34	-34
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation	28	34	34

<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	39	46	51
72.99	Obligated balance, start of year .....	39	46	51
73.10	Total new obligations .....	30	34	34
73.20	Total outlays (gross) .....	-21	-29	-34
73.45	Recoveries of prior year obligations .....	-2		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	46	51	51
74.99	Obligated balance, end of year .....	46	51	51
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	3	4	4
86.93	Outlays from discretionary balances .....	18	25	30
87.00	Total outlays (gross) .....	21	29	34
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	28	34	34
90.00	Outlays .....	21	29	34

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	2000 actual	2001 est.	2002 est.
<b>New budget authority (gross), detail:</b>			
Discretionary:			
68.10	Spending authority from offsetting collections:		
	Change in uncollected customer payments from Federal sources .....	1	
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.95	Uncollected customer payments from Federal sources, start of year .....		-1
72.99	Obligated balance, start of year .....		-1
Unpaid obligations, end of year:			
74.95	Uncollected customer payments from Federal sources, end of year .....	-1	-1
74.99	Obligated balance, end of year .....	-1	-1
<b>Offsets:</b>			
Against gross budget authority only:			
88.95	Change in uncollected customer payments from Federal sources .....	-1	
<b>Net budget authority and outlays:</b>			
89.00	Budget authority .....		
90.00	Outlays .....	1	

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

<b>Program and Financing (in millions of dollars)</b>				
Identification code 12-4225-0-3-452	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
Operating program:				
00.01	Direct loans .....	201	422	249
00.02	Interest on Treasury borrowing .....	56	24	28
00.91	Subtotal, Operating program .....	257	446	277
Reestimates:				
08.02	Downward reestimate paid to receipt account .....		8	
08.04	Interest on downward reestimate paid to receipt account .....		3	
08.91	Subtotal, Reestimates .....		11	
10.00	Total new obligations .....	257	457	277
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	11	22	
22.00	New financing authority (gross) .....	264	433	277
22.10	Resources available from recoveries of prior year obligations .....			
		23		
22.70	Balance of authority to borrow withdrawn .....	-19		
23.90	Total budgetary resources available for obligation .....	279	455	277
23.95	Total new obligations .....	-257	-457	-277
24.40	Unobligated balance carried forward, end of year .....	22		
<b>New financing authority (gross), detail:</b>				
Mandatory:				
67.15	Authority to borrow (indefinite) .....	187	288	139
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash) .....	102	118	151
68.10	Change in uncollected customer payments from Federal sources .....	-6	27	-13
68.47	Portion applied to repay debt .....	-19		
68.90	Spending authority from offsetting collections (total discretionary) .....	77	145	138
70.00	Total new financing authority (gross) .....	264	433	277
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	346	370	583
72.95	Uncollected customer payments from program account, start of year .....	-39	-33	-60
72.99	Obligated balance, start of year .....	307	337	523
73.10	Total new obligations .....	257	457	277
73.20	Total financing disbursements (gross) .....	-210	-244	-295
73.45	Recoveries of prior year obligations .....	-23		
74.00	Change in uncollected customer payments from Federal sources .....	6	-27	13
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	370	583	565
74.95	Uncollected customer payments from program account, end of year .....	-33	-60	-47
74.99	Obligated balance, end of year .....	337	523	518
87.00	Total financing disbursements (gross) .....	210	244	295
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources .....	-23	-26	-25
88.25	Interest on uninvested funds .....	-10	-13	-28
Non-Federal sources:				
88.40	Repayment of principal .....	-37	-25	-32
88.40	Interest received on loans .....	-32	-54	-66
88.90	Total, offsetting collections (cash) .....	-102	-118	-151
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	6	-27	13
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	168	288	139
90.00	Financing disbursements .....	108	126	144

**Credit accounts—Continued**

**RURAL COMMUNITY FACILITY DIRECT LOANS FINANCING ACCOUNT—Continued**

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

Identification code 12-4225-0-3-452	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	161	419	249
1112 Unobligated direct loan limitation	-1		
1113 Unobligated limitation carried forward	39	3	
1150 Total direct loan obligations	199	422	249
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	747	864	1,048
1231 Disbursements: Direct loan disbursements	154	209	264
1251 Repayments: Repayments and prepayments	-37	-25	-32
1290 Outstanding, end of year	864	1,048	1,280

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury	31	25	116	116
Investments in US securities:				
1106 Receivables, net	40	33	39	46
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	747	864	1,048	1,280
1402 Interest receivable	9	11	9	9
1405 Allowance for subsidy cost (-)	-82	-93	-211	-211
1499 Net present value of assets related to direct loans	674	782	846	1,078
1999 Total assets	745	840	1,001	1,240
<b>LIABILITIES:</b>				
2101 Federal liabilities: Accounts payable	704	805	999	1,236
2203 Non-Federal liabilities: Liability for deposit funds	1	2	1	1
2999 Total liabilities	705	807	1,000	1,237
<b>NET POSITION:</b>				
3100 Appropriated capital	40	33	1	4
3999 Total net position	40	33	1	4
4999 Total liabilities and net position	745	840	1,001	1,241

**RURAL COMMUNITY FACILITY GUARANTEED LOANS FINANCING ACCOUNT**

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

Identification code 12-4228-0-3-452	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	3	3	3
22.00 New financing authority (gross)	1	2	2
23.90 Total budgetary resources available for obligation	4	5	5
23.95 Total new obligations			
24.40 Unobligated balance carried forward, end of year	3	3	4

**New financing authority (gross), detail:**

Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	1	2	2

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year		1	2
72.99 Obligated balance, start of year		1	2
73.10 Total new obligations			
73.20 Total financing disbursements (gross)		-1	-1
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	1	2	2
74.99 Obligated balance, end of year	1	2	2
87.00 Total financing disbursements (gross)		1	1

**Offsets:**

Against gross financing authority and financing disbursements:			
88.40 Offsetting collections (cash) from: Non-Federal sources	-1	-2	-2

**Net financing authority and financing disbursements:**

89.00 Financing authority			
90.00 Financing disbursements		-1	-1

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

Identification code 12-4228-0-3-452	2000 actual	2001 est.	2002 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	-123		
2150 Total guaranteed loan commitments	87	210	210
2199 Guaranteed amount of guaranteed loan commitments	70	168	168
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	194	225	347
2231 Disbursements of new guaranteed loans	63	135	155
2251 Repayments and prepayments	-32	-13	-18
2290 Outstanding, end of year	225	347	484
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	185	285	397

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury	4	4	4	4
1999 Total assets	4	4	4	4
<b>LIABILITIES:</b>				
2101 Federal liabilities: Accounts payable	1	1	1	1
2204 Non-Federal liabilities: Liabilities for loan guarantees	4	3	3	3
2999 Total liabilities	4	4	4	4
4999 Total liabilities and net position	4	4	4	4

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: **[\$4,800,000,000] \$4,202,618,000** for loans to section 502 borrowers, as determined by the Secretary, of which **[\$3,700,000,000] \$3,137,968,000** shall be for unsubsidized guaranteed loans; **[\$32,396,000] \$32,324,000** for section 504 housing repair loans; **[\$100,000,000] \$99,770,000** for section 538 guaranteed multi-family housing loans; **[\$114,321,000] \$114,068,000** for section 515 rental housing loans; **[\$5,152,000] \$5,090,000** for section 524 site loans; **[\$11,780,000] \$11,778,000** for credit sales of acquired property, of which up to **[\$1,780,000] \$1,778,000** may be for multi-family credit sales; and **\$5,000,000** for section 523 self-help housing land development loans; *Provided*, That of the total amount made available for loans to section 502 borrowers, up to **\$5,400,000** shall be available until expended for use under a demonstration program to be carried out by the Secretary of Agriculture in North Carolina to determine the timeliness, quality, suitability, efficiency, and cost of utilizing modular housing to house low-income and very low-income elderly families who: (1) have lost their housing because of a major disaster (as so declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act); and (2)(A) do not have homeowner's insurance; or (B) can not repay a direct loan that is provided under section 502 of the Housing Act of 1949 with the maximum subsidy allowed for such loans: *Provided further*, That of the amounts made available for such demonstration program, **\$5,000,000** shall be for grants and **\$400,000** shall be for the cost (as defined in section 502 of the Congressional Budget Act of 1974) of loans, for such families to acquire modular housing].

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, **[\$184,160,000] \$180,274,000** of which **[\$7,400,000] \$40,166,000** shall be for unsubsidized guaranteed loans; section 504 housing repair loans, **[\$11,481,000] \$10,386,000**; section 538 multi-family housing guaranteed loans, **[\$1,520,000] \$3,921,000**; section 515 rental housing, **[\$56,326,000] \$48,274,000**; section 524 site loans, **\$28,000**; multi-family credit sales of acquired property, **[\$874,000] \$750,000**; and section 523 self-help housing land development loans, **[\$279,000] \$254,000**: *Provided*, That of the total amount appropriated in this paragraph, **[\$13,832,000] \$11,656,000** shall be available through June 30, **[2001] 2002**, 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, **[\$409,233,000] \$419,741,000**, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-2081-0-1-371	2000 actual	2001 est.	2002 est.
0101 Rural housing insurance, downward reestimates of subsidies .....		14	

Program and Financing (in millions of dollars)

Identification code 12-2081-0-1-371	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Loan program:			
00.01 Direct loan subsidy .....	165	264	200
00.02 Guaranteed loan subsidy .....	13	9	44
00.05 Reestimates of direct loan subsidy .....		84	
00.06 Interest on reestimates of direct loan subsidy .....		20	
00.07 Reestimates of guaranteed loan subsidy .....		157	
00.08 Interest on reestimates of guaranteed loan subsidy .....		27	
00.09 Administrative expenses .....	376	408	420
00.11 Modular housing demonstration grants .....		5	
10.00 Total new obligations .....	554	974	664

Budgetary resources available for obligation:

21.40 Unobligated balance carried forward, start of year	1	24	
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22.00 New budget authority (gross) .....	585	950	664
22.10 Resources available from recoveries of prior year obligations .....	2		
23.90 Total budgetary resources available for obligation	588	974	664
23.95 Total new obligations .....	-554	-974	-664
23.98 Unobligated balance expiring or withdrawn .....	-8		
24.40 Unobligated balance carried forward, end of year .....	24		

New budget authority (gross), detail:

Discretionary:			
40.00 Appropriation .....	585	663	664
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-1	
43.00 Appropriation (total discretionary) .....	585	662	664
Mandatory:			
60.05 Appropriation (indefinite) .....		288	
70.00 Total new budget authority (gross) .....	585	950	664

Change in unpaid obligations:

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	187	171	199
72.99 Obligated balance, start of year .....	187	171	199
73.10 Total new obligations .....	554	974	664
73.20 Total outlays (gross) .....	-560	-946	-675
73.40 Adjustments in expired accounts (net) .....	-10		
73.45 Recoveries of prior year obligations .....	-2		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	171	199	188
74.99 Obligated balance, end of year .....	171	199	188

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....	477	555	562
86.93 Outlays from discretionary balances .....	82	103	113
86.97 Outlays from new mandatory authority .....		288	
87.00 Total outlays (gross) .....	560	946	675

Net budget authority and outlays:

89.00 Budget authority .....	585	950	664
90.00 Outlays .....	560	946	675

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

Identification code 12-2081-0-1-371	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct 502 single family housing .....	1,100	1,065	1,065
1150 Direct 502 supplemental .....	50		
1150 Direct 502 modular housing .....		2	
1150 Direct 515 multi-family housing .....	114	114	114
1150 Direct 515 natural disaster .....	40		
1150 Direct 504 housing repair .....	32	32	32
1150 Direct 504 supplemental .....	15		
1150 Direct 514 farm labor housing .....	25		
1150 Direct 514 supplemental .....	5		
1150 Direct 524 site development .....	5	5	5
1150 Single family credit sales .....	7	10	10
1150 Multi-family credit sales .....	1	2	2
1150 Direct 523 self-help housing .....	5	5	5
1159 Total direct loan levels .....	1,399	1,235	1,233
Direct loan subsidy (in percent):			
1320 Direct 502 single family housing .....	8.53	16.06	13.16
1320 Direct 502 supplemental .....	8.53	0.00	0.00
1320 Direct 502 modular housing .....	0.00	20.07	0.00
1320 Direct 515 multi-family housing .....	39.68	49.27	42.32
1320 Direct 515 natural disaster .....	39.68	0.00	0.00
1320 Direct 504 housing repair .....	30.56	35.44	32.13
1320 Direct 504 supplemental .....	30.56	0.00	0.00
1320 Direct 514 farm labor housing .....	45.23	0.00	0.00
1320 Direct 514 supplemental .....	45.23	0.00	0.00
1320 Direct 524 site development .....	0.08	-0.12	0.55
1320 Single family credit sales .....	6.08	-3.23	-4.82
1320 Multi-family credit sales .....	39.54	49.03	42.17
1320 Direct 523 self-help housing .....	5.61	5.57	5.08
1329 Weighted average subsidy rate .....	13.44	19.35	16.23
Direct loan subsidy budget authority:			
1330 Direct 502 single family housing .....	94	171	140
1330 Direct 502 supplemental .....	4		

**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)—Continued

Identification code 12-2081-0-1-371	2000 actual	2001 est.	2002 est.
1330 Direct 515 multi-family housing .....	46	56	49
1330 Direct 515 natural disaster .....	16		
1330 Direct 504 housing repair .....	10	11	10
1330 Direct 504 supplemental .....	5		
1330 Direct 514 farm labor housing .....	11		
1330 Direct 514 supplemental .....	2		
1330 Multi-family credit sales .....	1	1	1
1330 Budget authority reestimates .....		96	
1339 Total subsidy budget authority .....	189	335	200
Direct loan subsidy outlays:			
1340 Direct 502 single family housing .....	98	147	142
1340 Direct 502 supplemental .....	2	2	
1340 Direct 515 multi-family housing .....	53	59	55
1340 Direct 515 natural disaster .....	7	7	6
1340 Direct 504 housing repair .....	7	10	10
1340 Direct 504 supplemental .....	4		
1340 Direct 514 farm labor housing .....	7	10	6
1340 Multi-family credit sales .....	1	1	1
1340 Subsidy outlays reestimates .....		96	
1349 Total subsidy outlays .....	168	336	220
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Guaranteed 502 single family housing—unsubsidized	3,200	3,136	3,138
2150 Guaranteed 538 multi-family housing .....	100	100	100
2159 Total loan guarantee levels .....	3,300	3,236	3,238
Guaranteed loan subsidy (in percent):			
2320 Guaranteed 502 single family housing—unsubsidized	0.61	0.20	1.28
2320 Guaranteed 538 multi-family housing .....	0.48	1.52	3.93
2329 Weighted average subsidy rate .....	0.61	0.31	1.36
Guaranteed loan subsidy budget authority:			
2330 Guaranteed 502 single family housing—unsubsidized	20	7	40
2330 Guaranteed 538 multi-family housing .....		2	4
2330 Subsidy budget authority reestimates .....		179	
2339 Total subsidy budget authority .....	20	188	44
Guaranteed loan subsidy outlays:			
2340 Guaranteed 502 single family housing—unsubsidized	13	6	31
2340 Guaranteed 538 multi-family housing .....	-1		
2340 Subsidy outlays reestimates .....		179	
2349 Total subsidy outlays .....	12	185	31
Administrative expense data:			
3510 Budget authority .....	376	408	420
3580 Outlays from balances .....			
3590 Outlays .....	376	408	420

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." Section 514 domestic farm labor housing loans are included under this heading until 2001. Starting in 2001, they are 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	2000 actual	2001 est.	2002 est.
25.3 Purchases of goods and services from Government accounts .....	376	408	420
41.0 Grants, subsidies, and contributions .....	178	566	244
99.9 Total new obligations .....	554	974	664

**RURAL HOUSING INSURANCE FUND DIRECT LOAN FINANCING ACCOUNT**

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

Identification code 12-4215-0-3-371	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans .....	1,325	1,326	1,261
00.02 Advances on behalf of borrowers .....	37	84	82
00.03 Collateral acquired by default .....	9	9	10
00.04 Interest on Treasury borrowing .....	596	631	661
00.06 Other expenses .....	5	11	9
00.91 Subtotal, Operating program .....	1,972	2,061	2,023
Reestimates:			
08.02 Downward subsidy reestimate paid to receipt account .....		6	
08.04 Interest on downward reestimate paid to receipt account .....		2	
08.91 Subtotal, Reestimates .....		8	
10.00 Total new obligations .....	1,972	2,069	2,023
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	101	94	
22.00 New financing authority (gross) .....	1,951	1,975	2,023
22.10 Resources available from recoveries of prior year obligations .....	96		
22.70 Balance of authority to borrow withdrawn .....	-82		
23.90 Total budgetary resources available for obligation	2,066	2,069	2,023
23.95 Total new obligations .....	-1,972	-2,069	-2,023
24.40 Unobligated balance carried forward, end of year .....	94		
<b>New financing authority (gross), detail:</b>			
Discretionary:			
47.05 Authority to borrow (indefinite) .....	1,203	992	1,072
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash) .....	1,079	1,439	1,455
68.10 Change in uncollected customer payments from Federal sources .....	-14	37	-15
68.47 Portion applied to repay debt .....	-317	-493	-489
68.90 Spending authority from offsetting collections (total discretionary) .....	748	983	951
70.00 Total new financing authority (gross) .....	1,951	1,975	2,023

<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, fund balance with Treasury, start of year .....	196	202	219
72.40	Unpaid obligations, authority to borrow, start of year .....	511	502	536
72.95	Uncollected customer payments from program account, start of year .....	-184	-170	-207
72.99	Obligated balance, start of year .....	523	534	548
73.10	Total new obligations .....	1,972	2,069	2,023
73.20	Total financing disbursements (gross) .....	-1,878	-2,018	-2,045
73.45	Recoveries of prior year obligations .....	-96		
74.00	Change in uncollected customer payments from Federal sources .....	14	-37	15
Unpaid obligations, end of year:				
Unpaid obligations, end of year:				
74.40	Unpaid obligations, fund balance with Treasury, end of year .....	202	219	215
74.40	Unpaid obligations, authority to borrow, end of year .....	502	536	518
74.95	Uncollected customer payments from program account, end of year .....	-170	-207	-192
74.99	Obligated balance, end of year .....	534	548	541
87.00	Total financing disbursements (gross) .....	1,878	2,018	2,045
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: payments from program account .....	-170	-347	-228
88.25	Interest on uninvested funds .....	-78	-85	-88
Non-Federal sources:				
88.40	Non-Federal sources: Repayments of principal .....	-376	-503	-584
88.40	Interest received on loans .....	-416	-455	-507
88.40	Undistributed receipts .....	8		
88.40	Proceeds on sale of acquired property .....	-20	-21	-22
88.40	Recaptured income .....	-9	-14	-16
88.40	Fees .....	-8	-8	-4
88.40	Miscellaneous collections .....	-10	-6	-6
88.90	Total, offsetting collections (cash) .....	-1,079	-1,439	-1,455
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	14	-37	15
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	886	499	583
90.00	Financing disbursements .....	799	579	590

<b>Status of Direct Loans (in millions of dollars)</b>				
Identification code 12-4215-0-3-371				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	1,399	1,265	1,261
1112	Unobligated direct loan limitation .....	-78		
1113	Unobligated limitation carried forward .....		61	
1150	Total direct loan obligations .....	1,321	1,326	1,261
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	10,180	11,053	11,848
1231	Disbursements: Direct loan disbursements .....	1,241	1,283	1,283
1251	Repayments: Repayments and prepayments .....	-373	-503	-584
1261	Adjustments: Capitalized interest .....	22	25	28
Write-offs for default:				
1263	Direct loans .....	-24	-31	-32
1264	Other adjustments, net .....	7	21	22
1290	Outstanding, end of year .....	11,053	11,848	12,565

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.

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		1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>					
Federal assets:					
1101	Fund balances with Treasury .....	196	202	219	215
Investments in US securities:					
1106	Receivables, net .....	184	170	207	192
Net value of assets related to post-1991 direct loans receivable:					
1401	Direct loans receivable, gross .....	10,180	11,053	11,848	12,565
1402	Interest receivable .....	40	46	49	52
1404	Foreclosed property .....	12	15	25	30
1405	Allowance for subsidy cost (-) .....	-2,584	-2,665	-2,992	-3,130
1499	Net present value of assets related to direct loans .....	7,648	8,449	8,930	9,517
1999	Total assets .....	8,028	8,821	9,356	9,924
<b>LIABILITIES:</b>					
Federal liabilities:					
2103	Debt .....	7,802	8,607	9,106	9,689
2104	Liability for subsidy related to undisbursed loans .....	184	170	207	192
2105	Other .....	5	5	5	5
2207	Non-Federal liabilities: Other .....	37	39	38	38
2999	Total liabilities .....	8,028	8,821	9,356	9,924
4999	Total liabilities and net position .....	8,028	8,821	9,356	9,924

**RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT**

<b>Program and Financing (in millions of dollars)</b>				
Identification code 12-4216-0-3-371				
Obligations by program activity:				
00.01	Default claims .....	61	81	95
00.02	Interest assistance paid to lenders .....		1	2
00.91	Subtotal, Operating program .....	61	82	97
Reestimates:				
08.02	Downward subsidy reestimates paid to receipt account .....		5	
08.04	Interest on downward reestimates paid to receipt account .....		1	
08.91	Subtotal, Reestimates .....		6	
10.00	Total new obligations .....	61	88	97
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	210	195	368
22.00	New financing authority (gross) .....	46	261	127
23.90	Total budgetary resources available for obligation .....	256	456	495
23.95	Total new obligations .....	-61	-88	-97
24.40	Unobligated balance carried forward, end of year .....	195	368	398

<b>New financing authority (gross), detail:</b>				
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash) .....	47	257	114
68.10	Change in uncollected customer payments from Federal sources .....		4	13

**Credit accounts—Continued****RURAL HOUSING INSURANCE FUND GUARANTEED LOAN FINANCING ACCOUNT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 12-4216-0-3-371	2000 actual	2001 est.	2002 est.
68.90			
Spending authority from offsetting collections (total discretionary) .....	47	261	127
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.95			
Uncollected customer payments from program account, start of year .....			-4
72.99			
Obligated balance, start of year .....			-4
73.10			
Total new obligations .....	61	88	97
73.20			
Total financing disbursements (gross) .....	-61	-88	-97
74.00			
Change in uncollected customer payments from Federal sources .....		-4	-13
Unpaid obligations, end of year:			
74.95			
Uncollected customer payments from program account, end of year .....		-4	-17
74.99			
Obligated balance, end of year .....		-4	-17
87.00			
Total financing disbursements (gross) .....	61	88	97
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00			
Federal sources .....	-12	-190	-31
88.25			
Interest on uninvested funds .....	-12	-22	-22
88.40			
Non-Federal sources: guarantee fees .....	-23	-45	-61
88.90			
Total, offsetting collections (cash) .....	-47	-257	-114
Against gross financing authority only:			
88.95			
Change in receivables from program accounts .....		-4	-13
<b>Net financing authority and financing disbursements:</b>			
89.00			
Financing authority .....			
90.00			
Financing disbursements .....	15	-169	-17

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

Identification code 12-4216-0-3-371	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on commitments:			
2111			
Limitation on guaranteed loans made by private lenders .....	3,300	3,236	3,238
2112			
Uncommitted loan guarantee limitation .....	-1,100		
2113			
Uncommitted limitation carried forward .....	50	31	
2150			
Total guaranteed loan commitments .....	2,250	3,267	3,238
Cumulative balance of guaranteed loans outstanding:			
2210			
Outstanding, start of year .....	9,772	11,299	13,322
2231			
Disbursements of new guaranteed loans .....	2,243	2,870	3,004
2251			
Repayments and prepayments .....	-648	-757	-881
2263			
Adjustments: Terminations for default that result in claim payments .....	-68	-90	-106
2290			
Outstanding, end of year .....	11,299	13,322	15,339
Memorandum:			
2299			
Guaranteed amount of guaranteed loans outstanding, end of year .....	10,169	11,990	13,805

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 Agen-

cy provides a financial guarantee to encourage private sector activity.

**Balance Sheet (in millions of dollars)**

Identification code 12-4216-0-3-371	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets:				
1101				
Fund balances with Treasury .....	210	195	364	381
Investments in US securities:				
1106				
Receivables, net .....		184	4	17
1999				
Total assets .....	210	379	368	398
<b>LIABILITIES:</b>				
2204				
Non-Federal liabilities: Liabilities for loan guarantees .....	210	379	368	398
2999				
Total liabilities .....	210	379	368	398
4999				
Total liabilities and net position .....	210	379	368	398

**RURAL HOUSING INSURANCE FUND LIQUIDATING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 12-4141-0-3-371	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Capital investment:			
00.02			
Advances on behalf of borrowers .....		82	89
00.04			
Purchases of certificates of beneficial ownership .....	7		
00.05			
Collateral acquired by default .....		2	2
00.06			
Judgments .....	1	1	1
00.91			
Total capital investment .....	90	92	92
Operating expenses:			
01.02			
Interest on certificates of beneficial ownership .....	1		
01.03			
Interest on FFB borrowings .....	566	450	444
01.06			
Interest credits on loans sold to investors .....	1	1	1
01.07			
Other costs incident to loans .....	3	2	2
01.91			
Total operating expenses .....	571	453	447
10.00			
Total new obligations .....	661	545	539
<b>Budgetary resources available for obligation:</b>			
22.00			
New budget authority (gross) .....	661	545	539
22.10			
Resources available from recoveries of prior year obligations .....	14		
22.60			
Portion applied to repay debt .....	-14		
23.90			
Total budgetary resources available for obligation .....	661	545	539
23.95			
Total new obligations .....	-661	-545	-539
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.05			
Appropriation (indefinite) .....	317		
69.00			
Offsetting collections (cash) .....	1,914	1,833	1,717
69.27			
Capital transfer to general fund .....		-903	-1,178
69.47			
Portion applied to repay debt .....	-1,571	-385	
69.90			
Spending authority from offsetting collections (total mandatory) .....	343	545	539
70.00			
Total new budget authority (gross) .....	660	545	539
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40			
Unpaid fund balance with treasury, end of year .....	483	387	354
72.99			
Obligated balance, start of year .....	483	387	354
73.10			
Total new obligations .....	661	545	539
73.20			
Total outlays (gross) .....	-743	-578	-539
73.45			
Recoveries of prior year obligations .....	-14		
Unpaid obligations, end of year:			
74.40			
Unpaid fund balance with Treasury, end of year .....	387	354	354
74.99			
Obligated balance, end of year .....	387	354	354
<b>Outlays (gross), detail:</b>			
86.97			
Outlays from new mandatory authority .....	525	409	404
86.98			
Outlays from mandatory balances .....	218	170	135
87.00			
Total outlays (gross) .....	743	578	539



<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources .....	- 15		
Non-Federal sources:				
88.40	Repayments of loans and advances .....	- 962	- 942	- 890
88.40	Proceeds from sale of acquired property .....	- 30	- 27	- 30
88.40	Payments on judgments .....	- 4	- 5	- 5
88.40	Interest payments from borrowers .....	- 791	- 739	- 682
88.40	Recapture of subsidies .....	- 79	- 99	- 95
88.40	Fees and other revenue .....	- 68	- 21	- 15
88.40	Undistributed receipts .....	35		
88.90	Total, offsetting collections (cash) .....	- 1,914	- 1,833	- 1,717
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	- 1,253	- 1,288	- 1,178
90.00	Outlays .....	- 1,172	- 1,255	- 1,178

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

Identification code 12-4141-0-3-371				
		2000 actual	2001 est.	2002 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	18,373	17,366	16,412
1251	Repayments: Repayments and prepayments .....	- 963	- 942	- 890
1261	Adjustments: Capitalized interest .....	37	36	34
Write-offs for default:				
1263	Direct loans .....	- 52	- 49	- 47
1264	Other adjustments, net .....	- 29	1	6
1290	Outstanding, end of year .....	17,366	16,412	15,515

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

Identification code 12-4141-0-3-371				
		2000 actual	2001 est.	2002 est.
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	23	20	18
2251	Repayments and prepayments .....	- 3	- 2	- 2
2290	Outstanding, end of year .....	20	18	16
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	18	16	14

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 is recorded in corresponding program and financing accounts.

**Statement of Operations (in millions of dollars)**

Identification code 12-4141-0-3-371					
		1999 actual	2000 actual	2001 est.	2002 est.
0101	Revenue .....	991	890	812	744
0102	Expense .....	-958	-659	-540	-531
0105	Net income or loss (-) .....	33	231	272	213

**Balance Sheet (in millions of dollars)**

Identification code 12-4141-0-3-371					
		1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>					
1101	Federal assets: Fund balances with Treasury .....	483	387	354	354
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:					
1601	Direct loans, gross .....	18,373	17,366	16,412	15,515
1602	Interest receivable .....	391	401	391	375
1603	Allowance for estimated uncollectible loans and interest (-) .....	-6,349	-5,460	-5,164	-4,883
1604	Direct loans and interest receivable, net .....	12,415	12,307	11,639	11,007
1606	Foreclosed property .....	52	48	55	53
1699	Value of assets related to direct loans .....	12,467	12,355	11,694	11,060

1901	Other Federal assets: Other assets .....	23	3	3	3
1999	Total assets .....	12,973	12,745	12,051	11,417
<b>LIABILITIES:</b>					
Federal liabilities:					
2101	Accounts payable .....	1		1	1
2102	Interest payable .....	398	297	264	264
2103	Debt .....	7,125	5,542	5,155	5,155
2104	Resources payable to Treasury .....	5,343	6,816	6,540	5,906
2105	Liabilities for loan guarantees .....	3	2	2	2
Non-Federal liabilities:					
2202	Interest payable .....	1		1	1
2203	Debt .....	9	2	2	2
2207	Other .....	93	86	86	86
2999	Total liabilities .....	12,973	12,745	12,051	11,417
4999	Total liabilities and net position .....	12,973	12,745	12,051	11,417

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

Identification code 12-4141-0-3-371				
		2000 actual	2001 est.	2002 est.
25.2	Other services .....	2	1	1
33.0	Investments and loans .....	90	92	92
41.0	Grants, subsidies, and contributions .....	2	2	2
43.0	Interest and dividends .....	567	450	444
99.9	Total new obligations .....	661	545	539

**RURAL BUSINESS-COOPERATIVE SERVICE**

**Federal Funds**

**General and special funds:**

*RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITY GRANTS*

For grants in connection with a second round of empowerment zones and enterprise communities \$14,967,000, to remain available until expended, for designated rural empowerment zones and rural enterprise communities as authorized in the Taxpayer Relief Act of 1997.

Note.—The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, provides \$15 million for this account

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

Identification code 12-0402-0-1-452				
		2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>				
10.00	Total new obligations (object class 41.0) .....	17	28	15
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	15	13	
22.00	New budget authority (gross) .....	15	15	15
23.90	Total budgetary resources available for obligation .....	30	28	15
23.95	Total new obligations .....	- 17	- 28	- 15
24.40	Unobligated balance carried forward, end of year .....	13		
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	15	15	15
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....		11	21
72.99	Obligated balance, start of year .....		11	21
73.10	Total new obligations .....	17	28	15
73.20	Total outlays (gross) .....	- 6	- 18	- 22
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	11	21	14
74.99	Obligated balance, end of year .....	11	21	14
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	6	5	5
86.93	Outlays from discretionary balances .....		12	17
87.00	Total outlays (gross) .....	6	18	22
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	15	15	15

**General and special funds—Continued**

*RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITY GRANTS—Continued*

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

Identification code 12-0402-0-1-452	2000 actual	2001 est.	2002 est.
90.00 Outlays .....	6	18	22

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 three years of the authorized ten-year for EZ/EC's designated as part of the second round of this initiative was provided through the 1999, 2000 and 2001 appropriation acts.

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.

**SALARIES AND EXPENSES**

(RURAL DEVELOPMENT ADMINISTRATION)

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

Identification code 12-3400-0-1-452	2000 actual	2001 est.	2002 est.
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1		
72.99 Obligated balance, start of year .....	1		
73.40 Adjustments in expired accounts (net) .....	-1		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....			

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), **[\$6,500,000]** \$6,486,000, of which **[\$2,000,000]** \$1,996,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed **[\$1,500,000]** \$1,497,000 of the total amount appropriated shall be made available to cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers [and whose governing board and/or membership is comprised of at least 75 percent minority]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies*

*Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)*

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

Identification code 12-1900-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Rural cooperative development grants .....	4	6	4
00.02 Appropriate technology transfer for rural areas .....	2	2	2
00.03 Value-added agricultural product marketing .....		25	
10.00 Total new obligations (object class 41.0) .....	6	33	6
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	6	33	6
23.95 Total new obligations .....	-6	-33	-6
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	6	16	6
Mandatory:			
60.00 Appropriation .....		15	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....		2	
70.00 Total new budget authority (gross) .....	6	33	6
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	3	6	31
72.99 Obligated balance, start of year .....	3	6	31
73.10 Total new obligations .....	6	33	6
73.20 Total outlays (gross) .....	-4	-6	-25
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	6	31	14
74.99 Obligated balance, end of year .....	6	31	14
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	2	2	2
86.93 Outlays from discretionary balances .....	3	4	13
86.98 Outlays from mandatory balances .....			11
87.00 Total outlays (gross) .....	4	6	25
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....		-2	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	6	31	6
90.00 Outlays .....	4	4	25

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 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.

Grants for value-added agricultural product market development were authorized under section 231 of the Agriculture Risk Protection Act of 2000, Public Law 106-224, June 20, 2000. These grants are made available to independent producers of agricultural commodities and products of agricultural commodities to facilitate greater participation in markets for value-added agricultural commodities and facilitate the opening of new markets for value-added products. In addition, funds are available to a nonprofit corporation or institution of higher education to fund a pilot project, known as the Agricultural Marketing Resource Center. This pilot center is to have the capabilities, including electronic capabilities, to collect, disseminate, coordinate, and provide information on value-added processing to independent producers and processors of value-added agricultural commodities and products of agricultural commodities. RBS can fund up to 50 percent of any project and associated administrative costs and requires at least a 50 percent matching share from the applicant which must be from non-Federal sources.

90.00 Outlays ..... 6 6 5

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. The budget requests that the funds derived from the interest on the cushion of credit payments be rescinded by the amount of the subsidy needed for the rural economic development loans. Therefore very little if any funds derived from the interest on the cushion of credit payments will be available for the grant program in 2002.

RURAL ECONOMIC DEVELOPMENT GRANTS

Program and Financing (in millions of dollars)

Identification code 12-3105-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0) .....	4	4	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	9	7	4
22.00 New budget authority (gross) .....	2	1	
23.90 Total budgetary resources available for obligation	11	8	4
23.95 Total new obligations .....	-4	-4	
24.40 Unobligated balance carried forward, end of year .....	7	4	4
<b>New budget authority (gross), detail:</b>			
Mandatory:			
Offsetting collections (cash):			
69.00 Offsetting collections (cash) .....	3	1	
69.00 Offsetting collections (cash) .....		1	
69.10 Change in uncollected customer payments from Federal sources .....	-1	-1	
69.90 Spending authority from offsetting collections (total mandatory) .....	2	1	
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	16	11	7
72.95 Uncollected customer payments from Federal sources, start of year .....	-6	-5	-4
72.99 Obligated balance, start of year .....	10	6	3
73.10 Total new obligations .....	4	4	
73.20 Total outlays (gross) .....	-9	-8	-5
74.00 Change in uncollected customer payments from Federal sources .....	1	1	
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	11	7	3
74.95 Uncollected customer payments from Federal sources, end of year .....	-5	-4	-4
74.99 Obligated balance, end of year .....	6	3	-1
<b>Outlays (gross), detail:</b>			
86.98 Outlays from mandatory balances .....	9	8	5
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-3	-2	
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources .....	1	1	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			

NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER

Program and Financing (in millions of dollars)

Identification code 12-1906-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0) .....	10	9	
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	20	9	5
22.00 New budget authority (gross) .....		5	
23.90 Total budgetary resources available for obligation	20	14	5
23.95 Total new obligations .....	-10	-9	
24.40 Unobligated balance carried forward, end of year .....	9	5	5
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.00 Appropriation .....		5	
		5	
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....	10	9	
73.20 Total outlays (gross) .....	-10	-9	
<b>Outlays (gross), detail:</b>			
86.98 Outlays from mandatory balances .....	10	9	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		5	
90.00 Outlays .....	10	9	

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 was provided in 2001 to help the domestic lamb industry adjust to foreign competition. No additional funds are requested in 2002.

**Credit accounts:**

**RURAL BUSINESS AND INDUSTRY DIRECT LOANS FINANCING ACCOUNT**

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

Identification code 12-4223-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans .....	31	50	.....
00.02 Interest on Treasury borrowings .....	5	28	4
00.91 Subtotal, Operating program .....	36	78	4
08.01 Negative subsidy paid to receipt account .....	3	.....	.....
08.02 Downward reestimate paid to receipt account .....	.....	1	.....
08.91 Subtotal, Receipts .....	3	1	.....
10.00 Total new obligations .....	39	79	4
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	.....	.....
22.00 New financing authority (gross) .....	39	79	4
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 .....	40	79	4
23.95 Total new obligations .....	-39	-79	-4
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.15 Authority to borrow (indefinite) .....	36	59	-14
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash) .....	7	18	20
68.10 Change in uncollected customer payments from Federal sources .....	.....	2	-2
68.47 Portion applied to repay debt .....	-4	.....	.....
68.90 Spending authority from offsetting collections (total discretionary) .....	3	20	18
70.00 Total new financing authority (gross) .....	39	79	4
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	21	28	39
72.95 Uncollected customer payments from program account, start of year .....	.....	.....	-2
72.99 Obligated balance, start of year .....	21	28	37
73.10 Total new obligations .....	39	79	4
73.20 Total financing disbursements (gross) .....	-32	-67	-34
73.45 Recoveries of prior year obligations .....	-1	.....	.....
74.00 Change in uncollected customer payments from Federal sources .....	.....	-2	.....
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	28	39	7
74.95 Uncollected customer payments from program account, end of year .....	.....	-2	.....
74.99 Obligated balance, end of year .....	28	37	7
87.00 Total financing disbursements (gross) .....	32	67	34
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-3	-2	.....
88.25 Interest on uninvested funds .....	-1	-3	-4
Non-Federal sources:			
88.40 Repayments of principal .....	-3	-3	-4
88.40 Interest received on loans .....	-3	-9	-10
88.90 Total, offsetting collections (cash) .....	-7	-18	-20
Against gross financing authority only:			
88.95 Change in receivables from program accounts .....	.....	-2	2
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	32	59	-14
90.00 Financing disbursements .....	25	49	14

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

Identification code 12-4223-0-3-452	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	50	50	.....
1112 Unobligated direct loan limitation .....	-20	.....	.....
1150 Total direct loan obligations .....	30	50	.....
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	38	59	94
1231 Disbursements: Direct loan disbursements .....	24	38	30
1251 Repayments: Repayments and prepayments .....	-3	-3	-4
1290 Outstanding, end of year .....	59	94	120

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. No program is proposed in 2002.

**Balance Sheet (in millions of dollars)**

Identification code 12-4223-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury .....	5	25	49	14
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 .....	38	59	94	120
1402 Interest receivable .....	.....	3	5	5
1499 Net present value of assets related to direct loans .....	38	62	99	125
1999 Total assets .....	51	87	148	139
<b>LIABILITIES:</b>				
Federal liabilities:				
2101 Accounts payable .....	3	4	5	5
2104 Resources payable to Treasury .....	48	83	143	134
2999 Total liabilities .....	51	87	148	139
4999 Total liabilities and net position .....	51	87	148	139

**RURAL BUSINESS AND INDUSTRY GUARANTEED LOANS FINANCING ACCOUNT**

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

Identification code 12-4227-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Guaranteed loan costs:			
00.01 Default claims .....	31	40	50
00.02 Purchases from secondary market .....	51	.....	.....
00.03 Interest to Treasury .....	1	13	14
00.91 Subtotal, Guaranteed loan costs .....	83	53	64
Reestimates:			
08.02 Subsidy reestimate paid to receipt account .....	.....	19	.....
08.04 Interest on subsidy reestimate paid to receipt account .....	.....	6	.....
08.91 Subtotal, reestimates .....	.....	25	.....

10.00	Total new obligations .....	83	78	64
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	107	88	154
22.00	New financing authority (gross) .....	64	144	65
23.90	Total budgetary resources available for obligation .....	171	232	219
23.95	Total new obligations .....	-83	-78	-64
24.40	Unobligated balance carried forward, end of year .....	88	154	155
<b>New financing authority (gross), detail:</b>				
Mandatory:				
67.15	Authority to borrow (indefinite) .....	9		
Discretionary:				
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	55	144	65
70.00	Total new financing authority (gross) .....	64	144	65
<b>Change in unpaid obligations:</b>				
73.10	Total new obligations .....	83	78	64
73.20	Total financing disbursements (gross) .....	-83	-78	-64
87.00	Total financing disbursements (gross) .....	83	78	64
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources .....	-30	-103	-22
88.25	Interest on uninvested funds .....	-5	-8	-8
Non-Federal sources:				
88.40	Interest and principal on purchased loans from secondary market .....	-5	-3	-4
88.40	Guarantee fees .....	-15	-30	-31
88.90	Total, offsetting collections (cash) .....	-55	-144	-65
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	9		
90.00	Financing disbursements .....	28	-66	-1

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

Identification code 12-4227-0-3-452	2000 actual	2001 est.	2002 est.	
Position with respect to appropriations act limitation on commitments:				
2111	Limitation on guaranteed loans made by private lenders .....	892	2,700	1,000
2112	Uncommitted loan guarantee limitation .....	-93		
2113	Uncommitted limitation carried forward .....	209	93	
2150	Total guaranteed loan commitments .....	1,008	2,793	1,000
2199	Guaranteed amount of guaranteed loan commitments .....	796	2,431	790
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	2,664	3,180	4,991
2231	Disbursements of new guaranteed loans .....	967	2,091	1,777
2251	Repayments and prepayments .....	-328	-207	-274
Adjustments:				
2261	Terminations for default that result in loans receivable .....	-57	-40	
2263	Terminations for default that result in claim payments .....	-27	-33	-50
2264	Other adjustments, net .....	-39		
2290	Outstanding, end of year .....	3,180	4,991	6,444
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	2,522	3,943	5,091
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year .....		57	97
2331	Disbursements for guaranteed loan claims .....	57	40	
2390	Outstanding, end of year .....	57	97	97

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. For 2002, the budget reflects a subsidy rate with a guarantee fee of 3.25 percent with a 2.25 percent fee on targeted area loans. 10 percent of the loans will be in targeted areas in 2002. This is a change from 2001 in which the fee was two percent with a one percent fee on targeted area loans. 12 percent of the loans were in targeted areas in 2001.

**Balance Sheet (in millions of dollars)**

Identification code 12-4227-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.	
<b>ASSETS:</b>					
Federal assets:					
1101	Fund balances with Treasury .....	107	88	158	133
Investments in US securities:					
1106	Receivables, net .....	18	141	93	92
1999	Total assets .....	125	229	251	225
<b>LIABILITIES:</b>					
Federal liabilities:					
2101	Accounts payable .....		25		
2104	Resources payable to Treasury .....		9	8	9
2204	Non-Federal liabilities: Liabilities for loan guarantees .....	125	195	243	216
2999	Total liabilities .....	125	229	251	225
4999	Total liabilities and net position .....	125	229	251	225

**RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)**

For the cost of direct loans, **[\$19,476,000] \$16,494,000**, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which **[\$2,036,000] \$1,724,000** shall be for Federally Recognized Native American Tribes and of which **[\$4,072,000] \$3,449,000** shall be for Mississippi Delta Region counties (as defined by Public Law 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] \$38,171,000**: *Provided further*, That of the total amount appropriated, **[\$3,216,000] \$2,730,000** shall be available through June 30, **[2001] 2002**, 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, **[\$3,640,000] \$3,733,000** shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**General Fund Credit Receipt Accounts (in millions of dollars)**

Identification code 12-2069-0-1-452	2000 actual	2001 est.	2002 est.	
0101	Rural development loans, downward reestimates of subsidies .....		3	

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

Identification code 12-2069-0-1-452	2000 actual	2001 est.	2002 est.	
<b>Obligations by program activity:</b>				
00.01	Direct loan subsidy .....	17	22	16
00.05	Reestimates of direct loan subsidy .....		1	
00.09	Administrative expense .....	3	4	4
10.00	Total new obligations .....	20	27	20

**Credit accounts—Continued**

**RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT—Continued**  
(INCLUDING TRANSFERS OF FUNDS)—Continued

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

Identification code 12-2069-0-1-452	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	20	27	20
23.95 Total new obligations .....	-20	-27	-20
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	20	23	20
Mandatory:			
60.05 Appropriation (indefinite) .....		1	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....		3	
70.00 Total new budget authority (gross) .....	20	27	20
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	55	51	51
72.99 Obligated balance, start of year .....	55	51	51
73.10 Total new obligations .....	20	27	20
73.20 Total outlays (gross) .....	-24	-27	-25
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	51	51	46
74.99 Obligated balance, end of year .....	51	51	46
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	4	6	5
86.93 Outlays from discretionary balances .....	21	23	20
87.00 Total outlays (gross) .....	24	27	25
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....		-3	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	20	24	20
90.00 Outlays .....	24	24	25

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

Identification code 12-2069-0-1-452	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Intermediary relending loans .....	38	38	38
1159 Total direct loan levels .....	38	38	38
Direct loan subsidy (in percent):			
1320 Subsidy rate .....	43.43	50.91	43.21
1329 Weighted average subsidy rate .....	43.43	50.91	43.21
Direct loan subsidy budget authority:			
1330 Subsidy budget authority .....	17	19	16
1330 Reestimate .....		-1	
1339 Total subsidy budget authority .....	17	18	16
Direct loan subsidy outlays:			
1340 Subsidy outlays .....	21	21	21
1340 Reestimate .....		-1	
1349 Total subsidy outlays .....	21	20	21
Administrative expense data:			
3510 Budget authority .....	3	4	4
3590 Outlays from new authority .....	3	4	4

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	2000 actual	2001 est.	2002 est.
25.3 Purchases of goods and services from Government accounts .....	3	4	4
41.0 Grants, subsidies, and contributions .....	17	22	16
43.0 Interest and dividends .....		1	
99.9 Total new obligations .....	20	27	20

**RURAL DEVELOPMENT LOAN FUND DIRECT LOAN FINANCING ACCOUNT**

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

Identification code 12-4219-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans .....	38	44	38
00.03 Interest on Treasury borrowing .....	12	16	20
00.91 Subtotal, Operating program .....	50	60	58
Non-operating program:			
08.02 Downward subsidy reestimates paid to the receipt account .....		2	
08.04 Interest on downward reestimate paid to receipt account .....		1	
08.91 Subtotal, Non-operating program .....		3	
10.00 Total new obligations .....	50	63	58
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	1	1
22.00 New financing authority (gross) .....	50	63	57
23.90 Total budgetary resources available for obligation .....	51	64	58
23.95 Total new obligations .....	-50	-63	-58
24.40 Unobligated balance carried forward, end of year .....	1	1	1

**New financing authority (gross), detail:**

Mandatory:			
67.15 Authority to borrow (indefinite) .....	23	18	16
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash) .....	33	37	37
68.10 Change in uncollected customer payments from Federal sources .....	-4		-5
68.47 Portion applied to repay debt .....	-2	8	9
68.90 Spending authority from offsetting collections (total discretionary) .....	27	45	41
70.00 Total new financing authority (gross) .....	50	63	57

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	162	155	157
72.95 Uncollected customer payments from program account, start of year .....	-55	-51	-51
72.99 Obligated balance, start of year .....	107	104	106
73.10 Total new obligations .....	50	63	58
73.20 Total financing disbursements (gross) .....	-53	-61	-63
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	155	157	147
74.95 Uncollected customer payments from program account, end of year .....	-51	-51	-46
74.99 Obligated balance, end of year .....	104	106	101
87.00 Total financing disbursements (gross) .....	53	61	63

RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT

**Offsets:**

Against gross financing authority and financing disbursements:

Offsetting collections (cash) from:

88.00	Payments from program account .....	-21	-23	-21
88.25	Interest on uninvested funds .....	-3	-2	-3
Non-Federal sources:				
88.40	Non-Federal sources—repayment of principal .....	-7	-8	-9
88.40	Non-Federal sources—interest on loans .....	-2	-4	-4
88.90	Total, offsetting collections (cash) .....	-33	-37	-37
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	4		5
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	21	26	25
90.00	Financing disbursements .....	20	24	26

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

Identification code 12-4219-0-3-452	2000 actual	2001 est.	2002 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	38	38	38
1131	Direct loan obligations exempt from limitation .....		6	
1150	Total direct loan obligations .....	38	44	38
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	247	282	316
1231	Disbursements: Direct loan disbursements .....	42	42	43
1251	Repayments: Repayments and prepayments .....	-7	-8	-9
1290	Outstanding, end of year .....	282	316	350

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	1999 actual	2000 actual	2001 est.	2002 est.	
<b>ASSETS:</b>					
Federal assets:					
1101	Fund balances with Treasury .....	20	12	12	12
Investments in US securities:					
1106	Receivables, net .....	55	51	53	49
Net value of assets related to post-1991 direct loans receivable:					
1401	Direct loans receivable, gross .....	248	282	316	350
1402	Interest receivable .....	1	1	1	1
1405	Allowance for subsidy cost (-) .....	-118	-132	-145	-162
1499	Net present value of assets related to direct loans .....	131	151	172	189
1999	Total assets .....	206	214	237	250
<b>LIABILITIES:</b>					
Federal liabilities:					
2104	Resources payable to Treasury .....	151	163	187	213
2105	Other .....	55	51	50	37
2999	Total liabilities .....	206	214	237	250
4999	Total liabilities and net position .....	206	214	237	250

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

Identification code 12-4233-0-3-452	2000 actual	2001 est.	2002 est.	
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	1	1	
22.40	Capital transfer to general fund .....		-1	
23.90	Total budgetary resources available for obligation .....	1		
24.40	Unobligated balance carried forward, end of year .....	1		
<b>New budget authority (gross), detail:</b>				
Mandatory:				
69.00	Offsetting collections (cash) .....	4	4	4
69.27	Capital transfer to general fund .....	-4	-4	-4
69.90	Spending authority from offsetting collections (total mandatory) .....			
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	1	1	
72.99	Obligated balance, start of year .....	1	1	
73.10	Total new obligations .....			
73.20	Total outlays (gross) .....		-1	
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	1		
74.99	Obligated balance, end of year .....	1		
<b>Outlays (gross), detail:</b>				
86.98	Outlays from mandatory balances .....		1	
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources .....	-4	-4	-4
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	-4	-4	-4
90.00	Outlays .....	-4	-3	-4

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

Identification code 12-4233-0-3-452	2000 actual	2001 est.	2002 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	73	70	68
1231	Disbursements: Direct loan disbursements .....		1	
1251	Repayments: Repayments and prepayments .....	-3	-3	-3
1290	Outstanding, end of year .....	70	68	65

<sup>1</sup> 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	1999 actual	2000 actual	2001 est.	2002 est.
0101	Revenue .....	1	1	1
0102	Expense .....	5	3	
0105	Net income or loss (-) .....	6	4	1

**Balance Sheet (in millions of dollars)**

Identification code 12-4233-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets: Fund balances with Treasury .....				
1101		2	2	
Non-Federal assets: Receivables, net .....				
1206		1	1	1
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601	Direct loans, gross .....	73	70	68

**Credit accounts—Continued**

**RURAL DEVELOPMENT LOAN FUND LIQUIDATING ACCOUNT—Continued**

**Balance Sheet (in millions of dollars)—Continued**

Identification code 12-4233-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
1603 Allowance for estimated uncollectible loans and interest (-) .....	-25	-27	-26	-24
1604 Direct loans and interest receivable, net .....	48	43	42	41
1699 Value of assets related to direct loans .....	48	43	42	41
1999 Total assets .....	51	46	43	42
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury .....	51	46	43	42
2999 Total liabilities .....	51	46	43	42
4999 Total liabilities and net position .....	51	46	43	42

**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] \$14,966,000**.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, **[\$3,911,000]** which shall be administered in accordance with the regulations utilized in fiscal year 2000 **\$3,616,000**.

Of the funds derived from interest on the cushion of credit payments in fiscal year **[2001] 2002**, as authorized by section 313 of the Rural Electrification Act of 1936, **[\$3,911,000] \$3,616,000** shall not be obligated and **[\$3,911,000] \$3,616,000** are rescinded. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

**General Fund Credit Receipt Accounts (in millions of dollars)**

Identification code 12-3108-0-1-452	2000 actual	2001 est.	2002 est.
0101 Rural economic development loans, downward reestimates of subsidies .....		3	

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

Identification code 12-3108-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loan subsidy .....	3	6	4
10.00 Total new obligations (object class 41.0) .....	3	6	4
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	3	6	4
23.95 Total new obligations .....	-3	-6	-4
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	3	4	4
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....		2	
70.00 Total new budget authority (gross) .....	3	6	4
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	4	4	6
72.99 Obligated balance, start of year .....	4	4	6
73.10 Total new obligations .....	3	6	4
73.20 Total outlays (gross) .....	-3	-4	-6
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	4	6	4

74.99 Obligated balance, end of year .....	4	6	4
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		1	1
86.93 Outlays from discretionary balances .....	4	3	4
87.00 Total outlays (gross) .....	3	4	6
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....		-2	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	3	4	4
90.00 Outlays .....	3	2	6

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

Identification code 12-3108-0-1-452	2000 actual	2001 est.	2002 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150 Direct loan levels .....	15	15	15
1159 Total direct loan levels .....	15	15	15
<b>Direct loan subsidy (in percent):</b>			
1320 Subsidy rate .....	23.02	26.07	24.16
1329 Weighted average subsidy rate .....	23.02	26.07	24.16
<b>Direct loan subsidy budget authority:</b>			
1330 Subsidy budget authority .....	3	4	4
1330 Reestimate .....		-3	
1339 Total subsidy budget authority .....	3	1	4
<b>Direct loan subsidy outlays:</b>			
1340 Subsidy outlays .....	3	4	4
1340 Reestimate .....		-3	
1349 Total subsidy outlays .....	3	1	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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans .....	15	23	15
00.03 Interest expense .....	5	6	7
00.91 Subtotal, Operating program .....	20	29	22
Reestimates:			
08.02 Downward reestimate .....		2	
08.04 Interest on downward re-estimate .....		1	
08.91 Subtotal: Non-operating Program .....		3	
10.00 Total new obligations .....	20	32	22
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	10	6	5
22.00 New financing authority (gross) .....	16	32	22
22.10 Resources available from recoveries of prior year obligations .....	1		
22.70 Balance of authority to borrow withdrawn .....	-1	-1	
23.90 Total budgetary resources available for obligation .....	26	37	27
23.95 Total new obligations .....	-20	-32	-22
24.40 Unobligated balance carried forward, end of year .....	6	5	7



<b>New financing authority (gross), detail:</b>				
<b>Mandatory:</b>				
67.15	Authority to borrow (indefinite) .....	12	20	11
<b>Spending authority from offsetting collections:</b>				
<b>Discretionary:</b>				
68.00	Offsetting collections (cash) .....	13	16	19
68.10	Change in uncollected customer payments from Federal sources .....		2	-2
68.47	Portion applied to repay debt .....	-9	-6	-6
68.90	Spending authority from offsetting collections (total discretionary) .....	4	12	11
70.00	Total new financing authority (gross) .....	16	32	22
<b>Change in unpaid obligations:</b>				
<b>Unpaid obligations, start of year:</b>				
72.40	Unpaid obligations, start of year .....	15	17	26
72.95	Uncollected customer payments from program account, start of year .....	-4	-4	-6
72.99	Obligated balance, start of year .....	11	13	20
73.10	Total new obligations .....	20	32	22
73.20	Total financing disbursements (gross) .....	-16	-24	-21
73.45	Recoveries of prior year obligations .....	-1		
74.00	Change in uncollected customer payments from Federal sources .....		-2	
<b>Unpaid obligations, end of year:</b>				
74.40	Unpaid obligations, end of year .....	17	26	25
74.95	Uncollected customer payments from program account, end of year .....	-4	-6	-4
74.99	Obligated balance, end of year .....	13	20	21
87.00	Total financing disbursements (gross) .....	16	24	21
<b>Offsets:</b>				
<b>Against gross financing authority and financing disbursements:</b>				
<b>Offsetting collections (cash) from:</b>				
88.00	Federal Funds: Program Account .....	-3	-4	-5
88.25	Interest on uninvested funds .....	-1	-1	-1
88.40	Non-Federal sources: Repayment of Principal .....	-9	-11	-13
88.90	Total, offsetting collections (cash) .....	-13	-16	-19
<b>Against gross financing authority only:</b>				
88.95	Change in receivables from program accounts .....		-2	2
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	3	14	5
90.00	Financing disbursements .....	3	8	2

<b>Status of Direct Loans (in millions of dollars)</b>				
Identification code 12-4176-0-3-452				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	15	15	15
1131	Direct loan obligations exempt from limitation .....		8	
1150	Total direct loan obligations .....	15	23	15
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	66	69	73
1231	Disbursements: Direct loan disbursements .....	12	15	19
1251	Repayments: Repayments and prepayments .....	-9	-11	-13
1290	Outstanding, end of year .....	69	73	79

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.

<b>Balance Sheet (in millions of dollars)</b>				
Identification code 12-4176-0-3-452				
<b>ASSETS:</b>				
<b>Federal assets:</b>				
1101	Fund balances with Treasury .....	8	5	2
<b>Investments in US securities:</b>				
1106	Program Account .....	4	4	6

<b>Net value of assets related to post-1991 direct loans receivable:</b>				
1401	Direct loans receivable, gross .....	66	69	73
1405	Allowance for subsidy cost (-) .....	-12	-12	-11
1499	Net present value of assets related to direct loans .....	54	57	62
1999	Total assets .....	66	66	70
<b>LIABILITIES:</b>				
<b>Federal liabilities:</b>				
2104	Resources payable to Treasury .....	62	62	63
2105	Other .....	4	4	7
2999	Total liabilities .....	66	66	70
4999	Total liabilities and net position .....	66	66	70

**RURAL ECONOMIC DEVELOPMENT LOANS LIQUIDATING ACCOUNT**

<b>Program and Financing (in millions of dollars)</b>				
Identification code 12-3104-0-1-271				
2000 actual				
2001 est.				
2002 est.				
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	1		
22.40	Capital transfer to general fund .....	-1	-1	
23.90	Total budgetary resources available for obligation .....		-1	
<b>New budget authority (gross), detail:</b>				
<b>Mandatory:</b>				
69.00	Offsetting collections (cash) .....	1	1	
69.27	Capital transfer to general fund .....	-1	-1	
69.90	Spending authority from offsetting collections (total mandatory) .....			
<b>Offsets:</b>				
<b>Against gross budget authority and outlays:</b>				
88.40	Offsetting collections (cash) from: Non-Federal sources: Repayment of principal .....	-1	-1	
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	-1	-1	
90.00	Outlays .....	-1	-1	

<b>Status of Direct Loans (in millions of dollars)</b>				
Identification code 12-3104-0-1-271				
2000 actual				
2001 est.				
2002 est.				
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	2	1	
1251	Repayments: Repayments and prepayments .....	-1	-1	
1290	Outstanding, end of year .....	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.

<b>Statement of Operations (in millions of dollars)</b>				
Identification code 12-3104-0-1-271				
1999 actual				
2000 actual				
2001 est.				
2002 est.				
0111	Revenue .....	1		
0112	Expense .....	-1		
0115	Net income or loss (-) .....			

<b>Balance Sheet (in millions of dollars)</b>				
Identification code 12-3104-0-1-271				
1999 actual				
2000 actual				
2001 est.				
2002 est.				
<b>ASSETS:</b>				
1101	Federal assets: Fund balances with Treasury .....	1		
1601	Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable: Direct loans, gross .....	2	1	

**Credit accounts—Continued**

**RURAL ECONOMIC DEVELOPMENT LOANS LIQUIDATING ACCOUNT—Continued**

**Balance Sheet (in millions of dollars)—Continued**

Identification code 12-3104-0-1-271	1999 actual	2000 actual	2001 est.	2002 est.
1999 Total assets .....	3	1		
<b>LIABILITIES:</b>				
2104 Federal liabilities: Resources payable to Treasury .....	3	1		
2999 Total liabilities .....	3	1		
4999 Total liabilities and net position .....	3	1		

**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	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1		
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	2		
72.99 Obligated balance, start of year .....	2		
73.20 Total outlays (gross) .....	-2		
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....	2		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	1		

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 2001 and no funding is requested in 2002.

**RURAL UTILITIES SERVICE**

**Federal Funds**

**General and special funds:**

**HIGH ENERGY COST GRANTS**

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

Identification code 12-2042-0-1-452	2000 actual	2001 est.	2002 est.
<b>Change in unpaid obligations:</b>			
73.20 Total outlays (gross) .....			-13
73.32 Obligated balance transferred from other accounts .....			24
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....			11
74.99 Obligated balance, end of year .....			11
<b>Outlays (gross), detail:</b>			
86.93 Outlays from discretionary balances .....			13
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....			13

Funding was provided in 2001 to support grants for areas that have high energy costs. These grants can be made to eligible entities or the Denali Commission to construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities serving communities in which the average residential expenditure for home energy is at least 275 percent of the national average residential expenditure for home energy (as determined by the Energy Information Agency using the most recent data available). Grants are also available to establish and support a revolving fund to provide a more cost-effective means of purchasing fuel where the fuel cannot be shipped by means of surface transportation.

**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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans .....	772	885	809
00.02 Interest on Treasury borrowing .....	224	283	346
00.91 Subtotal, Operating program .....	996	1,168	1,155
Reestimates:			
08.02 Downward reestimate paid to receipt account .....		78	
08.04 Interest on downward reestimate .....		26	
08.91 Subtotal reestimates .....		104	
10.00 Total new obligations .....	996	1,272	1,155
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	10	15	
22.00 New financing authority (gross) .....	993	1,257	1,155
22.10 Resources available from recoveries of prior year obligations .....	36		
22.70 Balance of authority to borrow withdrawn .....	-27		
23.90 Total budgetary resources available for obligation .....	1,012	1,272	1,155
23.95 Total new obligations .....	-996	-1,272	-1,155
24.40 Unobligated balance carried forward, end of year .....	15		
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.15 Authority to borrow (indefinite) .....	686	643	726
Spending authority from offsetting collections:			
Discretionary:			
68.00 Offsetting collections (cash) .....	351	431	475
68.10 Change in uncollected customer payments from Federal sources .....	-8	183	-46
68.47 Portion applied to repay debt .....	-36		
68.90 Spending authority from offsetting collections (total discretionary) .....	307	614	429
70.00 Total new financing authority (gross) .....	993	1,257	1,155
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1,941	2,009	2,406
72.95 Uncollected customer payments from program account, start of year .....	-262	-254	-437
72.99 Obligated balance, start of year .....	1,679	1,755	1,969
73.10 Total new obligations .....	996	1,272	1,155
73.20 Total financing disbursements (gross) .....	-892	-875	-1,146
73.45 Recoveries of prior year obligations .....	-36		
74.00 Change in uncollected customer payments from Federal sources .....	8	-183	46
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	2,009	2,406	2,415
74.95 Uncollected customer payments from program account, end of year .....	-254	-437	-391
74.99 Obligated balance, end of year .....	1,755	1,969	2,024
87.00 Total financing disbursements (gross) .....	892	875	1,146

RURAL WATER AND WASTE WATER DISPOSAL GUARANTEED LOANS  
FINANCING ACCOUNT

**Offsets:**  
Against gross financing authority and financing disbursements:

Offsetting collections (cash) from:				
88.00	Federal sources .....	- 87	- 107	- 102
88.25	Interest on uninvested funds .....	- 30	- 36	- 37
Non-Federal sources:				
88.40	Repayment of principal .....	- 66	- 56	- 66
88.40	Interest received on loans .....	- 168	- 232	- 270
88.90	Total, offsetting collections (cash) .....	- 351	- 431	- 475
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	8	- 183	46

**Net financing authority and financing disbursements:**

89.00	Financing authority .....	650	643	726
90.00	Financing disbursements .....	541	444	671

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

Identification code 12-4226-0-3-452				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	739	879	809
1112	Unobligated direct loan limitation .....	- 1		
1113	Unobligated limitation carried forward .....	27	6	
1150	Total direct loan obligations .....	765	885	809
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	3,345	3,942	4,626
1231	Disbursements: Direct loan disbursements .....	668	740	800
1251	Repayments: Repayments and prepayments .....	- 69	- 56	- 66
1263	Write-offs for default: Direct loans .....	- 2		
1290	Outstanding, end of year .....	3,942	4,626	5,360

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					
<b>ASSETS:</b>					
Federal assets:					
1101	Fund balances with Treasury .....	126	63	116	144
Investments in US securities:					
1106	Receivables, net .....	262	254	262	262
Net value of assets related to post-1991 direct loans receivable:					
1401	Direct loans receivable, gross .....	3,345	3,942	4,626	5,360
1402	Interest receivable .....	42	47	54	37
1405	Allowance for subsidy cost (-) .....	-588	-652	-850	-911
1499	Net present value of assets related to direct loans .....	2,799	3,337	3,830	4,486
1999	Total assets .....	3,187	3,654	4,208	4,892
<b>LIABILITIES:</b>					
2103	Federal liabilities: Debt .....	2,917	3,395	4,014	4,698
2203	Non-Federal liabilities: Debt .....	8	8	8	8
2999	Total liabilities .....	2,925	3,403	4,022	4,706
<b>NET POSITION:</b>					
3100	Appropriated capital .....	262	251	186	186
3999	Total net position .....	262	251	186	186
4999	Total liabilities and net position .....	3,187	3,654	4,208	4,892

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

Identification code 12-4218-0-3-452				
<b>Budgetary resources available for obligation:</b>				
22.00	New financing authority (gross) .....		1	1
<b>New financing authority (gross), detail:</b>				
Discretionary:				
68.00	Spending authority from offsetting collections (gross): Offsetting collections (cash) .....		1	1
<b>Change in unpaid obligations:</b>				
73.20	Total financing disbursements (gross) .....		- 1	- 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
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**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				
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 .....	- 64		
2150	Total guaranteed loan commitments .....	11	75	75
2199	Guaranteed amount of guaranteed loan commitments .....	9	60	60
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year .....	13	19	23
2231	Disbursements of new guaranteed loans .....	13	12	43
2251	Repayments and prepayments .....	- 7	- 8	- 2
2290	Outstanding, end of year .....	19	23	64
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year .....	15	18	50

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.

**Balance Sheet** (in millions of dollars)

Identification code 12-4218-0-3-452					
<b>ASSETS:</b>					
1101	Federal assets: Fund balances with Treasury .....		1	1	1
1999	Total assets .....		1	1	1
<b>LIABILITIES:</b>					
2104	Federal liabilities: Resources payable to Treasury .....		1	1	1
2999	Total liabilities .....		1	1	1
4999	Total liabilities and net position .....		1	1	1

Credit accounts—Continued

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] \$121,107,000**; 5 percent rural telecommunications loans, **[\$75,000,000] \$74,827,000**; cost of money rural telecommunications loans, \$300,000,000; municipal rate rural electric loans, **[\$295,000,000] \$294,358,000**; and loans made pursuant to section 306 of that Act, rural electric, \$1,700,000,000 and rural telecommunications, \$120,000,000; and \$500,000,000 for Treasury rate direct electric loans.

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, \$19,871,000; and cost of municipal rate loans, \$20,503,000] Rural electric loans, \$3,689,000, and the cost of telecommunication loans, \$2,036,000: 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, **[\$34,716,000] \$35,604,000**, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries and Expenses". (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1230-0-1-271	2000 actual	2001 est.	2002 est.
0101 Rural electrification and telephone loans, negative subsidies .....	2	8	8
0102 Rural electrification and telephone loans, downward reestimates of subsidies .....		301	

Program and Financing (in millions of dollars)

Identification code 12-1230-0-1-271	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loan subsidy .....	15	40	6
00.05 Reestimate of the direct loan subsidy .....		105	
00.06 Interest on reestimates of direct loan subsidy .....		35	
00.09 Administrative expenses subject to limitation .....	31	35	35
10.00 Total new obligations .....	46	215	41

Budgetary resources available for obligation:

22.00 New budget authority (gross) .....	46	215	41
23.95 Total new obligations .....	-46	-215	-41

New budget authority (gross), detail:

<b>Discretionary:</b>			
40.00 Appropriation .....	46	75	41
<b>Mandatory:</b>			
60.05 Appropriation (indefinite) .....		140	
70.00 Total new budget authority (gross) .....	46	215	41

Change in unpaid obligations:

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	118	81	79
72.99 Obligated balance, start of year .....	118	81	79
73.10 Total new obligations .....	46	215	41
73.20 Total outlays (gross) .....	-79	-217	-72
73.40 Adjustments in expired accounts (net) .....	-5		
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	81	79	48
74.99 Obligated balance, end of year .....	81	79	48

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....	36	41	36
86.93 Outlays from discretionary balances .....	42	36	35
86.97 Outlays from new mandatory authority .....		140	

87.00 Total outlays (gross) .....	79	217	72
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	46	215	41
90.00 Outlays .....	79	217	72

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

Identification code 12-1230-0-1-271	2000 actual	2001 est.	2002 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150 Direct loans, hardship electric .....	122	121	121
1150 Direct loans, municipal electric .....	295	294	294
1150 Direct loans, Treasury electric .....		500	500
1150 Direct loans, FFB electric .....	1,647	1,600	1,600
1150 Direct loans, hardship telephone .....	75	75	75
1150 Direct loans, Treasury telephone .....	300	300	300
1150 Direct loans, FFB telephone .....	120	120	120
1159 Total direct loan levels .....	2,559	3,010	3,010
<b>Direct loan subsidy (in percent):</b>			
1320 Direct loans, hardship electric .....	0.90	9.96	2.98
1320 Direct loans, municipal electric .....	3.67	6.95	-0.09
1320 Direct loans, treasury electric .....	0.00	0.00	-0.04
1320 Direct loans, FFB electric .....	-1.18	-3.09	-1.13
1320 Direct loans, hardship telephone .....	1.12	10.36	2.32
1320 Direct loans, Treasury telephone .....	0.79	-1.00	0.10
1320 Direct loans, FFB telephone .....	-0.46	-2.04	-0.85
1329 Weighted average subsidy rate .....	-0.19	-0.47	-0.43
<b>Direct loan subsidy budget authority:</b>			
1330 Direct loans, hardship electric .....	1	12	4
1330 Direct loans, municipal electric .....	11	20	
1330 Direct loans, FFB electric .....	-19	-49	-18
1330 Direct loans, hardship telephone .....	1	8	2
1330 Direct loans, Treasury telephone .....	2	-3	
1330 Direct loans, FFB telephone .....	-1	-2	-1
1330 Reestimate of loan subsidy .....		-161	
1339 Total subsidy budget authority .....	-5	-175	-13
<b>Direct loan subsidy outlays:</b>			
1340 Direct loans, hardship electric .....	12	6	7
1340 Direct loans, municipal electric .....	27	20	15
1340 Direct loans, FFB electric .....	1	-12	-13
1340 Direct loans, hardship telephone .....	5	14	12
1340 Direct loans, FFB telephone .....		-1	-1
1340 Reestimate of loan subsidy .....		-161	
1349 Total subsidy outlays .....	45	-134	20
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
2150 Guaranteed loans, electric .....	53	100	100
2159 Total loan guarantee levels .....	53	100	100
<b>Guaranteed loan subsidy (in percent):</b>			
2320 Guaranteed loans, electric .....	0.01	0.01	0.08
2329 Weighted average subsidy rate .....	0.01	0.01	0.08
<b>Administrative expense data:</b>			
3510 Budget authority .....	31	35	35
3590 Outlays .....	31	35	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 and guaranteed 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	2000 actual	2001 est.	2002 est.
25.3 Purchases of goods and services from Government accounts	31	34	35
41.0 Grants, subsidies, and contributions	15	181	6
99.9 Total new obligations	46	215	41

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)			
Identification code 12-4208-0-3-271	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans	2,559	3,010	3,010
00.02 Interest on Treasury borrowing	417	577	703
00.91 Subtotal, Operating program	2,976	3,587	3,713
Non-operating program:			
08.01 Negative subsidy paid to receipt account	20	55	20
08.02 Downward reestimate paid to receipt account		222	
08.04 Interest on downward reestimate paid to receipt account		79	
08.91 Subtotal, Non-operating program	20	356	20
10.00 Total new obligations	2,996	3,943	3,733
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	26	31	
22.00 New financing authority (gross)	2,996	3,912	3,733
22.10 Resources available from recoveries of prior year obligations	59		
22.70 Balance of authority to borrow withdrawn	-54		
23.90 Total budgetary resources available for obligation	3,027	3,943	3,733
23.95 Total new obligations	-2,996	-3,943	-3,733
24.40 Unobligated balance carried forward, end of year	31		
<b>New financing authority (gross), detail:</b>			
Discretionary:			
47.05 Authority to borrow (indefinite)	2,544	2,975	2,809
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	613	939	955
68.10 Change in uncollected customer payments from Federal sources	-37	-2	-31
68.47 Portion applied to repay debt	-124		
68.90 Spending authority from offsetting collections (total discretionary)	452	937	924
70.00 Total new financing authority (gross)	2,996	3,912	3,733
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	4,400	5,516	6,709
72.95 Uncollected customer payments from program account, start of year	-118	-81	-79
72.99 Obligated balance, start of year	4,282	5,435	6,630
73.10 Total new obligations	2,996	3,943	3,733
73.20 Total financing disbursements (gross)	-1,784	-2,748	-2,926
73.45 Recoveries of prior year obligations	-59		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	5,516	6,709	7,485
74.95 Uncollected customer payments from program account, end of year	-81	-79	-48
74.99 Obligated balance, end of year	5,435	6,630	7,437
87.00 Total financing disbursements (gross)	1,784	2,748	2,926
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payment from program account	-48	-182	-36
88.25 Interest on uninvested funds	-43	-69	-84
Non-Federal sources:			
88.40 Repayment of principal	-208	-183	-222
88.40 Interest received on loans	-312	-505	-613

88.40 Miscellaneous Income	-2		
88.90 Total, offsetting collections (cash)	-613	-939	-955
Against gross financing authority only:			
88.95 Change in receivables from program accounts	37	2	31
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority	2,420	2,975	2,809
90.00 Financing disbursements	1,171	1,809	1,971

Status of Direct Loans (in millions of dollars)

Identification code 12-4208-0-3-271	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	2,559	3,010	3,010
1150 Total direct loan obligations	2,559	3,010	3,010
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	5,949	7,131	8,804
1231 Disbursements: Direct loan disbursements	1,390	1,856	2,207
1251 Repayments: Repayments and prepayments	-208	-183	-222
1290 Outstanding, end of year	7,131	8,804	10,789

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury	10	48	184	485
Investments in US securities:				
1106 Receivables, net	78	43		
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	5,007	6,019	7,339	8,920
1402 Interest receivable		34		
1405 Allowance for subsidy cost (-)	-473	-465	-416	-572
1499 Net present value of assets related to direct loans	4,534	5,588	6,923	8,348
1999 Total assets	4,622	5,679	7,107	8,833
<b>LIABILITIES:</b>				
Federal liabilities:				
2101 Accounts payable	9	21		
2102 Interest payable		29		
2103 Debt	4,535	5,571	7,019	8,766
2207 Non-Federal liabilities: Other		58	88	67
2999 Total liabilities	4,544	5,679	7,107	8,833
4999 Total liabilities and net position	4,544	5,679	7,107	8,833
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury	1	69	188	255
Investments in US securities:				
1106 Receivables, net	43	37		
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	941	1,088	1,465	1,869
1402 Interest receivable		3		
1405 Allowance for subsidy cost (-)	-50	-51	-81	-102
1499 Net present value of assets related to direct loans	891	1,040	1,384	1,767
1999 Total assets	935	1,146	1,572	2,022
<b>LIABILITIES:</b>				
Federal liabilities:				
2101 Accounts payable	3	3		
2102 Interest payable		2		
2103 Debt	877	1,117	1,524	1,984
2207 Non-Federal liabilities: Other		24	48	38

**Credit accounts—Continued**

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS DIRECT LOAN FINANCING ACCOUNT—Continued**

**Balance Sheet (in millions of dollars)—Continued**

Identification code 12-4208-0-3-271	1999 actual	2000 actual	2001 est.	2002 est.
2999 Total liabilities .....	880	1,146	1,572	2,022
4999 Total liabilities and net position .....	880	1,146	1,572	2,022

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS GUARANTEED LOANS FINANCING ACCOUNT**

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

Identification code 12-4209-0-3-271	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	53	100	100
2150 Total guaranteed loan commitments .....	53	100	100
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	16	168	218
2231 Disbursements of new guaranteed loans .....	152	52	105
2251 Repayments and prepayments .....		-2	-3
2290 Outstanding, end of year .....	168	218	320
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	168	218	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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Interest expense on certificates of beneficial ownership .....	404	472	467
00.02 Interest expense, FFB direct .....	857	761	669
00.03 Other interest expense .....	5	8	9
00.05 Other .....	5	4	4
10.00 Total new obligations .....	1,271	1,245	1,149
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	1,261	1,242	1,145
22.10 Resources available from recoveries of prior year obligations .....	27	4	4
22.70 Balance of authority to borrow withdrawn .....	-16		
23.90 Total budgetary resources available for obligation .....	1,272	1,246	1,149
23.95 Total new obligations .....	-1,271	-1,245	-1,149
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.36 Unobligated balance rescinded .....			-4
Mandatory:			
60.05 Appropriation (indefinite) .....		12	
60.36 Unobligated balance rescinded .....	-3	-4	
62.00 Transferred from other accounts .....	25	24	23
62.50 Appropriation (total mandatory) .....	22	32	23
69.00 Offsetting collections (cash) .....	3,305	3,009	2,738
69.10 Change in uncollected customer payments from Federal sources .....	-45		

69.27 Capital transfer to general fund .....	-39		-385
69.47 Portion applied to repay debt .....	-1,982	-1,799	-1,227
69.90 Spending authority from offsetting collections (total mandatory) .....	1,239	1,210	1,126
70.00 Total new budget authority (gross) .....	1,261	1,242	1,145

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	607	521	93
72.95 Uncollected customer payments from Federal sources, start of year .....	-45		
72.99 Obligated balance, start of year .....	562	521	93
73.10 Total new obligations .....	1,271	1,245	1,149
73.20 Total outlays (gross) .....	-1,285	-1,669	-1,145
73.45 Recoveries of prior year obligations .....	-27	-4	-4
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	521	93	93
74.99 Obligated balance, end of year .....	521	93	93

**Outlays (gross), detail:**

86.97 Outlays from new mandatory authority .....	723	1,148	1,052
86.98 Outlays from mandatory balances .....	562	521	93
87.00 Total outlays (gross) .....	1,285	1,669	1,145

**Offsets:**

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Loans repaid .....	-2,158	-1,982	-1,803
88.40 Interest from loans .....	-1,116	-1,027	-935
88.40 Other .....	-31		
88.90 Total, offsetting collections (cash) .....	-3,305	-3,009	-2,738
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources .....	45		

**Net budget authority and outlays:**

89.00 Budget authority .....	-1,999	-1,767	-1,593
90.00 Outlays .....	-2,020	-1,340	-1,593

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

Identification code 12-4230-0-3-271	2000 actual	2001 est.	2002 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	25,867	23,733	21,737
1231 Disbursements: Direct loan disbursements .....	18	19	18
1251 Repayments: Repayments and prepayments .....	-2,176	-1,982	-1,804
Write-offs for default:			
1263 Direct loans .....	-159	-33	
1264 Other adjustments, net .....	183		
1290 Outstanding, end of year .....	23,733	21,737	19,951

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

Identification code 12-4230-0-3-271	2000 actual	2001 est.	2002 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	409	382	357
2251 Repayments and prepayments .....		-25	-24
2263 Adjustments: Terminations for default that result in claim payments .....	-27		
2290 Outstanding, end of year .....	382	357	333
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	382	357	333

**STATUS OF AGENCY DEBT**

(In millions of dollars)

Agency debt held by FFB:	2000 actual	2001 est.	2002 est.
Outstanding FFB direct, start of year .....	12,130	10,662	9,371
Outstanding Certificate of Beneficial Ownership (CBO's), start of year .....	4,599	4,327	4,270
Adjustments, FFB direct .....	-4		
New agency borrowing, FFB direct .....	6		
Repayments and prepayments, FFB Direct .....	-1,470	-1,291	-1,134

Repayments, CBO's .....	- 272	- 57	- 0
Outstanding FFB direct, end of year .....	10,662	9,371	8,237
Outstanding CBO's, end of year .....	4,327	4,270	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)

	2000 actual	2001 est.	2002 est.
Cumulative RUS financed direct loans .....	21,856	21,856	21,856
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 .....	25	24	23
Cumulative RUS principal repaid .....	13,971	15,764	17,392
Cumulative RUS interest paid .....	11,368	12,278	13,104
Cumulative loan guarantee commitments <sup>1</sup> .....	3,967	3,967	3,967
Number of borrowers .....	744	573	420

<sup>1</sup> 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)

	2000 actual	2001 est.	2002 est.
Cumulative RUS financed direct loans .....	6,046	6,046	6,046
Cumulative FFB financed direct loans .....	562	562	562
Cumulative RUS funds advanced .....	5,881	5,892	5,902
Unadvanced RUS funds, end of period .....	166	155	145
Cumulative RUS principal repaid .....	3,497	3,686	3,862
Cumulative RUS interest paid .....	2,750	2,867	2,976
Cumulative loan guarantee commitments <sup>1</sup> .....	3	3	3
Number of borrowers .....	743	684	633

<sup>1</sup> Other lenders—privately financed direct loans, FFB.

**Statement of Operations (in millions of dollars)**

Identification code 12-4230-0-3-271	1999 actual	2000 actual	2001 est.	2002 est.
<b>ELECTRIC PROGRAM:</b>				
0111 Revenue .....	1,352	1,408	919	934
0112 Expense .....	-596	-22	-825	-797
0115 Net income or loss (-) .....	756	1,386	94	137
<b>TELEPHONE PROGRAM:</b>				
0121 Revenue .....	159	116	108	97
0122 Expense .....	-246	-17	-86	-77
0125 Net income or loss (-) .....	-87	99	22	20
0191 Total revenues .....	1,511	1,524	1,027	1,031
0192 Total expenses .....	-842	-39	-911	-874
0195 Total income or loss (-) .....	669	1,485	116	157
0199 Net loss (-) .....	669	1,485	116	157

**Balance Sheet (in millions of dollars)**

Identification code 12-4230-0-3-271	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	247	290	59	59
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross (Electric) .....	23,214	21,256	19,245	17,557
1602 Interest receivable .....	19	262	254	250
1603 Allowance for estimated uncollectible loans and interest (-) .....	-2,439	-1,027	-962	-879
1604 Direct loans and interest receivable, net .....	20,794	20,491	18,537	16,928
1699 Value of assets related to direct loans .....	20,794	20,491	18,537	16,928
1901 Other Federal assets: Other assets .....				
1999 Total assets .....	21,041	20,781	18,596	16,987
<b>LIABILITIES:</b>				
Federal liabilities:				
2101 Accounts payable .....	659	780	742	690
2103 Debt .....	20,853	18,846	17,796	17,732
2104 Resources payable to Treasury .....	-608	803	-112	-1,591
2105 Other .....	3	154		
Non-Federal liabilities:				
2202 Interest payable .....	11	177	152	139
2204 Liabilities for loan guarantees .....	18	19	18	17
2207 Other .....	105	2		
2999 Total liabilities .....	21,041	20,781	18,596	16,987
4999 Total liabilities and net position .....	21,041	20,781	18,596	16,987

Identification code 12-4230-0-3-271	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	189	173	34	34
Non-Federal assets:				
1201 Investments in non-Federal securities, net .....	502	477	453	430
1206 Receivables, net .....	660	780	560	384
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross (Telephone) .....	2,653	2,477	2,492	2,394
1602 Interest receivable .....	6	8	8	7
1603 Allowance for estimated uncollectible loans and interest (-) .....	-32	-33	-25	-24
1604 Direct loans and interest receivable, net .....	2,627	2,452	2,475	2,377
1699 Value of assets related to direct loans .....	2,627	2,452	2,475	2,377
1999 Total assets .....	3,978	3,882	3,522	3,225
<b>LIABILITIES:</b>				
Federal liabilities:				
2102 Interest payable .....		4	3	3
2103 Debt .....	2,061	1,944	1,760	1,754
2104 Resources payable to Treasury .....	1,903	1,922	1,747	1,456
2105 Other .....	4	-1		
2207 Non-Federal liabilities: Other .....		3	2	2
2999 Total liabilities .....	3,968	3,872	3,512	3,215
<b>NET POSITION:</b>				
3300 Cumulative results of operations .....	10	10	10	10
3999 Total net position .....	10	10	10	10
4999 Total liabilities and net position .....	3,978	3,882	3,522	3,225

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

Identification code 12-4230-0-3-271	2000 actual	2001 est.	2002 est.
25.2 Other services .....	5	4	4
33.0 Investments and loans .....	5	8	9
43.0 Interest and dividends .....	1,261	1,233	1,136
99.9 Total new obligations .....	1,271	1,245	1,149

Credit accounts—Continued

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 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), \$2,590,000.]

[In addition, for] For administrative expenses, including audits, necessary to [carry out the loan programs, \$3,000,000] continue to service existing loans, \$3,082,000, 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 Development, Salaries and Expenses". (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

General Fund Credit Receipt Accounts (in millions of dollars)

Identification code 12-1231-0-1-452	2000 actual	2001 est.	2002 est.
0101 Rural telephone bank loans, downward reestimate of subsidies .....	1	5	.....

Program and Financing (in millions of dollars)

Identification code 12-1231-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loan subsidy .....	3	3	.....
00.05 Reestimates on direct loan subsidy .....	1	3	.....
00.06 Interest on reestimate .....	.....	1	.....
00.09 Administrative expenses subject to limitation .....	3	3	3
10.00 Total new obligations .....	7	10	3

Budgetary resources available for obligation:

22.00 New budget authority (gross) .....	7	10	3
23.95 Total new obligations .....	-7	-10	-3

New budget authority (gross), detail:

<b>Discretionary:</b>			
40.00 Appropriation .....	6	6	.....
42.00 Transferred from other accounts .....	.....	.....	3
43.00 Appropriation (total discretionary) .....	6	6	3
<b>Mandatory:</b>			
60.05 Appropriation (indefinite) .....	1	4	.....
70.00 Total new budget authority (gross) .....	7	10	3

Change in unpaid obligations:

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	12	15	17
72.99 Obligated balance, start of year .....	12	15	17
73.10 Total new obligations .....	7	10	3
73.20 Total outlays (gross) .....	-4	-8	-4
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	15	17	15
74.99 Obligated balance, end of year .....	15	17	15

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....	3	3	3
86.93 Outlays from discretionary balances .....	2	1	1
86.97 Outlays from new mandatory authority .....	1	4	.....
87.00 Total outlays (gross) .....	4	8	4

Net budget authority and outlays:

89.00 Budget authority .....	7	10	3
90.00 Outlays .....	4	8	4

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

Identification code 12-1231-0-1-452	2000 actual	2001 est.	2002 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
1150 Direct loan levels .....	175	175	.....
1159 Total direct loan levels .....	175	175	.....
<b>Direct loan subsidy (in percent):</b>			
1320 Subsidy rate .....	1.88	1.48	0.00
1329 Weighted average subsidy rate .....	1.88	1.48	0.00
<b>Direct loan subsidy budget authority:</b>			
1330 Subsidy budget authority .....	3	3	.....
1330 Reestimate .....	.....	-2	.....
1339 Total subsidy budget authority .....	3	1	.....
<b>Direct loan subsidy outlays:</b>			
1340 Subsidy outlays .....	.....	1	1
1340 Reestimate .....	.....	-2	.....
1349 Total subsidy outlays .....	.....	-1	1
<b>Administrative expense data:</b>			
3510 Budget authority .....	3	3	3
3590 Outlays .....	3	3	3

The President's budget proposes no more federally funded loans. Funding for the RTB's 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	2000 actual	2001 est.	2002 est.
25.2 Other services .....	3	3	3
41.0 Grants, subsidies, and contributions .....	4	7	.....
99.9 Total new obligations .....	7	10	3

RURAL TELEPHONE BANK DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 12-4210-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
<b>Operating program:</b>			
00.01 Direct loans .....	175	175	.....
00.02 Interest on Treasury borrowing .....	18	29	37
00.91 Subtotal, Operating program .....	193	204	37
<b>Reestimate:</b>			
08.02 Downward reestimate .....	1	5	.....
08.04 Interest on downward reestimate .....	.....	1	.....
08.91 Subtotal, reestimate .....	1	6	.....
10.00 Total new obligations .....	194	210	37
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	.....	1	.....
22.00 New financing authority (gross) .....	197	208	37
22.10 Resources available from recoveries of prior year obligations .....	55	.....	.....
22.70 Balance of authority to borrow withdrawn .....	-56	.....	.....
23.90 Total budgetary resources available for obligation .....	196	209	37
23.95 Total new obligations .....	-194	-210	-37
24.40 Unobligated balance carried forward, end of year .....	1	.....	.....

New financing authority (gross), detail:

<b>Mandatory:</b>			
67.15 Authority to borrow (indefinite) .....	172	155	.....



Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash) .....	36	52	61
68.10	Change in uncollected customer payments from Federal sources .....	3	1	-1
68.47	Portion applied to repay debt .....	-14		-23
68.90	Spending authority from offsetting collections (total discretionary) .....	25	53	37
70.00	Total new financing authority (gross) .....	197	208	37
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	842	934	999
72.95	Uncollected customer payments from program account, start of year .....	-12	-15	-16
72.99	Obligated balance, start of year .....	830	919	983
73.10	Total new obligations .....	194	210	37
73.20	Total financing disbursements (gross) .....	-51	-145	-167
73.45	Recoveries of prior year obligations .....	-55		
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	934	999	869
74.95	Uncollected customer payments from program account, end of year .....	-15	-16	-15
74.99	Obligated balance, end of year .....	919	983	854
87.00	Total financing disbursements (gross) .....	51	145	167
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: Payment from Program Account .....	-1	-5	-1
88.25	Interest on uninvested funds .....	-5	-4	-5
Non-Federal sources:				
88.40	Principal received on loans .....	-13	-11	-14
88.40	Interest received on loans .....	-15	-26	-35
88.40	Sale of RTB Stock .....	-2	-6	-6
88.90	Total, offsetting collections (cash) .....	-36	-52	-61
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	-3	-1	1
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	158	155	-23
90.00	Financing disbursements .....	15	93	106

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

Identification code 12-4210-0-3-452				
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	175	175	
1150	Total direct loan obligations .....	175	175	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	246	268	373
1231	Disbursements: Direct loan disbursements .....	31	116	129
1251	Repayments: Repayments and prepayments .....	-9	-11	-14
1290	Outstanding, end of year .....	268	373	488

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				
<b>ASSETS:</b>				
Federal assets:				
1101	Fund balances with Treasury .....	423		735
Investments in US securities:				
1106	Receivables, net .....	12	19	17
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross .....	246	246	372
1402	Interest receivable .....	13		26

1405	Allowance for subsidy cost (-) .....	-19	-9	-17
1499	Net present value of assets related to direct loans .....	240	237	381
1999	Total assets .....	675	256	1,133
<b>LIABILITIES:</b>				
Federal liabilities:				
2103	Debt .....	659	221	1,116
2105	Other .....		15	
Non-Federal liabilities:				
2201	Accounts payable .....	12	6	17
2207	Other .....		14	
2999	Total liabilities .....	671	256	1,133
4999	Total liabilities and net position .....	671	256	1,133

**RURAL TELEPHONE BANK LIQUIDATING ACCOUNT**

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

Identification code 12-4231-0-3-452				
2000 actual      2001 est.      2002 est.				
<b>Obligations by program activity:</b>				
00.01	Dividends .....	18	18	21
10.00	Total new obligations (object class 43.0) .....	18	18	21
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	508	636	751
22.00	New budget authority (gross) .....	125	111	228
22.10	Resources available from recoveries of prior year obligations .....	21	22	
22.21	Unobligated balance transferred to other accounts .....			-3
23.90	Total budgetary resources available for obligation .....	654	769	976
23.95	Total new obligations .....	-18	-18	-21
24.40	Unobligated balance carried forward, end of year .....	636	751	955
<b>New budget authority (gross), detail:</b>				
Mandatory:				
61.00	Transferred to other accounts .....	-25	-24	-23
69.00	Offsetting collections (cash) .....	188	210	256
69.47	Portion applied to repay debt .....	-38	-75	-5
69.90	Spending authority from offsetting collections (total mandatory) .....	150	135	251
70.00	Total new budget authority (gross) .....	125	111	228
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	149	120	90
72.99	Obligated balance, start of year .....	149	120	90
73.10	Total new obligations .....	18	18	21
73.20	Total outlays (gross) .....	-26	-26	-37
73.45	Recoveries of prior year obligations .....	-21	-22	
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	120	90	74
74.99	Obligated balance, end of year .....	120	90	74
<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority .....	18	19	20
86.98	Outlays from mandatory balances .....	8	8	17
87.00	Total outlays (gross) .....	26	26	37
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.25	Interest on uninvested funds .....	-46	-28	
Non-Federal sources:				
88.40	Loans repaid .....	-74	-122	-151
88.40	Interest from loans .....	-67	-60	-105
88.40	Sales of stock .....	-1		
88.90	Total, offsetting collections (cash) .....	-188	-210	-256
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	-63	-99	-28
90.00	Outlays .....	-162	-184	-219

**Credit accounts—Continued**

**RURAL TELEPHONE BANK LIQUIDATING ACCOUNT—Continued**

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

Identification code 12-4231-0-3-452	2000 actual	2001 est.	2002 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	986	924	810
1231 Disbursements: Direct loan disbursements .....	12	8	7
1251 Repayments: Repayments and prepayments .....	-74	-122	-78
1290 Outstanding, end of year .....	924	810	739

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 salaries and expenses will be transferred from the unobligated balances in the RTB liquidating account in 2002.

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. The President's budget proposes that the Rural Telephone Bank make no more Federally-funded loans.

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)

	2000 actual	2001 est.	2002 est.
Cumulative net loans .....	2,537	2,537	2,537
Cumulative loan funds, advanced .....	2,461	2,469	2,476
Unadvanced loan funds, end of year .....	76	68	61
Cumulative principal repaid .....	1,537	1,659	1,737
Cumulative interest paid .....	2,232	2,291	2,345
Number of borrowers .....	361	317	289

**Statement of Operations (in millions of dollars)**

Identification code 12-4231-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
0101 Revenue .....	126	120	87	54
0102 Expense .....	-11	-37	-25	-18
0105 Net income or loss (-) .....	115	83	62	36

**Balance Sheet (in millions of dollars)**

Identification code 12-4231-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	657	756	841	922
1402 Net value of assets related to post-1991 direct loans receivable: Interest receivable .....	3	2	3	2
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross .....	986	924	810	739
1603 Allowance for estimated uncollectible loans and interest (-) .....	-7	-65	-57	-52
1604 Direct loans and interest receivable, net .....	979	859	753	687
1699 Value of assets related to direct loans .....	979	859	753	687

1999 Total assets .....	1,639	1,617	1,597	1,611
<b>LIABILITIES:</b>				
Federal liabilities:				
2103 Debt .....	102	74		
2104 Resources payable to Treasury .....		83	157	185
2207 Non-Federal liabilities: Other .....	1,035	983	987	996
2999 Total liabilities .....	1,137	1,140	1,144	1,181
<b>NET POSITION:</b>				
3300 Cumulative results of operations .....	502	477	453	430
3999 Total net position .....	502	477	453	430
4999 Total liabilities and net position .....	1,639	1,617	1,597	1,611

**DISTANCE LEARNING AND TELEMEDICINE PROGRAM**

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., **[\$27,000,000] \$26,941,000**, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas[, and of which \$2,000,000]: *Provided, That, contingent upon the enactment of authorizing legislation, \$1,996,000 may be available for a [pilot] loan and grant program to finance broadband transmission and local dial-up Internet service in areas that meet the definition of "rural area" used for the Distance Learning and Telemedicine Program authorized by 7 U.S.C. 950aaa: Provided, That the cost 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, 2001, as enacted by section 1(a) of P.L. 106-387.)*

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

Identification code 12-1232-0-1-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.02 Grants .....	19	30	27
10.00 Total new obligations (object class 41.0) .....	19	30	27
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	3	
22.00 New budget authority (gross) .....	21	27	27
22.10 Resources available from recoveries of prior year obligations .....	1		1
23.90 Total budgetary resources available for obligation .....	23	30	28
23.95 Total new obligations .....	-19	-30	-27
24.40 Unobligated balance carried forward, end of year .....	3		1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation grant budget authority .....	21	27	27
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	30	42	54
72.99 Obligated balance, start of year .....	30	42	54
73.10 Total new obligations .....	19	30	27
73.20 Total outlays (gross) .....	-7	-18	-21
73.45 Recoveries of prior year obligations .....	-1		-1
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	42	54	60
74.99 Obligated balance, end of year .....	42	54	60
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....		1	1
86.93 Outlays from discretionary balances .....	7	16	20
87.00 Total outlays (gross) .....	7	18	21
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	21	27	27
90.00 Outlays .....	7	18	21

**Summary of Budget Authority and Outlays**

(in millions of dollars)

	2000 actual	2001 est.	2002 est.
Enacted/requested:			
Budget Authority .....	21	27	27

Outlays .....	7	17	21
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			
Outlays .....			
Total:			
Budget Authority .....	21	27	27
Outlays .....	7	17	21

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

Identification code 12-1232-0-1-452	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150 DLT Direct loan levels .....	200	300	300
1150 Broadband loan levels .....		100	
1159 Total direct loan levels .....	200	400	300
Direct loan subsidy (in percent):			
1320 DLT Subsidy rate .....	0.35	-0.61	-0.07
1320 Broadband loans subsidy rate .....	0.00	-0.61	-0.07
1329 Weighted average subsidy rate .....	0.35	-0.61	-0.07
Direct loan subsidy budget authority:			
1330 DLT Subsidy budget authority .....	1	-2	
1330 Broadband loan subsidy budget authority .....		-1	
1330 Reestimate .....			
1339 Total subsidy budget authority .....	1	-3	

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 continuing a program, subject to authorization, 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**

(Legislative proposal, not subject to PAYGO)

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

Identification code 12-1232-2-1-452	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Broadband loan levels .....			100
1159 Total direct loan levels .....			100

This program would fund \$2 million in grants and \$100 million in Treasury-rate loans in 2002 to be used in a grant/loan combination to finance installation of broadband transmission capacity (i.e. the fiber optic cable capacity needed to provide enhanced services such as the Internet or high speed modems) for rural communities. The other purpose for which a loan and grant combination would be provided is local dialup Internet service to under-served areas. These funds could be targeted to communities that currently lack Internet access via a local call. Recipients of these loans and grants would be current Rural Utilities Service telecommunication cooperatives and businesses serving rural areas and communities. Legislation will be proposed to provide authority to create a Broadband loan and grant program.

**DISTANCE LEARNING AND TELEMEDICINE DIRECT LOAN FINANCING ACCOUNT**

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

Identification code 12-4146-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating program:			
00.01 Direct loans .....	6	400	300
00.02 Interest on Treasury borrowing .....		1	4
10.00 Total new obligations .....	6	401	304
<b>Budgetary resources available for obligation:</b>			
22.00 New financing authority (gross) .....	7	401	304
23.95 Total new obligations .....	-6	-401	-304
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.15 Authority to borrow (indefinite) .....	6	396	283
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	5	21
70.00 Total new financing authority (gross) .....	7	401	304
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	58	63	432
72.99 Obligated balance, start of year .....	58	63	432
73.10 Total new obligations .....	6	401	304
73.20 Total financing disbursements (gross) .....	-1	-32	-113
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	63	432	623
74.99 Obligated balance, end of year .....	63	432	623
87.00 Total financing disbursements (gross) .....	1	32	113
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds .....			-2
Non-Federal sources:			
88.40 Repayment of principal .....	-1	-3	-11
88.40 Interest received on loans .....		-2	-8
88.90 Total, offsetting collections (cash) .....	-1	-5	-21
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	6	396	283
90.00 Financing disbursements .....		27	92

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

Identification code 12-4146-0-3-452	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	200	400	300
1112 Unobligated direct loan limitation .....	-194		
1150 Total direct loan obligations .....	6	400	300
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	1	2	31
1231 Disbursements: Direct loan disbursements .....	1	32	113
1251 Repayments: Repayments and prepayments .....		-3	-11
1290 Outstanding, end of year .....	2	31	133

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.

**Credit accounts—Continued**

**DISTANCE LEARNING AND TELEMEDICINE DIRECT LOAN FINANCING ACCOUNT—Continued**

**Balance Sheet (in millions of dollars)**

Identification code 12-4146-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	1	1	31	133
1402 Interest receivable			2	8
1405 Allowance for subsidy cost (-)			-2	-8
1499 Net present value of assets related to direct loans	1	1	31	133
1999 Total assets	1	1	31	133
<b>LIABILITIES:</b>				
2101 Federal liabilities: Accounts payable	1	1	31	133
2999 Total liabilities	1	1	31	133
<b>NET POSITION:</b>				
3999 Total net position				
4999 Total liabilities and net position	1	1	31	133

**RURAL DEVELOPMENT INSURANCE FUND LIQUIDATING ACCOUNT**

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

Identification code 12-4155-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Operating expenses:			
00.03 Redemption of public certificate of beneficial ownership debt	1		
Capital investment:			
01.01 Interest on FFB borrowings	478	429	250
01.05 Interest on Treasury borrowings	104	82	58
01.91 Total capital investment	582	511	308
10.00 Total new obligations (object class 43.0)	583	511	308
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross)	583	512	308
23.95 Total new obligations	-583	-511	-308
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.05 Appropriation (indefinite)	290	1,389	1,612
60.47 Portion applied to repay debt		-877	-1,304
62.50 Appropriation (total mandatory)	290	511	308
69.00 Offsetting collections (cash)	398	363	341
69.47 Portion applied to repay debt	-105	-363	-341
69.90 Spending authority from offsetting collections (total mandatory)	293		
70.00 Total new budget authority (gross)	583	511	308
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year	246	243	178
72.99 Obligated balance, start of year	246	243	178
73.10 Total new obligations	583	511	308
73.20 Total outlays (gross)	-586	-577	-407
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year	243	178	79
74.99 Obligated balance, end of year	243	178	79
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority	340	399	230
86.98 Outlays from mandatory balances	246	178	178
87.00 Total outlays (gross)	586	577	407

**Offsets:**

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Non-Federal sources:			
88.40 Non-Federal sources	-199	-187	-176
88.40 Repayments of guaranteed loans purchased from investors	-2	-2	-2
88.40 Interest revenue	-184	-174	-163
88.40 Undistributed	-13		
88.90 Total, offsetting collections (cash)	-398	-363	-341

**Net budget authority and outlays:**

89.00 Budget authority	185	149	-33
90.00 Outlays	188	214	66

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

Identification code 12-4155-0-3-452	2000 actual	2001 est.	2002 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	3,470	3,269	3,078
1231 Disbursements: Direct loan disbursements	1		
1251 Repayments: Repayments and prepayments	-199	-187	-176
1263 Write-offs for default: Direct loans	-4	-4	-3
1290 Outstanding, end of year	3,269	3,078	2,899

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

Identification code 12-4155-0-3-452	2000 actual	2001 est.	2002 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year	131	109	85
2231 Disbursements of new guaranteed loans	1		
2251 Repayments and prepayments	-28	-24	-18
<b>Adjustments:</b>			
2263 Terminations for default that result in claim payments	1		
2264 Other adjustments, net	4		
2290 Outstanding, end of year	109	85	67
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	88	68	53

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	1999 actual	2000 actual	2001 est.	2002 est.
0101 Revenue	205	590	576	556
0102 Expense	-277	-993	-619	-451
0105 Net income or loss (-)	-72	-403	-43	105

**Balance Sheet** (in millions of dollars)

Identification code 12-4155-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	229	243	178	79
1201 Non-Federal assets: Investments in non-Federal securities, net .....	34	34	34	34
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross .....	3,470	3,269	3,078	2,898
1602 Interest receivable .....	53	59	48	46
1603 Allowance for estimated uncollectible loans and interest (-) .....	-1,058	-1,076	-1,000	-942
1604 Direct loans and interest receivable, net .....	2,465	2,252	2,126	2,002
1699 Value of assets related to direct loans .....	2,465	2,252	2,126	2,002
1901 Other Federal assets: Other assets .....	23	20	17	14
1999 Total assets .....	2,751	2,549	2,355	2,129
<b>LIABILITIES:</b>				
Federal liabilities:				
2103 Debt .....	4,412	4,306	3,066	1,421
2104 Resources payable to Treasury .....	-1,913	-2,013	-894	618
Non-Federal liabilities:				
2202 Interest payable .....	189	243	177	78
2204 Liabilities for loan guarantees .....	7	2	2	2
2207 Other .....	56	11	10	10
2999 Total liabilities .....	2,751	2,549	2,361	2,129
4999 Total liabilities and net position .....	2,751	2,549	2,361	2,129

**Offsets:**

Against gross budget authority and outlays:				
88.40 Offsetting collections (cash) from: Non-Federal sources .....	-1	-1	-1	-1
<b>Net budget authority and outlays:</b>				
89.00 Budget authority .....	2	2	2	2
90.00 Outlays .....	2	2	2	2

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

Identification code 12-4142-0-3-452	2000 actual	2001 est.	2002 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	7	6	5
1251 Repayments: Repayments and prepayments .....	-1	-1	-1
1290 Outstanding, end of year .....	6	5	4

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

Identification code 12-4142-0-3-452	2000 actual	2001 est.	2002 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	4	4	4
2251 Repayments and prepayments .....	-	-	-
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, approved May 22, 1979. No loans have been made through this account since before 1992.

**RURAL COMMUNICATION DEVELOPMENT FUND LIQUIDATING ACCOUNT**

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

Identification code 12-4142-0-3-452	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Interest to Treasury .....	3	3	3
10.00 Total new obligations (object class 43.0) .....	3	3	3
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....		1	
22.00 New budget authority (gross) .....	3	3	3
23.90 Total budgetary resources available for obligation .....	3	4	3
23.95 Total new obligations .....	-3	-3	-3
24.40 Unobligated balance carried forward, end of year .....	1		
<b>New budget authority (gross), detail:</b>			
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
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1	1	1
72.99 Obligated balance, start of year .....	1	1	1
73.10 Total new obligations .....	3	3	3
73.20 Total outlays (gross) .....	-3	-3	-3
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	1	1	1
74.99 Obligated balance, end of year .....	1	1	1
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	3	1	1
86.98 Outlays from mandatory balances .....	1		
87.00 Total outlays (gross) .....	3	3	3

**Statement of Operations** (in millions of dollars)

Identification code 12-4142-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
0101 Revenue .....	3	3	3	3
0102 Expense .....	-6	-5	-5	-5
0105 Net income or loss (-) .....	-3	-2	-2	-2

**Balance Sheet** (in millions of dollars)

Identification code 12-4142-0-3-452	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
1101 Federal assets: Fund balances with Treasury .....	1	2	2	2
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
1601 Direct loans, gross .....	8	6	5	4
1603 Allowance for estimated uncollectible loans and interest (-) .....	-2	-1	-1	-1
1604 Direct loans and interest receivable, net .....	6	5	4	3
1699 Value of assets related to direct loans .....	6	5	4	3
1999 Total assets .....	7	7	6	5
<b>LIABILITIES:</b>				
Federal liabilities:				
2102 Interest payable .....	1	1	1	1
2103 Debt .....	25	25	25	24
2204 Non-Federal liabilities: Liabilities for loan guarantees .....	-16	-17	-18	-18
2999 Total liabilities .....	10	9	8	7
<b>NET POSITION:</b>				
3300 Cumulative results of operations .....	-3	-2	-2	-2
3999 Total net position .....	-3	-2	-2	-2
4999 Total liabilities and net position .....	7	7	6	5

## FOREIGN AGRICULTURAL SERVICE

## Federal Funds

## General and special funds:

## SALARIES AND EXPENSES

(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 \$158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), **[\$115,424,000]** \$121,563,000: *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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

## Program and Financing (in millions of dollars)

Identification code 12-2900-0-1-352	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Market access .....	27	28	30
00.02 Market development .....	32	33	34
00.03 Market intelligence .....	24	25	28
00.04 Financial marketing assistance .....	6	6	7
00.05 Long-term market and infrastructure development .....	21	23	23
09.00 Reimbursable program .....	72	87	88
10.00 Total new obligations .....	182	202	210
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	10	25	25
22.00 New budget authority (gross) .....	197	202	210
23.90 Total budgetary resources available for obligation .....	207	227	235
23.95 Total new obligations .....	-182	-202	-210
24.40 Unobligated balance carried forward, end of year .....	25	25	25
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	109	115	122
42.00 Transferred from other accounts .....	16		
43.00 Appropriation (total discretionary) .....	125	115	122
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	72	87	88
70.00 Total new budget authority (gross) .....	197	202	210
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	56	39	49
72.99 Obligated balance, start of year .....	56	39	49
73.10 Total new obligations .....	182	202	210
73.20 Total outlays (gross) .....	-199	-192	-210
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	39	49	49
74.99 Obligated balance, end of year .....	39	49	49
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	197	192	200
86.93 Outlays from discretionary balances .....			10
87.00 Total outlays (gross) .....	199	192	210
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-72	-87	-88

Net budget authority and outlays:			
89.00 Budget authority .....	125	115	122
90.00 Outlays .....	127	105	122

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. For 2002, the budget includes an increase of \$1 million to strengthen FAS expertise for resolving technical trade issues with foreign trading partners.

**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 16 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 are the Foreign Market Development Co-operator 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. The Quality samples program provides samples of U.S. agricultural products to foreign importers to help overcome marketing trade barriers. 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. For 2002, the budget provides an increase of \$3 million to strengthen FAS's overseas market intelligence capabilities.

**Financial Marketing Assistance:** FAS administers a number of price/credit and risk assistance programs designed to leverage overseas market expansion for U.S. agricultural, fish, and forest products. These programs include CCC Export Credit Guarantee Programs, export subsidy programs, including the Export Enhancement Program and Dairy Export Incentive 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 by mobilizing expertise for agriculturally led economic growth in developing countries. FAS provides linkages to world resources and international organizations to facilitate new technologies that are vital to improving the agricultural demand base and producing new alternative products. Direct program activities include administering the Cochran Fellowship program and managing USDA's bilateral exchange and cooperative research programs with foreign governments and institutions.

FAS also administers food assistance activities such as Public Law 480, Title I; Food for Progress; and Section 416(b) programs. P.L. 480 Title I food aid is designed to help developing nations make the transition from donations and concessional financing to cash purchases while assisting them in feeding their undernourished people. The Emerging Markets Program, under which technical assistance and related activities are carried out in emerging markets, is aimed at enhancing developing countries' food and rural business systems and expanding U.S. agricultural exports. Food for Progress provides food to developing countries and emerging democracies that have made commitments to introduce or expand free enterprise into their agricultural economies. Section 416(b) provides overseas donations of surplus commodities owned by the CCC to assist developing and friendly countries. Section 416(b)'s main activity in 2001, the Humanitarian food aid initiative, was announced in July 1998 to feed needy people overseas while boosting farm income by exporting U.S. commodity surpluses.

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.

Object Classification (in millions of dollars)				
Identification code 12-2900-0-1-352				
	2000 actual	2001 est.	2002 est.	
Direct obligations:				
Personnel compensation:				
11.1				
11.3				
11.5				

11.8	Special personal services payments .....	2	2	2
11.9	Total personnel compensation .....	53	55	57
12.1	Civilian personnel benefits .....	14	15	16
21.0	Travel and transportation of persons .....	4	5	5
22.0	Transportation of things .....	1	1	1
23.2	Rental payments to others .....	6	7	7
23.3	Communications, utilities, and miscellaneous charges .....	2	2	2
24.0	Printing and reproduction .....	1	1	1
25.2	Other services .....	25	26	30
25.8	Subsistence and support of persons .....	1	1	1
26.0	Supplies and materials .....	1	1	1
31.0	Equipment .....	1	1	1
99.0	Subtotal, direct obligations .....	109	115	122
99.0	Reimbursable obligations .....	73	87	88
99.9	Total new obligations .....	182	202	210

**Personnel Summary**

Identification code 12-2900-0-1-352				
	2000 actual	2001 est.	2002 est.	
Direct:				
1001	Total compensable workyears: Full-time equivalent employment .....	799	815	826
Reimbursable:				
2001	Total compensable workyears: Full-time equivalent employment .....	147	151	159

**SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)**

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

Identification code 12-1404-0-1-352				
	2000 actual	2001 est.	2002 est.	
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	1	1	1
23.95	Total new obligations .....			
24.40	Unobligated balance carried forward, end of year .....	1	1	
<b>Change in unpaid obligations:</b>				
Unpaid obligations, start of year:				
72.40	Unpaid obligations, start of year .....	2	1	1
72.99	Obligated balance, start of year .....	2	1	1
73.20	Total outlays (gross) .....	-1	-1	-1
Unpaid obligations, end of year:				
74.40	Unpaid obligations, end of year .....	1	1	
74.99	Obligated balance, end of year .....	1	1	
<b>Outlays (gross), detail:</b>				
86.93	Outlays from discretionary balances .....	1	1	1
<b>Net budget authority and outlays:</b>				
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 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS**

(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, [ \$20,322,000 ] \$20,277,000, 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 with prior notice to the Committees on Appropriations of both Houses of Congress. (7 U.S.C. 1701b, 2209b; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-2271-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 P.L. 480 Grant—Title I: Ocean freight differential (OFD) .....	28	105	20
09.00 MARAD Reimbursements .....	11		
10.00 Total new obligations .....	39	105	20
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	92	85	
22.00 New budget authority (gross) .....	32	20	20
23.90 Total budgetary resources available for obligation .....	124	105	20
23.95 Total new obligations .....	-39	-105	-20
24.40 Unobligated balance carried forward, end of year .....	85		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	21	20	20
68.00 Spending authority from offsetting collections: MARAD Reimbursements .....	11		
70.00 Total new budget authority (gross) .....	32	20	20
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	38	20	9
72.99 Obligated balance, start of year .....	38	20	9
73.10 Total new obligations .....	39	105	20
73.20 Total outlays (gross) .....	-57	-116	-18
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	20	9	11
74.99 Obligated balance, end of year .....	20	9	11
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	12	11	11
86.93 Outlays from discretionary balances .....	45	105	7
87.00 Total outlays (gross) .....	57	116	18
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-11		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	21	20	20
90.00 Outlays .....	46	116	18

This account funds the title I ocean freight differential program.

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

Identification code 12-2271-0-1-351	2000 actual	2001 est.	2002 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	28	105	20
99.0 Reimbursable obligations: Subtotal, reimbursable obligations .....	11		
99.9 Total new obligations .....	39	105	20

**PUBLIC LAW 480 [TITLE II] GRANTS—TITLES II AND III**

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, [ \$837,000,000 ] \$835,159,000, to remain available until expended, for commodities supplied in connection with dispositions abroad under title II of said Act. (7 U.S.C. 1691, 1721-26a. 1727-27e, 1731-36g-3, 1737, 2209b; *Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-2278-0-1-151	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Commodities supplied in connection with dispositions abroad (Title II) .....	942	927	835
00.02 Commodities supplied in connection with dispositions abroad (Title III) .....	5		
10.00 Total new obligations (object class 41.0) .....	947	927	835
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	129	91	
22.00 New budget authority (gross) .....	841	835	835
22.10 Resources available from recoveries of prior year obligations .....	69		
23.90 Total budgetary resources available for obligation .....	1,039	926	835
23.95 Total new obligations .....	-947	-927	-835
24.40 Unobligated balance carried forward, end of year .....	91		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	800	836	835
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-2	
42.00 Transferred from other accounts .....	39	1	
43.00 Appropriation (total discretionary) .....	839	835	835
68.00 Spending authority from offsetting collections: MARAD Reimbursements .....	2		
70.00 Total new budget authority (gross) .....	841	835	835
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	671	601	641
72.99 Obligated balance, start of year .....	671	601	641
73.10 Total new obligations .....	947	927	835
73.20 Total outlays (gross) .....	-948	-887	-843
73.45 Recoveries of prior year obligations .....	-69		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	601	641	633
74.99 Obligated balance, end of year .....	601	641	633
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	553	438	438
86.93 Outlays from discretionary balances .....	395	449	405
87.00 Total outlays (gross) .....	948	887	843
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-2		
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	839	835	835
90.00 Outlays .....	946	887	843



This account funds the non-credit components of Public Law 480, title II and title III.

**Credit accounts:**

**PUBLIC LAW 480 [TITLE I] PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)**

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, and the Food for Progress Act of 1985, including the cost of modifying credit arrangements under said Acts, **[\$114,186,000] \$113,935,000**, 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, to the extent funds appropriated for Public Law 83-480 are utilized, **[\$1,850,000] \$1,846,000**, of which **[\$1,035,000] \$1,033,000** may be transferred to and merged with the appropriation for "Foreign Agricultural Service, Salaries and Expenses", and of which **[\$815,000] \$813,000** may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses". (7 U.S.C. 1691, 1701-04, 1731-36g-3, 2209b; Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-2277-0-1-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct credit subsidy .....	35	113	114
00.02 Direct credit subsidy: Russia food assistance .....	277	371	
00.09 Administrative expenses .....	2	2	2
00.10 Monitor expenses: Russia food assistance .....	1		
10.00 Total new obligations .....	315	486	116
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	603	371	
22.00 New budget authority (gross) .....	83	115	116
23.90 Total budgetary resources available for obligation .....	686	486	116
23.95 Total new obligations .....	-315	-486	-116
24.40 Unobligated balance carried forward, end of year .....	371		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	130	116	116
40.76 Reduction pursuant to P.L. 106-113 .....	-8		
41.00 Transferred to other accounts .....	-39	-1	
43.00 Appropriation (total discretionary) .....	83	115	116
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	72	91	283
72.99 Obligated balance, start of year .....	72	91	283
73.10 Total new obligations .....	315	486	116
73.20 Total outlays (gross) .....	-296	-292	-249
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	91	283	150
74.99 Obligated balance, end of year .....	91	283	150
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new current authority .....	18	66	67
86.93 Outlays from current balances .....	278	226	182
87.00 Total outlays (gross) .....	296	292	249
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	83	115	116
90.00 Outlays .....	296	292	249

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

Identification code 12-2277-0-1-351	2000 actual	2001 est.	2002 est.
Direct loan levels supportable by subsidy budget authority:			
1150 Direct credit levels .....	145	159	139

1159 Total direct loan levels .....	145	159	139
Direct loan subsidy (in percent):			
1320 Subsidy rate .....	82.46	71.51	81.73
1329 Weighted average subsidy rate .....	82.46	71.51	81.73
Direct loan subsidy budget authority:			
1330 Subsidy budget authority .....	120	113	114
1339 Total subsidy budget authority .....	120	113	114
Direct loan subsidy outlays:			
1340 Subsidy outlays .....	293	290	247
1349 Total subsidy outlays .....	293	290	247
Administrative expense data:			
3510 Budget authority .....	2	2	2
3580 Outlays from balances .....	1		
3590 Outlays from new authority .....	2	2	2

As required by the Federal Credit Reform Act of 1990, this account records, for the P.L. 480 Program, the subsidy 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	2000 actual	2001 est.	2002 est.
25.3 Purchases of goods and services from Government accounts .....	3	2	2
41.0 Grants, subsidies, and contributions .....	312	484	114
99.9 Total new obligations .....	315	486	116

**P.L. 480 DIRECT CREDIT FINANCING ACCOUNT**

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

Identification code 12-4049-0-3-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct loans .....	361	215	139
00.02 Interest on Treasury borrowing .....	38	47	37
10.00 Total new obligations .....	399	262	176
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	188	158	
22.00 New financing authority (gross) .....	673	342	176
22.40 Capital transfer to general fund .....	-54		
22.60 Portion applied to repay debt .....		-158	
22.70 Balance of authority to borrow withdrawn .....	-250	-80	
23.90 Total budgetary resources available for obligation .....	557	262	176
23.95 Total new obligations .....	-399	-262	-176
24.40 Unobligated balance carried forward, end of year .....	158		
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.15 Authority to borrow (indefinite) .....	26	28	37
69.00 Offsetting collections (cash) .....	590	315	276
69.10 Change in uncollected customer payments from Federal sources .....	111	157	-133
69.47 Portion applied to repay debt .....	-54	-158	-4
69.90 Spending authority from offsetting collections (total mandatory) .....	647	314	139
70.00 Total new financing authority (gross) .....	673	342	176
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	-44	7	397
72.95 Uncollected customer payments from program account, start of year .....	-15	-126	-283
72.99 Obligated balance, start of year .....	-59	-119	114
73.10 Total new obligations .....	399	262	176

**Credit accounts—Continued****P.L. 480 DIRECT CREDIT FINANCING ACCOUNT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 12-4049-0-3-351	2000 actual	2001 est.	2002 est.
73.20 Total financing disbursements (gross) .....	-678	-490	-218
73.40 Adjustments in expired accounts (net) .....	330	618	-133
74.00 Change in uncollected customer payments from Federal sources .....	-111	-157	133
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	7	397	223
74.95 Uncollected customer payments from program account, end of year .....	-126	-283	-150
74.99 Obligated balance, end of year .....	-119	114	73
87.00 Total financing disbursements (gross) .....	678	490	218
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account .....	-293	-290	-247
88.25 Interest on uninvested funds .....	-7	-1	-1
Non-Federal sources:			
88.40 Interest received on loans .....	-34	-12	-12
88.40 Principal received on loans .....	-24	-12	-16
88.40 Non-Federal sources .....	-232		
88.90 Total, offsetting collections (cash) .....	-590	-315	-276
Against gross financing authority only:			
88.95 Change in receivables from program accounts .....	-111	-157	133
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	-28	-130	33
90.00 Financing disbursements .....	88	175	-58

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

Identification code 12-4049-0-3-351	2000 actual	2001 est.	2002 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans .....	145	159	139
1150 Total direct loan obligations .....	145	159	139
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	1,927	2,055	2,486
1231 Disbursements: Direct loan disbursements .....	133	443	180
1251 Repayments: Repayments and prepayments .....	-5	-12	-11
1290 Outstanding, end of year .....	2,055	2,486	2,655

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Federal assets:				
1101 Fund balances with Treasury .....	188	17	17	17
Investments in US securities:				
1106 Receivables, net .....	72	65	80	97
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross .....	1,927	2,055	2,486	2,655
1402 Interest receivable .....	7	8	12	8
1405 Allowance for subsidy cost (-) .....	-1,544	-1,939	-2,219	-2,461
1499 Net present value of assets related to direct loans .....	390	124	279	202
1901 Other Federal assets: Other assets .....				
1999 Total assets .....	650	206	376	316

**LIABILITIES:**

2101	2103	2105	2999	4999
Federal liabilities:				
Accounts payable .....	8	8	8	8
Debt .....	539	518	518	518
Other .....	102	209	209	209
Total liabilities .....	649	735	735	735
Total liabilities and net position .....	649	735	735	735

**DEBT REDUCTION—FINANCING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 12-4143-0-3-351	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Payment to liquidating account .....		84	60
00.02 Interest on debt to Treasury .....	2	2	4
10.00 Total new obligations .....	2	86	64
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2	20	
22.00 New financing authority (gross) .....	20	91	72
22.40 Capital transfer to general fund .....		-27	-8
23.90 Total budgetary resources available for obligation .....	22	84	64
23.95 Total new obligations .....	-2	-86	-64
24.40 Unobligated balance carried forward, end of year .....	20		
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.15 Authority to borrow (indefinite) .....		31	44
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	20	60	28
70.00 Total new financing authority (gross) .....	20	91	72
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	-1		
72.99 Obligated balance, start of year .....	-1		
73.10 Total new obligations .....	2	86	64
73.20 Total financing disbursements (gross) .....	-2	-86	-64
87.00 Total financing disbursements (gross) .....	2	86	64
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-15	-55	-20
88.25 Interest on uninvested funds .....	1		
88.40 Non-Federal sources .....	-6	-5	-8
88.90 Total, offsetting collections (cash) .....	-20	-60	-28
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....		31	44
90.00 Financing disbursements .....	-19	26	36

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

Identification code 12-4143-0-3-351	2000 actual	2001 est.	2002 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	63	57	136
1233 Disbursements: Purchase of loans assets from a liquidating account .....		84	60
1251 Repayments: Repayments and prepayments .....	-6	-5	-8
1264 Write-offs for default: Other adjustments, net debt reduction .....			
1290 Outstanding, end of year .....	57	136	188

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	63	57	135	186
1405 Allowance for subsidy cost (-)	-17	-24	-82	-92
1499 Net present value of assets related to direct loans	46	33	53	94
1999 Total assets	46	33	53	94
<b>LIABILITIES:</b>				
2103 Federal liabilities: Debt	46	33	53	94
2999 Total liabilities	46	33	53	94
4999 Total liabilities and net position	46	33	53	94

**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	2000 actual	2001 est.	2002 est.
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year		4	
22.21 Unobligated balance transferred to other accounts		-4	
23.90 Total budgetary resources available for obligation			
<b>Net budget authority and outlays:</b>			
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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.02 Interest to Treasury on borrowings	12	12	6
10.00 Total new obligations	12	12	6
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	27	28	
22.00 New financing authority (gross)	17	57	73
22.40 Capital transfer to general fund	-4	-73	-67
23.90 Total budgetary resources available for obligation	40	12	6
23.95 Total new obligations	-12	-12	-6
24.40 Unobligated balance carried forward, end of year	28		
<b>New financing authority (gross), detail:</b>			
Discretionary:			
68.00 Spending authority from offsetting collections (gross): Offsetting collections (cash)	17	57	73
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.95 Uncollected customer payments from program account, start of year	-28	-28	-28
72.99 Obligated balance, start of year	-28	-28	-28
73.10 Total new obligations	12	12	6
73.20 Total financing disbursements (gross)	-12	-12	-6
Unpaid obligations, end of year:			
74.95 Uncollected customer payments from program account, end of year	-28	-28	-28

74.99 Obligated balance, end of year	-28	-28	-28
87.00 Total financing disbursements (gross)	12	12	6

**Offsets:**

Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.25 Interest on uninvested funds	-2		
Non-Federal sources:			
88.40 Principal Collections		-42	-56
88.40 Interest collections	-15	-15	-17
88.90 Total, offsetting collections (cash)	-17	-57	-73
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority			
90.00 Financing disbursements	-5	-45	-67

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

Identification code 12-4078-0-3-351	2000 actual	2001 est.	2002 est.
<b>Cumulative balance of direct loans outstanding:</b>			
1210 Outstanding, start of year	508	504	447
1251 Repayments: Repayments and prepayments	-4	-57	-57
1290 Outstanding, end of year	504	447	390

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	1999 actual	2000 actual	2001 est.	2002 est.
<b>ASSETS:</b>				
Net value of assets related to post-1991 direct loans receivable:				
1401 Direct loans receivable, gross	508	504	447	390
1402 Interest receivable	15	15	15	17
1405 Allowance for subsidy cost (-)	-328	-328	-328	-328
1499 Net present value of assets related to direct loans	195	191	134	79
1999 Total assets	195	191	134	79
<b>LIABILITIES:</b>				
2103 Federal liabilities: Debt	195	195	195	195
2999 Total liabilities	195	195	195	195
4999 Total liabilities and net position	195	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	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0)		2	2
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	75	77	
22.00 New budget authority (gross)	3	55	20
Capital transfer to general fund:			
22.40 Capital transfer to general fund		-75	
22.40 Capital transfer to Debt reduction financing account		-57	-20
23.90 Total budgetary resources available for obligation	78		
23.95 Total new obligations		-2	-2
24.40 Unobligated balance carried forward, end of year	77		

**Credit accounts—Continued**

**EXPENSES, PUBLIC LAW 480, FOREIGN ASSISTANCE PROGRAMS,  
AGRICULTURE LIQUIDATING ACCOUNT—Continued**

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

Identification code 12-2274-0-1-151	2000 actual	2001 est.	2002 est.	
<b>New budget authority (gross), detail:</b>				
Mandatory:				
Offsetting collections (cash):				
69.00				
	Offsetting collections (cash) (Principal and interest) .....	492	496	481
69.00	Offsetting collections (cash) (Federal sources) .....		55	20
69.27	Capital transfer to general fund .....	-489	-496	-481
69.90	Spending authority from offsetting collections (total mandatory) .....	3	55	20
<b>Change in unpaid obligations:</b>				
73.10	Total new obligations .....		2	2
73.20	Total outlays (gross) .....		-2	-2
<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority .....		2	2
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Federal sources—debt reduction .....		-55	-20
88.40	Principal and interest collections .....	-492	-496	-481
88.90	Total, offsetting collections (cash) .....	-492	-551	-501
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	-489	-496	-481
90.00	Outlays .....	-490	-549	-499

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

Identification code 12-2274-0-1-151	2000 actual	2001 est.	2002 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	8,810	8,542	7,588
Repayments:				
Repayments and prepayments:				
1251	Repayments and prepayments .....	-268	-315	
1251	Repayments and prepayments—debt reduction .....		-55	-20
1264	Write-offs for default: Other adjustments, net—debt reduction .....		-584	-215
1290	Outstanding, end of year .....	8,542	7,588	7,353

**Program Activities**

(In millions of dollars)

	2000 actual	2001 est.	2002 est.
Ocean freight differential (title I) .....	39	105	20
Commodities supplied in connection with dispositions abroad (title II) .....	942	927	835
Commodities supplied in connection with dispositions abroad (title III) .....	5		
Total program level .....	986	1,032	855

**RECONCILIATION OF PROGRAM LEVEL TO PROGRAM COSTS FUNDED BY P.L. 480**

(In millions of dollars)

	2000 actual	2001 est.	2002 est.
<i>Title I</i>			
Commodity credits .....	361	214	139
Ocean freight differential and ocean transportation .....	39	105	20
Total program level, current year .....	400	319	159
Prior year obligations financed .....	266	78	133
Obligations financed in succeeding years .....	-78	-133	-77
Administrative costs .....	3	2	2
Total program costs, funded program level .....	591	266	217
<i>Title II</i>			
Commodity costs .....	420	445	399

Ocean and inland transportation .....	522	482	436
Total program level, current year .....	942	927	835
Prior year obligations financed .....	565	572	539
Current year obligations financed in succeeding years .....	-572	-539	-565
Total program costs, funded program level .....	935	960	809

*Title III*

Commodity costs .....	3		
Ocean and inland transportation .....	2		
Total program level, current year .....	5		
Prior year obligations financed .....	19	10	
Current year obligations financed in succeeding years .....	-10		
Total program costs, funded program level .....	14	10	

*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 intro-

duce 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:	2000 actual	2001 est.	2002 est.
Expenses of shipments (Title I):			
Commodity costs:			
Long-term credit .....	361	214	139
Total commodity costs .....	361	214	139
Ocean freight and freight differential (support of U.S. Merchant Marine):			
Long-term credit .....	39	105	20
Total ocean freight and freight differential .....	39	105	20
Total expenses of shipments .....	400	319	159
Appropriation—Title I loan subsidy .....	120	114	114
Appropriation—Ocean freight differential .....	21	20	20
Title I credit not subsidized through appropriation .....	241	100	25

*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 commodities 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 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:	2000 actual	2001 est.	2002 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied .....	420	445	399
Ocean transportation .....	522	482	436
Total program costs .....	942	927	835
Appropriation or estimate .....	942	927	835

*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.

### Commodities Supplied in Connection with Dispositions Abroad (Title III)

(In millions of dollars)

Item:	2000 actual	2001 est.	2002 est.
Expenses of shipments:			
Commodity Credit Corporation stocks and other costs in connection with commodities supplied .....	3		
Ocean transportation .....	2		
Total program costs .....	5		
Appropriation or estimate .....	5		

### Balance Sheet (in millions of dollars)

Identification code 12-2274-0-1-151	1999 actual	2000 actual	2001 est.	2002 est.
ASSETS:				
Net value of assets related to pre-1992 direct loans receivable and acquired defaulted guaranteed loans receivable:				
Direct loans, gross:				
1601 Direct loans, gross .....	8,810	8,542	8,227	8,200
1601 Direct loans, adjustment—debt reduction .....			-639	-847
1602 Interest receivable .....	115			
1603 Allowance, loans receivable (-) .....	-5,639			
1699 Value of assets related to direct loans .....	3,286	8,542	7,588	7,353
1999 Total assets .....	3,286	8,542	7,588	7,353
LIABILITIES:				
2104 Federal liabilities: Resources payable to Treasury .....	3,286	8,542	8,227	8,227
2999 Total liabilities .....	3,286	8,542	8,227	8,227
NET POSITION:				
3300 Cumulative results of operations—debt reduction .....			-639	-874
3999 Total net position .....			-639	-874
4999 Total liabilities and net position .....	3,286	8,542	7,588	7,353

### MISCELLANEOUS CONTRIBUTED FUNDS

#### Unavailable Collections (in millions of dollars)

Identification code 12-8232-0-7-352	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....			
Receipts:			
02.20 Deposits of miscellaneous contributed funds, International Cooperation and .....		4	4
Appropriations:			
05.00 Miscellaneous contributed funds .....		-4	-4
07.99 Balance, end of year .....			

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

Identification code 12-8232-0-7-352	2000 actual	2001 est.	2002 est.
Obligations by program activity:			
10.00 Total new obligations (object class 41.0) .....		3	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year .....	5	5	6
22.00 New budget authority (gross) .....		4	4
23.90 Total budgetary resources available for obligation .....	5	9	10

Credit accounts—Continued

MISCELLANEOUS CONTRIBUTED FUNDS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 12-8232-0-7-352	2000 actual	2001 est.	2002 est.
23.95 Total new obligations .....		-3	
24.40 Unobligated balance carried forward, end of year .....	5	6	10
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.27 Appropriation (trust fund, indefinite) .....		4	4
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	3	2	2
72.99 Obligated balance, start of year .....	3	2	2
73.10 Total new obligations .....		3	
73.20 Total outlays (gross) .....		-4	-4
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	2	2	
74.99 Obligated balance, end of year .....	2	2	
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....		4	4
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....		4	4
90.00 Outlays .....		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, **[\$116,807,000]** \$125,546,000, of which \$5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp benefit delivery, and assisting in the prevention, identification, and prosecution of fraud and other violations of law and of which not less than \$4,500,000 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, 2001, as enacted by section 1(a) of P.L. 106-387.*)

Note.—The following schedule includes \$2 million provided by section 746, P.L. 106-78, for 2000, section 744, P.L. 106-387, for 2001 and section 721 of this budget request for 2002.

Program and Financing (in millions of dollars)

Identification code 12-3508-0-1-605	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Food program administration .....	112	118	126
00.03 Congressional hunger center fellowships .....	2	2	2
09.01 Reimbursable administrative services provided to Federal agencies .....	1	1	
10.00 Total new obligations .....	115	121	128
<b>Budgetary resources available for obligation:</b>			
22.00 New budget authority (gross) .....	115	121	128
23.95 Total new obligations .....	-115	-121	-128

23.98 Unobligated balance expiring or withdrawn .....	-1		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	113	119	128
42.00 Transferred from other accounts .....	1	1	
43.00 Appropriation (total discretionary) .....	114	120	128
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	1	
70.00 Total new budget authority (gross) .....	115	121	128
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	14	13	13
72.99 Obligated balance, start of year .....	14	13	13
73.10 Total new obligations .....	115	121	128
73.20 Total outlays (gross) .....	-115	-121	-128
73.40 Adjustments in expired accounts (net) .....	-1		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	13	13	13
74.99 Obligated balance, end of year .....	13	13	13
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	104	108	114
86.93 Outlays from discretionary balances .....	11	13	13
87.00 Total outlays (gross) .....	115	121	128
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	-1	-1	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	114	120	128
90.00 Outlays .....	115	120	128

Food program administration funds the majority 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.

Object Classification (in millions of dollars)

Identification code 12-3508-0-1-605	2000 actual	2001 est.	2002 est.
Personnel compensation:			
11.1 Full-time permanent .....	77	82	85
11.3 Other than full-time permanent .....	1	1	1
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	79	84	87
12.1 Civilian personnel benefits .....	16	16	17
21.0 Travel and transportation of persons .....	2	2	2
23.3 Communications, utilities, and miscellaneous charges .....	3	3	3
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	9	10	13
26.0 Supplies and materials .....	2	2	2
31.0 Equipment .....	1	1	1
41.0 Grants, subsidies, and contributions .....	2	2	2
99.9 Total new obligations .....	115	121	128

Personnel Summary

Identification code 12-3508-0-1-605	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	1,402	1,400	1,400

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), **[\$20,114,293,000]** \$21,991,986,000, 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 of the funds made available under this heading and not already appropriated to the Food Distribution Program on Indian Reservations (FDPIR) estab-

lished under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)), not to exceed \$3,000,000 shall be used to purchase bison for the FDPIR: *Provided further*, That the Secretary shall purchase such bison from Native American producers and Cooperative Organizations without competition: *Provided further*, 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 [not more than \$194,000,000 may be reserved by the Secretary, notwithstanding section 16(h)(1)(A)(vi) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(1)(A)(vi)), for allocation to State agencies under section 16(h)(1) of such Act to carry out Employment and Training programs: *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: *Provided further*, That funds provided under this heading may be used to procure food coupons necessary for program operations in this or subsequent fiscal years until EBT implementation is complete. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-3505-0-1-605	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01	15,053	15,821	17,099
00.02	1,847	1,909	1,973
00.03	306	279	297
00.04	46	76	72
00.05	1,268	1,296	1,336
00.06	54	57	52
00.07	21	23	21
00.08	98	100	100
00.09	5	5	5
00.10	3	3	3
09.01	212	212	212
10.00	18,913	19,781	21,170
<b>Budgetary resources available for obligation:</b>			
21.40	74	92	263
22.00	21,284	20,326	22,204
22.10	39	94	
23.90	21,397	20,512	22,467
23.95	-18,913	-19,781	-21,170
23.98	-2,391	-468	-1,000
24.40	92	263	298
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00	5	17	16
Mandatory:			
60.00	21,067	20,097	21,976
69.00	212	212	212
70.00	21,284	20,326	22,204
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40	822	995	745
72.99	822	995	745
73.10	18,913	19,781	21,170
73.20	-18,507	-19,937	-21,139
73.40	-196		
73.45	-39	-94	
Unpaid obligations, end of year:			
74.40	995	745	776
74.99	995	745	776
<b>Outlays (gross), detail:</b>			
86.90	5	11	10
86.93			6

86.97	Outlays from new mandatory authority .....	18,191	19,025	20,386
86.98	Outlays from mandatory balances .....	311	901	737
87.00	Total outlays (gross) .....	18,507	19,937	21,139
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources .....	-212	-212	-212
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	21,072	20,114	21,992
90.00	Outlays .....	18,295	19,725	20,927

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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
11.1	3	3	3
12.1	1	1	1
21.0	1	1	1
23.3			
	2	3	3
24.0	10	10	10
25.2	30	58	56
26.0	151	156	150
31.0	2	2	2
41.0	18,501	19,335	20,732
99.0	18,701	19,569	20,958
99.0	212	212	212
99.9	18,913	19,781	21,170

**Personnel Summary**

Identification code 12-3505-0-1-605	2000 actual	2001 est.	2002 est.
1001	55	56	56

**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; **[\$9,541,539,000]** \$10,088,746,000, to remain available through September 30, **[2002]** 2003, of which **[\$4,413,960,000]** \$4,731,490,000 is hereby appropriated and **[\$5,127,579,000]** \$5,357,256,000 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 \$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 of the funds made available under this heading, \$500,000 shall be for a School Breakfast Program startup grant pilot program for the State of Wisconsin: *Provided further*, That school food authorities in Ohio participating in a domestic food assistance program administered by the Secretary and preparing meals for use by other schools and institutions also participating in a domestic food assistance program, shall, with regard to such meals, not be subject to additional requirements under section 301(c) of the Federal Meat Inspection Act or section 5(c) of the Poultry Products Inspection Act:

**General and special funds—Continued**

**CHILD NUTRITION PROGRAMS—Continued**  
(INCLUDING TRANSFERS OF FUNDS)—Continued

*Provided further,*] That up to **[\$4,511,000]** \$4,507,000 shall be available for independent verification of school food service claims: *Provided further,* That of the funds provided under this heading, \$2,000,000 shall be available for new activities to enhance integrity in the National School Lunch Program. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-3539-0-1-605	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
School lunch program:			
00.01 Above 185% of poverty .....	382	394	419
00.02 130-185% of poverty .....	652	675	716
00.03 Below 130% of poverty .....	4,530	4,684	4,968
00.91 Subtotal, school lunch program .....	5,564	5,753	6,103
School breakfast program:			
01.01 Above 185% of poverty .....	44	47	49
01.02 130-185% of poverty .....	101	105	112
01.03 Below 130% of poverty .....	1,278	1,337	1,419
01.91 Subtotal, school breakfast program .....	1,423	1,489	1,580
Child and adult care feeding program:			
02.01 Above 185% of poverty .....	191	195	209
02.02 130-185% of poverty .....	94	100	105
02.03 Below 130% of poverty .....	1,382	1,445	1,537
02.04 Audits .....	23	25	27
02.91 Subtotal, child and adult care feeding program .....	1,690	1,765	1,878
Other mandatory activities:			
03.01 Summer food service program .....	284	301	325
03.02 Special milk program .....	16	16	16
03.03 State administrative expenses .....	120	124	130
03.04 Commodity procurement .....	361	424	373
03.91 Subtotal, Other mandatory activities .....	781	865	844
Discretionary activities:			
04.01 School meals initiative .....	9	14	10
04.02 Coordinated review .....	4	5	5
04.03 Computer support and processing .....	7	9	9
04.04 School breakfast demonstrations .....	5	8	.....
04.05 Food safety education .....	2	2	2
04.06 School lunch program integrity .....	.....	.....	2
04.91 Subtotal, discretionary activities .....	27	38	28
Activities with permanent appropriations:			
05.01 Food service management institute and information clearinghouse .....	3	3	3
05.02 Alternative meal count grants .....	2	2	.....
05.91 Subtotal, activities with permanent appropriations .....	5	5	3
10.00 Total new obligations .....	9,490	9,915	10,436
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	56	410	347
22.00 New budget authority (gross) .....	9,593	9,623	10,092
22.10 Resources available from recoveries of prior year obligations .....	279	230	.....
23.90 Total budgetary resources available for obligation .....	9,928	10,263	10,439
23.95 Total new obligations .....	-9,490	-9,915	-10,436
23.98 Unobligated balance expiring or withdrawn .....	-28	.....	.....
24.40 Unobligated balance carried forward, end of year .....	410	347	3
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	14	13	9
Mandatory:			
60.00 Appropriation .....	4,644	4,482	4,726
62.00 Transferred from other accounts .....	4,935	5,128	5,357
62.50 Appropriation (total mandatory) .....	9,579	9,610	10,083
70.00 Total new budget authority (gross) .....	9,593	9,623	10,092
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1,541	1,545	1,331

72.99 Obligated balance, start of year .....	1,541	1,545	1,331
73.10 Total new obligations .....	9,490	9,915	10,436
73.20 Total outlays (gross) .....	-9,203	-9,899	-10,346
73.40 Adjustments in expired accounts (net) .....	-4	.....	.....
73.45 Recoveries of prior year obligations .....	-279	-230	.....
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	1,545	1,331	1,422
74.99 Obligated balance, end of year .....	1,545	1,331	1,422
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	7	7	5
86.93 Outlays from discretionary balances .....	8	6	6
86.97 Outlays from new mandatory authority .....	7,655	7,937	8,661
86.98 Outlays from mandatory balances .....	1,533	1,949	1,672
87.00 Total outlays (gross) .....	9,203	9,899	10,346

**Net budget authority and outlays:**

89.00 Budget authority .....	9,593	9,623	10,092
90.00 Outlays .....	9,203	9,899	10,346

Payments are made for cash and commodity meal subsidies through the School Lunch, School Breakfast, Special Milk, Summer Food Service, and Child and Adult Care Food programs.

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

Identification code 12-3539-0-1-605	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	6	6	7
12.1 Civilian personnel benefits .....	1	1	1
21.0 Travel and transportation of persons .....	1	1	1
24.0 Printing and reproduction .....	2	2	2
25.2 Other services .....	5	5	5
26.0 Supplies and materials (Commodities) .....	361	424	373
41.0 Grants, subsidies, and contributions .....	9,114	9,476	10,047
99.9 Total new obligations .....	9,490	9,915	10,436

**Personnel Summary**

Identification code 12-3539-0-1-605	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	124	130	158

**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), **[\$4,052,000,000]** \$4,137,086,000, to remain available through September 30, [2002] 2003: *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 **[\$10,000,000]** \$9,956,000 for the farmers' market nutrition program from any funds not needed to maintain current caseload levels: *Provided further,* That 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 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 such Act: *Provided further,* That funds made available under this heading shall be made available for sites participating in the special supplemental nutrition program for women, infants, and children to determine whether a child eligible to participate in the program has received a blood lead screening



test, using a test that is appropriate for age and risk factors, upon the enrollment of the child in the program]. (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-3510-0-1-605	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Direct program .....	4,153	4,227	4,273
09.01 Reimbursable program .....		15	
10.00 Total new obligations .....	4,153	4,242	4,273
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2	2	
22.00 New budget authority (gross) .....	4,032	4,059	4,137
22.10 Resources available from recoveries of prior year obligations .....	121	181	136
23.90 Total budgetary resources available for obligation .....	4,155	4,242	4,273
23.95 Total new obligations .....	-4,153	-4,242	-4,273
23.98 Unobligated balance expiring or withdrawn .....	-1		
24.40 Unobligated balance carried forward, end of year .....	2		
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	4,032	4,052	4,137
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-9	
43.00 Appropriation (total discretionary) .....	4,032	4,043	4,137
Mandatory:			
60.00 Appropriation .....		1	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....		15	
70.00 Total new budget authority (gross) .....	4,032	4,059	4,137
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	283	364	323
72.99 Obligated balance, start of year .....	283	364	323
73.10 Total new obligations .....	4,153	4,242	4,273
73.20 Total outlays (gross) .....	-3,950	-4,100	-4,129
73.40 Adjustments in expired accounts (net) .....	-1		
73.45 Recoveries of prior year obligations .....	-121	-181	-136
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	364	323	331
74.99 Obligated balance, end of year .....	364	323	331
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	3,667	3,735	3,806
86.93 Outlays from discretionary balances .....	283	364	323
86.97 Outlays from new mandatory authority .....		1	
87.00 Total outlays (gross) .....	3,950	4,100	4,129
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....		-15	
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	4,032	4,044	4,137
90.00 Outlays .....	3,950	4,085	4,129

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides low-income at-risk pregnant and post-partum women, infants, and children with vouchers for nutritious supplemental food packages, nutrition education and counseling, and health and immunization referrals. The Farmers' Market Nutrition Program 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 12-3510-0-1-605	2000 actual	2001 est.	2002 est.
41.0 Direct obligations: Grants, subsidies, and contributions .....	4,153	4,227	4,273
99.0 Reimbursable obligations: Subtotal, reimbursable obligations .....		15	
99.9 Total new obligations .....	4,153	4,242	4,273

**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) and the Emergency Food Assistance Act of 1983, **[\$140,300,000]** \$139,991,000, to remain available through September 30, **[2002]** 2003: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: *Provided further*, That **[notwithstanding section 5(a)(2) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93-86; 7 U.S.C. 612c note), \$20,781,000 of this amount shall be available for administrative expenses of the commodity supplemental food program]** *unobligated balances available at the beginning of fiscal year 2002 are hereby rescinded.* (*Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106-387.*)

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

Identification code 12-3507-0-1-605	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Commodity supplemental food program:			
00.01 Commodity procurement .....	73	77	76
00.02 Administrative costs .....	20	23	19
01.92 Subtotal, commodity supplemental food program .....	93	100	95
The emergency food assistance program:			
02.01 Administrative costs .....	45	45	45
10.00 Total new obligations .....	138	145	140
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	8	7	5
22.00 New budget authority (gross) .....	133	140	135
22.10 Resources available from recoveries of prior year obligations .....	3	3	
23.90 Total budgetary resources available for obligation .....	144	150	140
23.95 Total new obligations .....	-138	-145	-140
24.40 Unobligated balance carried forward, end of year .....	7	5	
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	133	140	140
40.36 Unobligated balance rescinded .....			-5
43.00 Appropriation (total discretionary) .....	133	140	135
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	14	17	21
72.99 Obligated balance, start of year .....	14	17	21
73.10 Total new obligations .....	138	145	140
73.20 Total outlays (gross) .....	-132	-138	-135
73.45 Recoveries of prior year obligations .....	-3	-3	
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	17	21	26
74.99 Obligated balance, end of year .....	17	21	26
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	110	126	121
86.93 Outlays from discretionary balances .....	22	12	14
87.00 Total outlays (gross) .....	132	138	135
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	133	140	135
90.00 Outlays .....	132	138	135

**General and special funds—Continued**

COMMODITY ASSISTANCE PROGRAM—Continued

The Commodity Assistance Program includes the Commodity Supplemental Food Program (CSFP) and the Emergency Food Assistance 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.

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

Identification code 12-3507-0-1-605	2000 actual	2001 est.	2002 est.
26.0 Supplies and materials (commodities) .....	73	77	76
41.0 Grants, subsidies, and contributions .....	65	68	64
99.9 Total new obligations .....	138	145	140

**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 Compacts of Free Association Act of 1985, as amended; and section 311 of the Older Americans Act of 1965, **[\$151,081,000] \$150,749,000**, to remain available through September 30, **[2002] 2003**. (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, 2001, as enacted by section 1(a) of P.L. 106-387.)

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

Identification code 12-3503-0-1-605	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Nutrition program for the elderly .....	141	151	150
00.02 Pacific island assistance .....	1	1	1
10.00 Total new obligations .....	142	152	151
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	1	.....
22.00 New budget authority (gross) .....	141	151	151
23.90 Total budgetary resources available for obligation .....	142	152	151
23.95 Total new obligations .....	-142	-152	-151
24.40 Unobligated balance carried forward, end of year .....	1	.....	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	141	151	151
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	29	32	33
72.99 Obligated balance, start of year .....	29	32	33
73.10 Total new obligations .....	142	152	151
73.20 Total outlays (gross) .....	-137	-150	-150
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	32	33	33
74.99 Obligated balance, end of year .....	32	33	33
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	109	118	118
86.93 Outlays from discretionary balances .....	28	32	33
87.00 Total outlays (gross) .....	137	150	150
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	141	151	151
90.00 Outlays .....	137	150	150

Food Donations Programs include the Nutrition Program for the Elderly (NPE), which provides cash and commodities 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	2000 actual	2001 est.	2002 est.
26.0 Supplies and materials (grants of commodities to States) .....	3	3	3
41.0 Grants, subsidies, and contributions .....	139	149	148
99.9 Total new obligations .....	142	152	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, **[\$1,280,693,000] \$1,314,191,000**, 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)), of which not less than an additional \$500,000 shall be available for use for law enforcement purposes in the national forest that, during calendar year 2000, had both the greatest number of methamphetamine dumps and the greatest number of methamphetamine laboratory law enforcement actions in the National Forest System, and of which not less than an additional \$500,000 shall be available for law enforcement purposes on the Pisgah and Nantahala National Forests, and of which for the purpose of implementing the Valles Caldera Preservation Act, \$990,000, to remain available until expended, shall be available to the Secretary for the management of the Valles Caldera National Preserve: *Provided*, That any remaining balances available for implementing the Valles Caldera Preservation Act be provided to the Valles Caldera Trust upon its assumption of the management of the Preserve: *Provided further*, That notwithstanding the limitations of 107(e)(2) of the Valles Caldera Preservation Act (Public Law 106-248), for fiscal years 2001 and 2002, the members of the Board of Trustees of the Valles Caldera Trust may receive, upon request, compensation for each day (including travel time) that they are engaged in the performance of the functions of the Board. Compensation shall not exceed the daily equivalent of the annual rate in effect for members of the Senior Executive Service at the ES-1 level, and shall be in addition to any reimbursement for travel, subsistence and other necessary expenses incurred by them in the performance of their duties. Members of the Board who are officers or employees of the United States shall not receive any additional compensation by reason of service on the Board: *Provided [further]*, That unobligated balances available at the start of fiscal year **[2001] 2002** shall be displayed by extended budget line item in the fiscal year **[2002] 2003** budget justification: *Provided further*, That of the amount available for vegetation and watershed management, the Secretary may authorize the expenditure or transfer of such sums as necessary to the Department of the Interior, Bureau of Land Management for removal, preparation, and adoption of excess wild horses and burros from National Forest System lands: *Provided further*, That \$5,000,000 shall be allocated to the Alaska Region, in addition to its normal allocation for the purposes of preparing additional timber for sale, to establish a 3-year timber supply and such funds may be transferred to other appropriations accounts as necessary to maximize accomplishment: *Provided further*, That of the funds provided for Forest Products, \$700,000 shall be provided to the State of Alaska for monitoring activities at Forest Service log transfer facilities, in the form of an advance, direct lump sum payment. (Department of the Interior and Related Agencies Appropriations Act, 2001.)

**Unavailable Collections** (in millions of dollars)

Identification code 12-1106-0-1-302	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....		4	8
Receipts:			
02.20 Fees, operation and maintenance of recreational facilities .....	4	4	3
04.00 Total: Balances and collections .....	4	8	11
07.99 Balance, end of year .....	4	8	11

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

Identification code 12-1106-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 National forest system .....	1,390	1,287	1,332
00.04 Flood supplemental .....	5	4	
00.05 Disaster relief .....	8	2	
09.01 Reimbursable program .....	63	65	66
10.00 Total new obligations .....	1,466	1,358	1,398
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	86	27	44
22.00 New budget authority (gross) .....	1,326	1,375	1,380
22.10 Resources available from recoveries of prior year obligations .....	83		
22.21 Unobligated balance transferred to other accounts .....	-2		
22.22 Unobligated balance transferred from other accounts .....			1
23.90 Total budgetary resources available for obligation .....	1,493	1,402	1,425
23.95 Total new obligations .....	-1,466	-1,358	-1,398
24.40 Unobligated balance carried forward, end of year .....	27	44	27

**New budget authority (gross), detail:**

Identification code 12-1106-0-1-302	2000 actual	2001 est.	2002 est.
Discretionary:			
Appropriation:			
40.00 Appropriation .....	1,270	1,281	1,314
40.00 Appropriation—monetary credit .....		4	
40.15 Appropriation (emergency) .....	2	7	
40.20 Appropriation (special fund, definite) .....		20	
40.76 Reduction pursuant to P.L. 106-113 .....	-8		
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-3	
41.00 Transferred to other accounts .....	-1		
42.00 Transferred from other accounts .....		1	
43.00 Appropriation (total discretionary) .....	1,263	1,310	1,314
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	63	65	66
70.00 Total new budget authority (gross) .....	1,326	1,375	1,380

**Change in unpaid obligations:**

Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	196	244	232
72.99 Obligated balance, start of year .....	196	244	232
73.10 Total new obligations .....	1,466	1,358	1,398
73.20 Total outlays (gross) .....	-1,344	-1,371	-1,378
73.40 Adjustments in expired accounts (net) .....	9		
73.45 Recoveries of prior year obligations .....	-83		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	244	232	252
74.99 Obligated balance, end of year .....	244	232	252

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	1,062	1,180	1,183
86.93 Outlays from discretionary balances .....	280	189	195
87.00 Total outlays (gross) .....	1,344	1,371	1,378

**Offsets:**

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-50	-51	-52
88.40 Non-Federal sources .....	-13	-14	-14
88.90 Total, offsetting collections (cash) .....	-63	-65	-66

**Net budget authority and outlays:**

89.00 Budget authority .....	1,263	1,310	1,314
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90.00 Outlays .....	1,281	1,306	1,312
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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, heritage, and wilderness; wildlife and fisheries habitat management; grazing management; forest products; vegetation and watershed management; minerals and geology management; landownership management; and law enforcement operations. These programs maintain the capability to manage natural resources in a manner consistent with ecological principles and responsibilities.

Consistent with recommendations of the National Academy of Public Administration and the General Accounting Office, the Administration will review and start to implement streamlining and efficiency-enhancing measures for the Forest Service's field structure, work force, and administrative operation to get more resources for "on-the-ground" activities.

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

Identification code 12-1106-0-1-302	2000 actual	2001 est.	2002 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	548	590	610
11.3 Other than full-time permanent .....	36	39	41
11.5 Other personnel compensation .....	26	28	29
11.8 Special personal services payments .....	4	5	5
11.9 Total personnel compensation .....	614	662	685
12.1 Civilian personnel benefits .....	158	170	177
13.0 Benefits for former personnel .....	6	7	7
21.0 Travel and transportation of persons .....	60	58	58
23.1 Rental payments to GSA .....	99	99	71
24.0 Printing and reproduction .....	6	4	4
25.2 Other services .....	327	218	232
26.0 Supplies and materials .....	62	34	45
31.0 Equipment .....	60	32	43
32.0 Land and structures .....	2	2	2
41.0 Grants, subsidies, and contributions .....	4	3	3
42.0 Insurance claims and indemnities .....	3	2	2
99.0 Subtotal, direct obligations .....	1,401	1,291	1,329
99.0 Reimbursable obligations .....	63	65	67
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 .....	1,466	1,358	1,398

**Personnel Summary**

Identification code 12-1106-0-1-302	2000 actual	2001 est.	2002 est.
Direct:			
1001 Total compensable workyears: Full-time equivalent employment .....	15,338	15,123	15,123
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment .....	473	492	492
Allocation account:			
3001 Total compensable workyears: Full-time equivalent employment .....	31	32	32

General and special funds—Continued

CAPITAL IMPROVEMENT AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, **[\$468,568,000] \$523,727,000**, 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, of which **\$50,497,000** is for “Federal Infrastructure Improvement”, defined in section 250(c)(4)(E)(xiv) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act: *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 “Construction”, “Reconstruction and Construction”, or “Reconstruction and Maintenance” accounts as well as any unobligated balances remaining in the “National Forest System” account for the facility maintenance and trail maintenance extended budget line items may be transferred to and merged with the “Capital Improvement and Maintenance” account. (*Department of the Interior and Related Agencies Appropriations Act, 2001.*)

Program and Financing (in millions of dollars)

Identification code 12–1103–0–1–302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
Direct program:			
00.01 Reconstruction and construction .....	420	446	456
00.03 Flood supplemental .....	9	4	.....
09.01 Reimbursable program .....	4	4	4
10.00 Total new obligations .....	433	454	460
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	119	119	187
22.00 New budget authority (gross) .....	405	522	527
22.10 Resources available from recoveries of prior year obligations .....	33	.....	.....
22.22 Unobligated balance transferred from other accounts	2	.....	.....
23.90 Total budgetary resources available for obligation	559	641	714
23.95 Total new obligations .....	–433	–454	–460
23.98 Unobligated balance expiring or withdrawn .....	–7	.....	.....
24.40 Unobligated balance carried forward, end of year .....	119	187	254
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	399	470	524
40.15 Appropriation (emergency) .....	6	.....	.....
40.20 Appropriation (special fund, definite) .....	.....	50	.....
40.76 Reduction pursuant to P.L. 106–113 .....	–2	.....	.....
40.77 Reduction pursuant to P.L. 106–554 (0.22 percent) .....	.....	–1	.....
43.00 Appropriation (total discretionary) .....	403	519	524
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	2	4	4
70.00 Total new budget authority (gross) .....	405	523	528
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	120	166	89
72.99 Obligated balance, start of year .....	120	166	89
73.10 Total new obligations .....	433	454	460
73.20 Total outlays (gross) .....	–355	–531	–590
73.45 Recoveries of prior year obligations .....	–33	.....	.....
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	166	89	–41
74.99 Obligated balance, end of year .....	166	89	–41
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	293	394	398
86.93 Outlays from discretionary balances .....	62	137	194
87.00 Total outlays (gross) .....	355	531	590

Offsets:

Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources .....	–2	–4	–4
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	403	518	523
90.00	Outlays .....	353	527	586

Funding provides for capital improvement 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 improvement 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 Improvement includes: 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 improvement and maintenance of roads. The program also focuses on decommissioning unneeded roads and/or roads that are degrading the ecosystem. Capital improvement includes: 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 improvement and maintenance of trails. Capital improvement includes: 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.

The 2001 Interior and Related Agencies Appropriations Act’s Title VIII, the “Land Conservation, Preservation, and Infrastructure Improvement” program, recognizes and provides for, among an array of national priorities, a mechanism to significantly increase funding to ameliorate the backlog in deferred maintenance of National Forest System roads and trails as well as Forest Service fire, administrative, and recreation facilities. The funds focus on critical maintenance backlogs; i.e., these additional funds are for repair and rehabilitation of existing facilities and roads; funds may not be used for new and expanded facilities or roads.

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

Identification code 12-1103-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	115	120	130
11.3 Other than full-time permanent .....	13	14	15
11.5 Other personnel compensation .....	6	5	6
11.8 Special personal services payments .....	1	1	1
11.9 Total personnel compensation .....	135	140	152
12.1 Civilian personnel benefits .....	35	36	39
13.0 Benefits for former personnel .....	2	2	2
21.0 Travel and transportation of persons .....	14	15	12
23.1 Rental payments to GSA .....	19	24	24
25.2 Other services .....	169	175	180
26.0 Supplies and materials .....	24	25	20
31.0 Equipment .....	8	8	7
32.0 Land and structures .....	22	23	19
41.0 Grants, subsidies, and contributions .....	1	1	1
42.0 Insurance claims and indemnities .....	1	1	1
99.0 Subtotal, direct obligations .....	429	450	456
99.0 Reimbursable obligations .....	4	4	4
99.9 Total new obligations .....	433	454	460

**Personnel Summary**

Identification code 12-1103-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	3,832	3,947	3,947
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	13	13	13

**FOREST AND RANGELAND RESEARCH**

For necessary expenses of forest and rangeland research as authorized by law, **[\$229,616,000] \$234,979,000**, 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, 2001.*)

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

Identification code 12-1104-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.06 Forest and rangeland research .....	223	224	236
09.01 Reimbursable program .....	22	22	24
10.00 Total new obligations .....	245	246	260
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	13	5	11
22.00 New budget authority (gross) .....	221	251	259
22.10 Resources available from recoveries of prior year obligations .....	16		
23.90 Total budgetary resources available for obligation .....	250	256	270
23.95 Total new obligations .....	-245	-246	-260
24.40 Unobligated balance carried forward, end of year .....	5	11	10
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	202	230	235
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-1	
43.00 Appropriation (total discretionary) .....	202	229	235
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	19	22	24
70.00 Total new budget authority (gross) .....	221	251	259

**Change in unpaid obligations:**

Identification code 12-1104-0-1-302	2000 actual	2001 est.	2002 est.
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	78	76	78
72.99 Obligated balance, start of year .....	78	76	78
73.10 Total new obligations .....	245	246	260
73.20 Total outlays (gross) .....	-232	-244	-268
73.45 Recoveries of prior year obligations .....	-16		
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	76	78	70
74.99 Obligated balance, end of year .....	76	78	70
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	165	182	189
86.93 Outlays from discretionary balances .....	67	61	79
87.00 Total outlays (gross) .....	232	244	268
<b>Offsets:</b>			
<b>Against gross budget authority and outlays:</b>			
<b>Offsetting collections (cash) from:</b>			
88.00 Federal sources .....	-17	-20	-22
88.40 Non-Federal sources .....	-2	-2	-2
88.90 Total, offsetting collections (cash) .....	-19	-22	-24
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	202	229	235
90.00 Outlays .....	213	222	244

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. Research is the key to sustaining our forest and rangeland productivity and health while addressing natural resource needs. Forest and Rangeland Research is conducted through six Forest and Range Experiment Station headquarters and their research work units, 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 developing measurement systems for assessing watershed integrity, applying measurement systems for watershed assessment, and providing information about compatible forest uses. Additional funding in this budget will emphasize priority fire management control strategies; 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	101	120	113
11.3 Other than full-time permanent .....	7	8	7
11.5 Other personnel compensation .....	2	3	2
11.8 Special personal services payments .....	1	1	1
11.9 Total personnel compensation .....	111	132	123
12.1 Civilian personnel benefits .....	27	31	29
13.0 Benefits for former personnel .....	2	1	1
21.0 Travel and transportation of persons .....	11	7	11
23.1 Rental payments to GSA .....	8	8	8
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	42	30	42
26.0 Supplies and materials .....	9	6	9
31.0 Equipment .....	7	5	7
41.0 Grants, subsidies, and contributions .....	5	3	5

**General and special funds—Continued**

**GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH—Continued**

**Object Classification (in millions of dollars)—Continued**

Identification code 12-1104-0-1-302	2000 actual	2001 est.	2002 est.
99.0 Subtotal, direct obligations .....	223	224	236
99.0 Reimbursable obligations .....	22	22	24
99.9 Total new obligations .....	245	246	260

**Personnel Summary**

Identification code 12-1104-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	2,340	2,221	2,221
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	107	114	114

**STATE AND PRIVATE FORESTRY**

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities and conducting an international program as authorized, **[\$238,455,000] \$237,829,000**, to remain available until expended, as authorized by law: *Provided*, That none of the funds made available by this Act shall be used for the urban resources partnership program.

[For an additional amount for the Forest Service, notwithstanding any other provision of law, \$9,294,000 for the Alaska Railroad for—

(1) safety related track repair, damage, and control costs from avalanches, hurricane force winds, and severe winter storms; and

(2) oil spill clean-up, recovery, and remediation arising out of the related train derailments, during the period of winter blizzards beginning December 21, 1999 for which the President declared a disaster on February 17, 2000 pursuant to the Stafford Act, as amended, (FEMA DR-1316-AK) as a direct lump sum payment and an additional \$2,000,000 for an avalanche prevention program in the Chugach National Forest, Kenai National Park, Kenai National Wildlife Refuge and nearby public lands to remain available until expended: *Provided*, That the entire amount is designated by the 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] *of which \$61,585,000 is for Forest Legacy and Urban and Community Forestry, defined in section 250(c)(4)(E)(ix) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act. (Department of the Interior and Related Agencies Appropriations Act, 2001.)*

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

Identification code 12-1105-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
<b>Direct program:</b>			
00.05 Forest health management .....	66	92	68
00.06 Cooperative fire protection .....	27	115	33
00.07 Cooperative forestry .....	141	207	146
00.08 International forestry .....	5	5	5
09.01 Reimbursable program .....	2	4	2
10.00 Total new obligations .....	236	423	254
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	27	17	13
22.00 New budget authority (gross) .....	208	417	240
22.10 Resources available from recoveries of prior year obligations .....	15	.....	.....
22.22 Unobligated balance transferred from other accounts .....	3	.....	.....
23.90 Total budgetary resources available for obligation .....	253	434	253
23.95 Total new obligations .....	-236	-423	-254

24.40 Unobligated balance carried forward, end of year .....	17	13	-1
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**New budget authority (gross), detail:**

<b>Discretionary:</b>			
40.00 Appropriation .....	203	238	238
40.15 Appropriation (emergency) .....	.....	24	.....
40.20 Appropriation (special fund, definite) .....	.....	34	.....
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....	.....	-1	.....
41.00 Transferred to other accounts .....	-2	.....	.....
42.00 Transferred from other accounts .....	5	118	.....
43.00 Appropriation (total discretionary) .....	206	413	238
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	2	4	2
70.00 Total new budget authority (gross) .....	208	417	240

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	183	211	267
72.99 Obligated balance, start of year .....	183	211	267
73.10 Total new obligations .....	236	423	254
73.20 Total outlays (gross) .....	-194	-367	-284
73.45 Recoveries of prior year obligations .....	-15	.....	.....
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	211	267	237
74.99 Obligated balance, end of year .....	211	267	237

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	183	314	181
86.93 Outlays from discretionary balances .....	11	52	103
87.00 Total outlays (gross) .....	194	367	284

**Offsets:**

<b>Against gross budget authority and outlays:</b>			
<b>Offsetting collections (cash) from:</b>			
88.00 Federal sources .....	-1	-3	-2
88.40 Non-Federal sources .....	-1	-1	.....
88.90 Total, offsetting collections (cash) .....	-2	-4	-2

**Net budget authority and outlays:**

89.00 Budget authority .....	206	413	238
90.00 Outlays .....	192	363	282

State and private 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.

**Cooperative Forestry.**—Includes forest stewardship, the forest legacy program, urban and community forestry, economic action programs, Pacific Northwest community assistance programs, and forest resources and information analysis. 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.

New funding in the Economic Action Programs will be targeted to support helping communities take advantage of employment opportunities in national forests from hazardous fuels reductions, watershed restoration, and monitoring. Business and cooperative development and growth training and capital investment will be a priority, both by USDA as well as working collaboratively with the Small Business Administration, Department of Labor, and others.

**International Programs.**—The programs will emphasize habitat protection for migratory birds along the length of flyways, 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	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	32	32	35
11.3 Other than full-time permanent .....	2	2	2
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	35	35	38
12.1 Civilian personnel benefits .....	8	8	8
21.0 Travel and transportation of persons .....	6	13	7
23.1 Rental payments to GSA .....	3	6	3
24.0 Printing and reproduction .....	1	1	.....
25.2 Other services .....	30	60	32
26.0 Supplies and materials .....	4	8	4
31.0 Equipment .....	2	4	2
32.0 Land and structures .....	1	2	1
41.0 Grants, subsidies, and contributions .....	143	281	156
99.0 Subtotal, direct obligations .....	233	418	251
99.0 Reimbursable obligations .....	2	4	2
25.2 Allocation Account: Other services .....	1	1	1
99.9 Total new obligations .....	236	423	254

**Personnel Summary**

Identification code 12-1105-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	822	717	717
<b>Reimbursable:</b>			
2001 Total compensable workyears: Full-time equivalent employment .....	20	26	26

**MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES**

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] \$5,488,000**, to remain available until expended. (*Department of the Interior and Related Agencies Appropriations Act, 2001.*)

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

Identification code 12-1119-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 25.2) .....	3	6	8
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	3	.....	.....
22.00 New budget authority (gross) .....	.....	6	5
23.90 Total budgetary resources available for obligation .....	3	6	5
23.95 Total new obligations .....	-3	-6	-8
24.40 Unobligated balance carried forward, end of year .....	.....	.....	-3
<b>New budget authority (gross), detail:</b>			
<b>Discretionary:</b>			
40.00 Appropriation .....	.....	6	5
<b>Change in unpaid obligations:</b>			
<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	.....	2	.....
72.99 Obligated balance, start of year .....	.....	2	.....
73.10 Total new obligations .....	3	6	8
73.20 Total outlays (gross) .....	-1	-6	-5
<b>Unpaid obligations, end of year:</b>			
74.40 Unpaid obligations, end of year .....	2	.....	3
74.99 Obligated balance, end of year .....	2	.....	3

**Outlays (gross), detail:**

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

**Net budget authority and outlays:**

89.00 Budget authority .....	6	5
90.00 Outlays .....	1	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, and for emergency rehabilitation of burned-over National Forest System lands and water, **[\$839,129,000] \$1,280,349,000**, to remain available until expended: *Provided*, That such funds *including unobligated balances under this head*, 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 2000 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 **[\$8,600,000] \$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. *In addition, to liquidate obligations previously incurred, \$274,147,000.*

*For an additional amount to cover necessary expenses for emergency rehabilitation, presuppression due to emergencies, and wildfire suppression activities of the Forest Service, \$426,000,000, to remain available until expended: Provided*, That the entire amount is 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.]

*For an additional amount to cover necessary expenses]*

*Funds provided shall be available for emergency rehabilitation and restoration, hazard reduction activities in the urban-wildland interface, support to federal emergency response, [repaying firefighting funds borrowed from programs,] and wildfire suppression activities of the Forest Service, \$619,274,000, to remain available until expended, of which \$179,000,000 is for wildfire suppression, \$120,000,000 is for removal of hazardous fuels to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of Agriculture, \$142,000,000]. Of the funds provided, \$3,668,000 is for emergency rehabilitation, [\$44,000,000] \$20,376,000 is for capital improvement and maintenance of fire facilities, [\$16,000,000] \$16,265,000 is for research activities and to make competitive research pursuant to the Forest and Rangeland Renewable Resources Research Act, as amended (16 U.S.C. 1641 et seq.), [\$50,494,000] \$50,383,000 is for state fire assistance, [\$8,280,000] \$8,262,000 is for volunteer fire assistance, [\$12,000,000] \$11,974,000 is for forest health activities on state, private, and federal lands, [\$12,500,000] and \$12,472,000 is for economic action programs, [and \$35,000,000 is for assistance to non-federal entities most affected by fire using all existing authorities under the State and Private Forestry appropriation; and of which \$320,274,000] amounts in this paragraph may be transferred to the*

**General and special funds—Continued****WILDLAND FIRE MANAGEMENT—Continued**

“State and Private Forestry”, “National Forest System”, “Forest and Rangeland Research”, and “Capital Improvement and Maintenance” accounts to fund state fire assistance, volunteer fire assistance, and forest health management, vegetation and watershed management, heritage site rehabilitation, wildlife and fish habitat management, trails and facilities maintenance and restoration: *Provided*, That notice of transfers of any amounts in excess of those authorized in this title, shall [require approval of] *be transmitted* to the House and Senate Committees on Appropriations in compliance with reprogramming procedures contained in House Report No. 105–163: *Provided further*, That the costs of implementing any cooperative agreement between the Federal government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: *Provided further*, That in entering into such grants or cooperative agreements, the Secretary may consider the enhancement of local and small business employment opportunities for rural communities, and that in entering into procurement contracts under this section on a best value basis, the Secretary may take into account the ability of an entity to enhance local and small business employment opportunities in rural communities, and that the Secretary may award procurement contracts, grants, or cooperative agreements under this section to entities that include local non-profit entities, Youth Conservation Corps or related partnerships with State, local or non-profit youth groups, or small or disadvantaged businesses: *Provided further*, That [the entire amount appropriated is designated by the 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 this amount shall be made available only to the extent that an official budget request for a specific dollar amount, that includes designation of the entire amount as an emergency requirement as defined by such Act, is transmitted by the President to the Congress: *Provided further*, That:]

(1) In expending the funds provided with respect to this [title] Act for hazardous fuels reduction, the Secretary of the Interior and the Secretary of Agriculture may conduct fuel reduction treatments on Federal lands using all contracting and hiring authorities available to the Secretaries applicable to hazardous fuel reduction activities under the wildland fire management accounts. Notwithstanding Federal government procurement and contracting laws, the Secretaries may conduct fuel reduction treatments on Federal lands using grants and cooperative agreements. Notwithstanding Federal government procurement and contracting laws, in order to provide employment and training opportunities to people in rural communities, the Secretaries may award contracts, including contracts for monitoring activities, to—

- (A) local private, nonprofit, or cooperative entities;
- (B) Youth Conservation Corps crews or related partnerships, with State, local and non-profit youth groups;
- (C) small or micro-businesses; or
- (D) other entities that will hire or train a significant percentage of local people to complete such contracts. The authorities described above relating to contracts, grants, and cooperative agreements are available until all funds provided in this title for hazardous fuels reduction activities in the urban wildland interface are obligated.

[(2) Within 60 days after enactment, the Secretary of Agriculture and the Secretary of the Interior shall, after consultation with State and local fire-fighting agencies, jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands that are at high risk from wildfire, as defined by the Secretaries. This list shall include:]

- [(A) an identification of communities around which hazardous fuel reduction treatments are ongoing; and]
- [(B) an identification of communities around which the Secretaries are preparing to begin treatments in fiscal year 2001.]

[(3) Prior to May 1, 2001, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands and at high risk from wildfire that are included in the list published pursuant to paragraph (2) but that are not included in subparagraphs (A) and (B) of paragraph (2), along with an identification of reasons, including but not limited to lack of available funds,

why there are no treatments ongoing or being prepared for these communities.]

[(4) Within 30 days after enactment of this Act, the Secretary of Agriculture shall publish in the Federal Register the Forest Service’s Cohesive Strategy for Protecting People and Sustaining Resources in Fire-Adapted Ecosystems. The documentation required by section 102(2)(C) of the National Environmental Policy Act accompanying the proposed regulations revising the National Forest System transportation policy; proposed roadless area protection regulation; and proposed Interior Columbia Basin Project; and the Sierra Nevada Framework/Sierra Nevada Forest Plan shall contain an analysis and explanation of any differences between the Cohesive Strategy and the policies and rule-making listed in this paragraph. Nothing in this title is intended or should require a delay in the rule-makings listed in this paragraph.]

[(5)(A) Funds provided to the Secretary of Agriculture by this title and to the Secretary of the Interior, the Secretary of Commerce, and the Council on Environmental Quality by this Act and any other applicable act appropriating funds for fiscal year 2001 shall be used as necessary to establish and implement the expedited procedures set forth in this paragraph for decisions to conduct hazardous fuel reduction treatments pursuant to paragraphs (1) and (2), and any post-burn treatments within the perimeters of areas burned by wildfire, on federal lands.]

[(B) The Secretary of Agriculture, the Secretary of the Interior, the Secretary of Commerce, and the Chairman of the Council on Environmental Quality shall use such funds specified in subparagraph (A) as necessary to evaluate the need for revised or expedited environmental compliance procedures including expedited procedures for the preparation of documentation required by section 102(2) of the National Environmental Policy Act (42 U.S.C. 4332(2)) for treatment decisions referred to in subparagraph (A). The Secretary of Agriculture, the Secretary of the Interior, the Chairman of the Council on Environmental Quality shall report to the relevant congressional committee of jurisdiction within 60 days of enactment of this Act to apprise the Congress of the decision to develop any expedited procedures or adopt or recommend any other measures. Each Secretary may employ any expedited procedures developed pursuant to this subsection for a treatment decision when the Secretary determines the procedures to be appropriate for the decision. These procedures shall ensure that the period of preparation for environmental documentation be expedited to the maximum extent practicable. Each Secretary and the Council shall effect any modifications to existing regulations and guidance as may be necessary to provide for the expedited procedures within 180 days of the date of enactment of this Act.]

[(C) With the funds specified in subparagraph (A), the Secretary, as defined in section 3(15) of the Endangered Species Act of 1973 (16 U.S.C. 1532(15)), may accord priority as appropriate to consultation or conferencing under section 7 of such Act (16 U.S.C. 1536) concerning any treatment decision referred to in subparagraph (A) for which consultation or conferencing is required.]

[(D) With the funds specified in subparagraph (A), administrative review of any treatment decision referred to in subparagraph (A) shall be conducted as expeditiously as possible but under no circumstances shall exceed any statutory deadline applicable to such review.]

[(E) No provision in this title shall be construed to override any existing environmental law.]

(2)(A) *The Secretary of Agriculture may transfer or reimburse funds to the United States Fish and Wildlife Service of the Department of the Interior, or the National Marine Fisheries Service of the Department of Commerce, for the costs of carrying out their responsibilities under the Endangered Species Act of 1973 (15 U.S.C. 1531 et seq.) to consult and conference as required by section 7 of such Act in connection with wildland fire management activities in fiscal years 2001 and 2002.*

*(B) Only those funds appropriated for fiscal years 2001 and 2002 to Forest Service (USDA) for wildland fire management are available to the Secretary of Agriculture for such transfer or reimbursement.*

*(C) The amount of the transfer or reimbursement shall be as mutually agreed by the Secretary of Agriculture and the Secretary of the Interior or Secretary of Commerce, as applicable, or their designees: Provided, That the amount shall in no case exceed the actual costs of consultation and conferencing in connection with wildland fire management activities on National Forest System lands (Department of the Interior and Related Agencies Appropriations Act, 2001.)*



Program and Financing (in millions of dollars)

Identification code 12-1115-0-1-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
00.01 Fire management .....	1,419	1,728	1,256
09.01 Reimbursable program .....	261	39	16
10.00 Total new obligations .....	1,680	1,767	1,272
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	113		34
22.00 New budget authority (gross) .....	1,194	1,801	1,306
22.10 Resources available from recoveries of prior year obligations .....	98		
23.90 Total budgetary resources available for obligation	1,405	1,801	1,340
23.95 Total new obligations .....	-1,680	-1,767	-1,272
23.97 Deficiency .....	274		
24.40 Unobligated balance carried forward, end of year .....		34	68
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	802	839	1,280
40.15 Appropriation (emergency) .....	150	1,045	
40.76 Reduction pursuant to P.L. 106-113 .....	-1		
40.77 Reduction pursuant to P.L. 106-554 (0.22 percent) .....		-4	
41.00 Transferred to other accounts .....		-118	
42.00 Transferred from other accounts .....	3		
43.00 Appropriation (total discretionary) .....	954	1,762	1,280
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	240	39	26
70.00 Total new budget authority (gross) .....	1,194	1,801	1,306
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	62	225	142
72.99 Obligated balance, start of year .....	62	225	142
73.10 Total new obligations .....	1,680	1,767	1,272
73.20 Total outlays (gross) .....	-1,419	-1,850	-1,354
73.45 Recoveries of prior year obligations .....	-98		
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	225	142	60
74.99 Obligated balance, end of year .....	225	142	60
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	1,244	1,625	1,178
86.93 Outlays from discretionary balances .....	175	225	176
87.00 Total outlays (gross) .....	1,419	1,850	1,354
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources .....	-236	-33	-26
88.40 Non-Federal sources .....	-4	-6	
88.90 Total, offsetting collections (cash) .....	-240	-39	-26
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	954	1,762	1,280
90.00 Outlays .....	1,179	1,811	1,328
<b>Memorandum (non-add) entries:</b>			
91.90 Unpaid obligations, end of year: Deficiency .....	274	274	

**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. Funds are also requested to repay the Antideficiency Act violation of \$274 million committed in 2000.

**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 and are also used to support the Joint fire sciences program.

The funds provided continue a strong focus on implementation of the National fire plan to protect and manage the impact of wildfires on communities and the environment. In addition to funds specifically for hazardous fuels reduction, fire suppression, and fire readiness, additional funding is provided to continue the restoration of fire-related facilities, fire research, and rehabilitation activities. Additionally, funds are provided to enhance state and private programs that will contribute to cooperative fire assistance, increased fire department readiness, incentive programs to encourage use of small diameter wood, and forest health programs to reduce fire risk. Funds would also be available to support Fish and Wildlife Service and National Marine Fisheries Service consultation for project and Endangered Species Act review.

Object Classification (in millions of dollars)

Identification code 12-1115-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct obligations:</b>			
Personnel compensation:			
11.1 Full-time permanent .....	218	241	250
11.3 Other than full-time permanent .....	43	47	49
11.5 Other personnel compensation .....	175	193	201
11.8 Special personal services payments .....	40	45	46
11.9 Total personnel compensation .....	476	526	546
12.1 Civilian personnel benefits .....	79	87	91
13.0 Benefits for former personnel .....	10	11	12
21.0 Travel and transportation of persons .....	57	55	57
23.1 Rental payments to GSA .....	40	22	26
23.2 Rental payments to others .....		4	
23.3 Communications, utilities, and miscellaneous charges .....		12	
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	645	904	449
26.0 Supplies and materials .....	86	83	58
31.0 Equipment .....	22	21	15
41.0 Grants, subsidies, and contributions .....	3	2	1
99.0 Subtotal, direct obligations .....	1,419	1,728	1,256
99.0 Reimbursable obligations .....	261	39	16
99.9 Total new obligations .....	1,680	1,767	1,272

Personnel Summary

Identification code 12-1115-0-1-302	2000 actual	2001 est.	2002 est.
<b>Direct:</b>			
1001 Total compensable workyears: Full-time equivalent employment .....	7,601	8,042	8,042

**General and special funds—Continued**

**WILDLAND FIRE MANAGEMENT—Continued**

**Personnel Summary—Continued**

Identification code 12-1115-0-1-302	2000 actual	2001 est.	2002 est.
Reimbursable:			
2001 Total compensable workyears: Full-time equivalent employment .....	9	9	9

**[SOUTHEAST ALASKA ECONOMIC DISASTER FUND]**

[For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104-314, 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 \$5,000,000 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. The Secretary of Agriculture shall distribute these funds to the City of Craig in fiscal year 2001.] (*Department of the Interior and Related Agencies Appropriations Act, 2001.*)

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

Identification code 12-1108-0-1-451	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations (object class 41.0) .....	10	10	7
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....		12	7
22.00 New budget authority (gross) .....	22	5	
23.90 Total budgetary resources available for obligation .....	22	17	7
23.95 Total new obligations .....	-10	-10	-7
24.40 Unobligated balance carried forward, end of year .....	12	7	
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	22	5	
<b>Change in unpaid obligations:</b>			
73.10 Total new obligations .....	10	10	7
73.20 Total outlays (gross) .....	-10	-10	-7
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	10	2	
86.93 Outlays from discretionary balances .....		7	7
87.00 Total outlays (gross) .....	10	10	7
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	22	5	
90.00 Outlays .....	10	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. The program established direct payments to these and other localities in Southeast Alaska. Distribution to the unorganized boroughs was based on the proportion of 1995 timber receipts from each borough.

**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, protec-

tion, and improvements. (*Department of the Interior and Related Agencies Appropriations Act, 2001.*)

**Unavailable Collections (in millions of dollars)**

Identification code 12-5207-0-2-302	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....	2	2	2
Receipts:			
02.20 Cooperative range improvements .....	3	3	3
04.00 Total: Balances and collections .....	5	5	5
Appropriations:			
05.00 Range betterment fund .....	-3	-3	-3
07.99 Balance, end of year .....	2	2	2

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

Identification code 12-5207-0-2-302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	3	3	3
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	1	2	1
22.00 New budget authority (gross) .....	3	3	3
23.90 Total budgetary resources available for obligation .....	4	5	4
23.95 Total new obligations .....	-3	-3	-3
24.40 Unobligated balance carried forward, end of year .....	2	1	1
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.25 Appropriation (special fund, indefinite) .....	3	3	3
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	1	1	
72.99 Obligated balance, start of year .....	1	1	
73.10 Total new obligations .....	3	3	3
73.20 Total outlays (gross) .....	-3	-3	-3
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	1		1
74.99 Obligated balance, end of year .....	1		1
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	2	2	2
86.93 Outlays from discretionary balances .....	1	1	1
87.00 Total outlays (gross) .....	3	3	3
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	3	3	3
90.00 Outlays .....	3	3	3

Fifty percent of grazing fees from National Forests in the 16 western States, once appropriated, are used to protect and improve rangeland productivity primarily through revegetation, construction and reconstruction, and maintenance of improvements under authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751), as amended.

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

Identification code 12-5207-0-2-302	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	1	1	1
25.2 Other services .....	1	1	1
26.0 Supplies and materials .....	1	1	1
99.9 Total new obligations .....	3	3	3

**Personnel Summary**

Identification code 12-5207-0-2-302	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	27	33	33

LAND ACQUISITION ACCOUNTS

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, **[\$102,205,000]** \$130,877,000 to be derived from the Land and Water Conservation Fund, to remain available until expended.

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. (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, 2001.)

Note.—Title VIII of the Department of the Interior and Related Agencies Appropriations Act, 2001, includes an additional \$49 million for land acquisition.

Unavailable Collections (in millions of dollars)

Identification code 12–9923–0–2–300	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....			
Receipts:			
02.20 National forest lands under special acts .....	1	1	1
Appropriations:			
05.00 Land acquisition accounts .....	–1	–1	–1
07.99 Balance, end of year .....			

Program and Financing (in millions of dollars)

Identification code 12–9923–0–2–300	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
10.00 Total new obligations .....	210	204	177
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	150	99	47
22.00 New budget authority (gross) .....	157	152	132
22.10 Resources available from recoveries of prior year obligations .....	3		
23.90 Total budgetary resources available for obligation .....	310	251	179
23.95 Total new obligations .....	–210	–204	–177
24.40 Unobligated balance carried forward, end of year .....	99	47	2

New budget authority (gross), detail:

<b>Discretionary:</b>			
Appropriation (special fund, definite):			
40.20 Appropriation (LWCF) .....	161	151	131
40.20 Appropriation (special act) .....	1	1	1
41.00 Transferred to other accounts .....	–5		
43.00 Appropriation (total discretionary) .....	157	152	132

Change in unpaid obligations:

<b>Unpaid obligations, start of year:</b>			
72.40 Unpaid obligations, start of year .....	23	7	70
<b>Unpaid obligations, end of year:</b>			
72.99 Obligated balance, start of year .....	23	7	70
73.10 Total new obligations .....	210	204	177
73.20 Total outlays (gross) .....	–224	–141	–173
73.45 Recoveries of prior year obligations .....	–3		
74.40 Unpaid obligations, end of year .....	7	70	74
74.99 Obligated balance, end of year .....	7	70	74

Outlays (gross), detail:

86.90 Outlays from new discretionary authority .....	105	101	87
86.93 Outlays from discretionary balances .....	119	41	86
87.00 Total outlays (gross) .....	224	141	173

Net budget authority and outlays:

89.00 Budget authority .....	157	152	132
90.00 Outlays .....	224	141	173

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.

*Acquisition of Lands of National Forests, Special Acts.*—To acquire lands within critical watersheds to provide soil stabilization and restoration of vegetation. Public Laws 76–589, 76–591 and 78–310 (54 Stat. 297, 298, 299, and 402; and 58 Stat. 227–228) authorize appropriations for the purchase of lands to minimize erosion and flood damage to critical watersheds within the following National Forests: the Cache, Uinta, and Wasatch, Utah; the Toiyabe, Nevada; and the Angeles, Cleveland, San Bernardino, and Sequoia, California. Appropriations are made from receipts on these National Forests.

*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.

Object Classification (in millions of dollars)

Identification code 12–9923–0–2–300	2000 actual	2001 est.	2002 est.
11.1 Personnel compensation: Full-time permanent .....	4	5	4
12.1 Civilian personnel benefits .....	1	1	1
23.1 Rental payments to GSA .....	1	1	
25.2 Other services .....	6	7	6
32.0 Land and structures .....	198	190	166
99.9 Total new obligations .....	210	204	177

Personnel Summary

Identification code 12–9923–0–2–300	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	90	110	110

FOREST SERVICE PERMANENT APPROPRIATIONS

Unavailable Collections (in millions of dollars)

Identification code 12–9921–0–2–999	2000 actual	2001 est.	2002 est.
01.99 Balance, start of year .....	274	278	287
Receipts:			
02.20 National forests fund, Agriculture .....	–16		
02.21 Payments to states .....	89	105	101
02.22 Timber roads, purchaser elections .....	6	6	6
02.23 Road and trails for States, National forest fund .....	22	25	25
02.24 Timber salvage sales .....	71	119	114
02.25 Deposits, brush disposal .....		26	26
02.26 Rents and charges for quarters .....	6	8	8
02.27 Timber sales pipeline restoration fund .....	–8	4	6
02.28 Recreational fee demonstration program .....	29	26	
02.29 Midwin national tallgrass prairie rental fees .....	1	1	1
02.30 National grasslands .....	14	6	6
02.31 Miscellaneous special funds, Forest Service .....	5	2	2
02.32 National forests fund, Interior .....	8	16	15
02.99 Total receipts and collections .....	227	344	310
04.00 Total: Balances and collections .....	501	622	597
Appropriations:			
05.00 Forest Service permanent appropriations .....	–223	–335	–386

**General and special funds—Continued**

**FOREST SERVICE PERMANENT APPROPRIATIONS—Continued**

**Unavailable Collections (in millions of dollars)—Continued**

Identification code 12-9921-0-2-999	2000 actual	2001 est.	2002 est.
07.99 Balance, end of year .....	278	287	211

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

Identification code 12-9921-0-2-999	2000 actual	2001 est.	2002 est.
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<b>Obligations by program activity:</b>				
00.01	Payments to States, National forest fund .....	87	105	105
00.02	Payment to Minnesota .....	2	1	1
00.03	Payments to counties, National grasslands .....	4	6	6
00.04	Recreation fee collection costs .....	1	1	1
00.05	Recreation demonstration pilot project .....	21	26	26
00.06	Timber purchaser roads constructed by Forest Service .....	2	6	6
00.07	Timber salvage sales .....	76	119	119
00.08	Roads and trails for States .....	29	35	35
00.09	Expenses, brush disposal .....	12	21	21
00.10	Restoration of forest lands and improvements .....	19	4	4
00.11	Operation and maintenance of quarters .....	6	7	7
00.12	Miscellaneous special funds .....	1	1	1
00.13	Pipeline restoration fund .....	5	6	6
00.14	Land between the lakes .....	3	4	4
00.15	Payments for spotted owl .....	120	115	.....
00.16	Full community stabilization payments .....	.....	.....	386
10.00	Total new obligations .....	386	457	728

<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	268	236	235
22.00	New budget authority (gross) .....	348	456	579
22.10	Resources available from recoveries of prior year obligations .....	6	.....	.....
23.90	Total budgetary resources available for obligation .....	622	692	814
23.95	Total new obligations .....	-386	-457	-728
24.40	Unobligated balance carried forward, end of year .....	236	235	86

<b>New budget authority (gross), detail:</b>				
<b>Mandatory:</b>				
60.00	Appropriation .....	120	115	186
60.25	Appropriation (special fund, indefinite) .....	223	335	386
62.00	Transferred from other accounts .....	5	6	7
62.50	Appropriation (total mandatory) .....	348	456	579

<b>Change in unpaid obligations:</b>				
<b>Unpaid obligations, start of year:</b>				
72.40	Unpaid obligations, start of year .....	38	47	53
72.99	Obligated balance, start of year .....	38	47	53
73.10	Total new obligations .....	386	457	728
73.20	Total outlays (gross) .....	-371	-451	-588
73.45	Recoveries of prior year obligations .....	-6	.....	.....
<b>Unpaid obligations, end of year:</b>				
74.40	Unpaid obligations, end of year .....	47	53	193
74.99	Obligated balance, end of year .....	47	53	193

<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority .....	309	410	542
86.98	Outlays from mandatory balances .....	62	41	46
87.00	Total outlays (gross) .....	371	451	588

<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	348	456	579
90.00	Outlays .....	371	451	588

*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 re-

source 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 (for 4 years before a new authorization would be required) 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).

*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 Forest Fund.*—With minor exceptions, 25 percent of the money received from the National Forests, including all the collections under 16 U.S.C. 576b, and all amounts allowed any timber purchaser for construction of roads, is paid 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).

*Expenses, brush disposal.*—Funds from payments by purchasers of National Forest timber to dispose of or treat slash and other debris that result from cutting operations (16 U.S.C. 490).

*Licensee programs, Forest Service.*—Funds from fees for the use of characters by private enterprises are collected under regulations promulgated by the Secretary as follows:

*Smokey Bear.*—For furthering the nationwide forest fire prevention campaign (16 U.S.C. 580(2)).

*Woodsy Owl.*—For promoting wise use of the environment and programs which foster maintenance and improvement of environmental quality (16 U.S.C. 580(1)).

*Restoration of 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.

**Valles Caldera Fund** established under the Valles Caldera Preservation Act (Public Law 106–248) provides funds, which shall be available without further appropriation for any purpose consistent with the purposes of the Act. Notwithstanding sections 1341 and 3302 of title 31 of the United States Code, all monies received from donations under subsection (g) or from the management of the Preserve shall be retained and shall be available, without further appropriation, for the administration, preservation, restoration, operation and maintenance, improvement, repair, and related expenses incurred with respect to properties under its management jurisdiction.

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

Identification code 12–9921–0–2–999	2000 actual	2001 est.	2002 est.
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	73	68	68
11.3 Other than full-time permanent .....	10	9	9
11.5 Other personnel compensation .....	4	4	4
11.9 Total personnel compensation .....	87	81	81
12.1 Civilian personnel benefits .....	20	18	18
13.0 Benefits for former personnel .....	1	1	1
21.0 Travel and transportation of persons .....	4	7	7
23.1 Rental payments to GSA .....	7	7	7
24.0 Printing and reproduction .....	1	1	1
25.2 Other services .....	35	43	43
26.0 Supplies and materials .....	8	10	10
31.0 Equipment .....	2	4	4
32.0 Land and structures .....	8	9	9
41.0 Grants, subsidies, and contributions .....	213	276	547
99.9 Total new obligations .....	386	457	728

**Personnel Summary**

Identification code 12–9921–0–2–999	2000 actual	2001 est.	2002 est.
1001 Total compensable workyears: Full-time equivalent employment .....	2,079	2,498	2,498

MISCELLANEOUS PERMANENT APPROPRIATIONS

(Legislative proposal, subject to PAYGO)

A Recreation Fee Program is proposed that would authorize the direct expenditure of recreation fees collected by the Forest Service and the Department of the Interior agencies beginning in 2003.

**Intragovernmental funds:**

WORKING CAPITAL FUND

Program and Financing (in millions of dollars)

Identification code 12–4605–0–4–302	2000 actual	2001 est.	2002 est.
<b>Obligations by program activity:</b>			
09.01 Operating expenses .....	115	112	111
09.02 Capital investment .....	36	35	35
10.00 Total new obligations .....	151	147	146
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	115	99	85
22.00 New budget authority (gross) .....	134	134	134
23.90 Total budgetary resources available for obligation .....	249	233	219
23.95 Total new obligations .....	–151	–147	–146
24.40 Unobligated balance carried forward, end of year .....	99	85	73
<b>New budget authority (gross), detail:</b>			
Mandatory:			
69.00 Offsetting collections (cash) .....	134	134	134
<b>Change in unpaid obligations:</b>			
Unpaid obligations, start of year:			
72.40 Unpaid obligations, start of year .....	57	74	87
72.99 Obligated balance, start of year .....	57	74	87
73.10 Total new obligations .....	151	147	146
73.20 Total outlays (gross) .....	–134	–134	–134
Unpaid obligations, end of year:			
74.40 Unpaid obligations, end of year .....	74	87	99
74.99 Obligated balance, end of year .....	74	87	99
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	134	134	134
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources .....	–134	–134	–134
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....			
90.00 Outlays .....	–2		

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.

**Intragovernmental funds—Continued**

**WORKING CAPITAL FUND—Continued**

*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		2000 actual	2001 est.	2002 est.
13.0	Benefits for former personnel .....	2	2	2
21.0	Travel and transportation of persons .....	3	3	2
23.2	Rental payments to others .....	1	1	1
23.3	Communications, utilities, and miscellaneous charges .....	2	1	1
25.2	Other services .....	1	1	1
26.0	Supplies and materials .....	20	19	19
31.0	Equipment .....	122	120	120
99.9	Total new obligations .....	151	147	146

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		2000 actual	2001 est.	2002 est.
01.99	Balance, start of year .....			
	Receipts:			
02.00	Transfers from general fund of amounts equal to certain customs duties .....	30	30	30
02.20	Forest Service cooperative fund .....	140	159	155
02.40	Transfer from TVA for land between the lakes trust fund .....		1	1
02.99	Total receipts and collections .....	170	190	186
	Appropriations:			
05.00	Forest Service trust funds .....	-170	-190	-186
07.99	Balance, end of year .....			

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

Identification code 12-9974-0-7-302		2000 actual	2001 est.	2002 est.
	<b>Obligations by program activity:</b>			
10.00	Total new obligations .....	407	238	226
	<b>Budgetary resources available for obligation:</b>			
21.40	Unobligated balance carried forward, start of year .....	369	142	94
22.00	New budget authority (gross) .....	170	190	186
22.10	Resources available from recoveries of prior year obligations .....	10		
23.90	Total budgetary resources available for obligation .....	549	332	280

23.95	Total new obligations .....	-407	-238	-226
24.40	Unobligated balance carried forward, end of year .....	142	94	54

**New budget authority (gross), detail:**

<b>Mandatory:</b>				
60.27	Appropriation (trust fund, indefinite) .....	170	190	186

**Change in unpaid obligations:**

<b>Unpaid obligations, start of year:</b>				
72.40	Unpaid obligations, start of year .....	39	282	334
72.99	Obligated balance, start of year .....	39	282	334
73.10	Total new obligations .....	407	238	226
73.20	Total outlays (gross) .....	-154	-186	-202
73.45	Recoveries of prior year obligations .....	-10		
<b>Unpaid obligations, end of year:</b>				
74.40	Unpaid obligations, end of year .....	282	334	358
74.99	Obligated balance, end of year .....	282	334	358

**Outlays (gross), detail:**

86.97	Outlays from new mandatory authority .....	115	152	149
86.98	Outlays from mandatory balances .....	39	34	53
87.00	Total outlays (gross) .....	154	186	202

**Net budget authority and outlays:**

89.00	Budget authority .....	170	190	186
90.00	Outlays .....	154	186	202

*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		2000 actual	2001 est.	2002 est.
<b>Personnel compensation:</b>				
11.1	Full-time permanent .....	51	65	61
11.3	Other than full-time permanent .....	7	9	9
11.5	Other personnel compensation .....	3	4	4
11.8	Special personal services payments .....		1	1
11.9	Total personnel compensation .....	61	79	75
12.1	Civilian personnel benefits .....	14	18	17
13.0	Benefits for former personnel .....	1	2	2
21.0	Travel and transportation of persons .....	3	3	3
23.1	Rental payments to GSA .....	6	4	4
25.2	Other services .....	304	129	122
26.0	Supplies and materials .....	10	2	2
31.0	Equipment .....	3	1	1
32.0	Land and structures .....	4		
41.0	Grants, subsidies, and contributions .....	1		
99.9	Total new obligations .....	407	238	226

**Personnel Summary**

Identification code 12-9974-0-7-302		2000 actual	2001 est.	2002 est.
1001	Total compensable workyears: Full-time equivalent employment .....	1,297	1,717	1,717

**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 132 passenger motor vehicles of which [13] *eight* will be used primarily for law enforcement purposes and of which [129] *130* 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 [six] *seven* for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at [192] *195* 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, including the Oscoda-Wurtsmith land exchange in Michigan, 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 apportioned.]

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 \$2,000,000 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], defined in section 250(c)(4)(F)(xii) of the *Balanced Budget and Emergency Deficit Control Act of 1985, as amended, for the purposes of such Act.*

Of the funds available to the Forest Service, \$1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

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 benefiting 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, up to \$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 benefiting 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 "Capital Improvement and Maintenance" 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.

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).

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 indirect expenses, that is expenses not directly related to specific programs or to the accomplishment of specific work on-the-ground, from any funds available to the Forest Service. *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*, That during fiscal year 2001 the Secretary shall limit total annual indirect obligations from the Brush Disposal, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to 20 percent of the total obligations from each fund. Obligations in excess of 20 percent which would otherwise be charged to the above funds may be charged to appropriated funds available to the Forest Service subject to notification of the Committees on Appropriations of the House and Senate.]

*Section 323 of the Department of the Interior and Related Agencies Appropriations Act, 1999, as included in Public Law 105-277, Div. A, section 101(e), is amended by inserting "and each fiscal year thereafter" before "to the extent funds are otherwise available".*

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 \$750,000.

[Section 551 of the Land Between the Lakes Protection Act of 1998 (16 U.S.C. 460lll-61) is amended by adding at the end the following new subsection:]

["(c) TRANSITION.—Until September 30, 2002, the Secretary of Agriculture may expend amounts appropriated or otherwise made available to carry out this title in a manner consistent with the authorities exercised by the Tennessee Valley Authority, before the transfer of the Recreation Area to the administrative jurisdiction of the Secretary, regarding procurement of property, services, supplies, and equipment.".]

[The Secretary of Agriculture shall pay \$4,449 from available funds to Joyce Liverca as reimbursement for various expenses incurred as a Federal employee in connection with certain high priority duties performed for the Forest Service.]

The Secretary of Agriculture may authorize the sale of excess buildings, facilities, and other properties owned by the Forest Service and located on the Green Mountain National Forest, the revenues of which shall be retained by the Forest Service and available to the Secretary without further appropriation and until expended for maintenance and rehabilitation activities on the Green Mountain National Forest. (*Department of the Interior and Related Agencies Appropriations Act, 2001.*)

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2000 actual	2001 est.	2002 est.
Offsetting receipts from the public:			
12-181100 National grasslands .....	10	24	25
12-222100 National forest fund .....	101	121	117

12-270110 Agriculture credit insurance, Negative subsidies .....	3	1	
12-270130 Agriculture credit insurance, Downward reestimates of subsidies .....	417	269	
12-270210 Rural electrification and telephone loans, Negative subsidies .....	2	8	8
12-270230 Rural electrification and telephone loans, Downward reestimates of subsidies .....		301	
12-270330 Rural water and waste disposal, Downward reestimates of subsidies .....		104	
12-270530 Rural community facility, Downward reestimates of subsidies .....		11	
12-270630 Rural housing insurance, Downward reestimates of subsidies .....		14	
12-270710 Rural business and industry, Negative subsidies .....	3		
12-270730 Rural business and industry, Downward reestimates of subsidies .....		26	
12-271030 Rural development loans, Downward reestimates of subsidies .....		3	
12-271130 Rural telephone bank loans, Downward reestimates of subsidies .....	1	5	
12-271330 Economic development loans, Downward reestimates of subsidies .....		3	
General Fund Offsetting receipts from the public .....	537	890	150

OTHER CONSOLIDATED RECEIPT ACCOUNTS

(in millions of dollars)

	2000 actual	2001 est.	2002 est.
12-977210 Miscellaneous contributed funds .....	1	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 fiscal year [2001] 2002 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [389] 379 passenger motor vehicles, of which [385] 378 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 sections 1 and 10 of the Act of June 29, 1935 (7 U.S.C. 427, 427i; commonly known as the Bankhead-Jones Act), subtitle A of title II and section 302 of the Act of August 14, 1946 (7 U.S.C. 1621 et seq.), and chapter 63 of title 31, United States Code, shall be available for contracting in accordance with such Acts and chapter.

SEC. 704. The Secretary of Agriculture may transfer unobligated balances of funds appropriated by this Act or other available unobligated balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture. *Provided*, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior approval of the agency administrator: *Provided further*, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior approval of the Committees on Appropriations of both Houses of Congress.

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 25 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)), funds for the Research, Education and Economics



Information System (REEIS), and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; 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 section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b; commonly known as the Agricultural Act of 1954).

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. 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. 710. 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 section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 711. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 712. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year [2001] 2002 shall remain available until expended to cover obligations made in fiscal year [2001] 2002 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. 713. Notwithstanding chapter 63 of title 31, United States Code, marketing services of the Agricultural Marketing Service; the 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. 714. Notwithstanding any other provision of law (including provisions of law requiring competition), the Secretary of Agriculture may hereafter 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 programs administered by the Natural Resources Conservation Service; 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. 715. 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. 716. 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.]

SEC. [717] 714. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

[SEC. 718. 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. 719. 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. [720] 715. 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 approval of the Committees on Appropriations of both Houses of Congress.

[SEC. 721. (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 2001, 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 Committees 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 2001, 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 Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(c) The Secretary of Agriculture shall notify the Committees on Appropriations of both Houses of Congress before implementing a program or activity not carried out during the previous fiscal year unless the program or activity is funded by this Act or specifically funded by any other Act.]

[SEC. 722] 716. (a) Of the funds made available to the Secretary of Agriculture pursuant to section 793(b)(1) of Public Law 104–127 (7 U.S.C. 2204f) for the [2001] 2001 fiscal year—

(1) [\$30,000,000] *No funds* shall be [available to be] obligated for any purpose authorized under section 793 of that Act during the [2001] 2002 fiscal year; and

(2) [\$30,000,000] \$60,000,000 shall be [available to be] obligated for any purpose authorized under section 793 of that Act during the [2002] 2003 fiscal year.

(b) 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 [2001] 2002 funds under section 793 of Public Law 104–127 (7 U.S.C. 2204f).

SEC. [723] 717. 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 chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in excess of \$174,000,000.

SEC. [724] 718. 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 [2001] 2002 funds under the provisions of section 401 of Public Law 105–185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621): [Provided, That notwithstanding section 401(d) of Public Law 105–185, any appropriation or funds available to the Secretary of Agriculture to make grants under section 401 of Public Law 105–185 shall be used only to make grants to Hispanic-serving institutions (as defined in 20 U.S.C. 1101a(5)); West Virginia State College in Institute; and the 1862 institutions, 1890 institutions, and 1994 institutions, as defined in section 2 of Public Law 105–185 (7 U.S.C. 7601), or research foundations maintained by such institutions.]

[SEC. 725. Hereafter, none of the funds made available to the Department of Agriculture shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.]

SEC. [726] 719. 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 1240M of the Food Security Act of 1985 (16 U.S.C. 3839bb).

[SEC. 727. 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 (recently renamed the Division of Pharmaceutical Analysis) in St. Louis, Missouri, except that funds could be used to plan a possible relocation of this Division within the city limits of St. Louis, Missouri.]

[SEC. 728. None of the funds made available to the Food and Drug Administration by this Act 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, except that field laboratory personnel shall be 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. 729. Hereafter, none of the funds appropriated by this Act or any other Act may be used to:

(1) carry out the proviso under 7 U.S.C. 1622(f); or

(2) carry out 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. 730. 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 user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2002 appropriations Act.]

[SEC. 731. 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 Committees on Appropriations of both Houses of Congress.]

[SEC. 732. 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. [733] 720. 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. 734. 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 prior to July 1, 2001, without the specific authorization of Congress.]

[SEC. 735. 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. 736. Notwithstanding any other provision of law, for any fiscal year, in the case of a high cost, isolated rural area of the State of Alaska that is not connected to a road system—

(1) in the case of assistance provided by the Rural Housing Service for single family housing under title V of the Housing Act of 1949 (7 U.S.C. 1471 et seq.), the maximum income level for the assistance shall be 150 percent of the average income level in metropolitan areas of the State;

(2) in the case of community facility loans and grants provided under paragraphs (1) and (19), respectively, of section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) and assistance provided under programs carried out by the Rural Utilities Service, the maximum income level for the loans, grants, and assistance shall be 150 percent of the average income level in nonmetropolitan areas of the State;

(3) in the case of a business and industry guaranteed loan made under section 310B(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(1)), to the extent permitted under that Act, the Secretary of Agriculture shall—

(A) guarantee the repayment of 90 percent of the principal and interest due on the loan; and

(B) charge a loan origination and servicing fee in an amount not to exceed 1 percent of the amount of the loan; and

(4) in the case of assistance provided under the Rural Community Development Initiative for fiscal year 2001 carried out under the rural community advancement program established under subtitle E of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009 et seq.), the median household income level, and the not employed rate, with respect to applicants for assistance under the Initiative shall be scored on a community-by-community basis.]

[SEC. 737. Notwithstanding any other provision of law, the Town of Lloyd, New York, and the Town of Thompson, New York, shall be eligible for loans and grants provided through the Rural Community Advancement Program.]

[SEC. 738. Hereafter, notwithstanding any other provision of law, no housing or residence in a foreign country purchased by an agent or instrumentality of the United States, for the purpose of housing the agricultural attaché, shall be sold or disposed of without the approval of the Foreign Agricultural Service of the United States Department of Agriculture, including property purchased using foreign currencies generated under the Agricultural Trade Development

and Assistance Act of 1954 (Public Law 480) and used or occupied by agricultural attachés of the Foreign Agricultural Service: *Provided*, That the Department of State/Office of Foreign Buildings may sell such properties with the concurrence of the Foreign Agricultural Service if the proceeds are used to acquire suitable properties of appropriate size for Foreign Agricultural Service agricultural attachés: *Provided further*, That the Foreign Agricultural Service shall have the right to occupy such residences in perpetuity with costs limited to appropriate maintenance expenses.]

[SEC. 739. Hereafter, notwithstanding section 502(h)(7) of the Housing Act of 1949 (42 U.S.C. 1472(h)(7)), the fee collected by the Secretary of Agriculture with respect to a guaranteed loan under such section 502(h) at the time of the issuance of such guarantee may be in an amount equal to not more than 2 percent of the principal obligation of the loan.]

[SEC. 740. Hereafter, funds appropriated to the Department of Agriculture may be used to employ individuals by contract for services outside the United States as determined by the agencies to be necessary or appropriate for carrying out programs and activities abroad; and such contracts are authorized to be negotiated, the terms of the contract to be prescribed, and the work to be performed, where necessary, without regard to such statutory provisions as relate to the negotiation, making and performance of contracts and performance of work in the United States. Individuals employed by contract to perform such services outside the United States shall not by virtue of such employment be considered to be employees of the United States Government for purposes of any law administered by the Office of Personnel Management. Such individuals may be considered employees within the meaning of the Federal Employee Compensation Act, 5 U.S.C. 8101 et seq. Further, that Government service credit shall be accrued for the time employed under a Personal Service Agreement (PSA) should the individual later be hired into a permanent United States Government position within FAS or another United States Government agency if the authorities of the hiring agency so permit.]

[SEC. 741. None of the funds made available by this Act or any other Act may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.]

[SEC. 742. (a) IN GENERAL.—Section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended—

(1) in subsection (b)(4), by striking “and 2000”; and inserting “through 2001”; and

(2) in subsection (h), by striking “2000” each place it appears and inserting “2001”.

(b) CONFORMING AMENDMENT.—Section 142(e) of the Agricultural Market Transition Act (7 U.S.C. 7252(e)) is amended by striking “2001” and inserting “2002”.]

[SEC. 743. Of any shipments of commodities made pursuant to section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Secretary of Agriculture shall, to the extent practicable, direct that tonnage equal in value to not more than \$25,000,000 shall be made available to foreign countries to assist in mitigating the effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome on communities, including the provision of—

(1) agricultural commodities to—

(A) individuals with Human Immunodeficiency Virus or Acquired Immune Deficiency Syndrome in the communities, and

(B) households in the communities, particularly individuals caring for orphaned children; and

(2) agricultural commodities monetized to provide other assistance (including assistance under microcredit and microenterprise programs) to create or restore sustainable livelihoods among individuals in the communities, particularly individuals caring for orphaned children.]

SEC. [744] 721. In addition to amounts otherwise appropriated or made available by this Act, [\$2,000,000] \$1,996,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships through the Congressional Hunger Center.

[SEC. 745. (a) SHORT TITLE.—This section may be cited as the “Medicine Equity and Drug Safety Act of 2000”.

(b) FINDINGS.—The Congress makes the following findings:

(1) The cost of prescription drugs for Americans continues to rise at an alarming rate.

(2) Millions of Americans, including medicare beneficiaries on fixed incomes, face a daily choice between purchasing life-sustaining prescription drugs, or paying for other necessities, such as food and housing.

(3) Many life-saving prescription drugs are available in countries other than the United States at substantially lower prices, even though such drugs were developed and are approved for use by patients in the United States.

(4) Many Americans travel to other countries to purchase prescription drugs because the medicines that they need are unaffordable in the United States.

(5) Americans should be able to purchase medicines at prices that are comparable to prices for such medicines in other countries, but efforts to enable such purchases should not endanger the gold standard for safety and effectiveness that has been established and maintained in the United States.

(c) AMENDMENT.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.) is amended—

(1) in section 801(d)(1), by inserting “and section 804” after “paragraph (2)”; and

(2) by adding at the end the following:

“IMPORTATION OF COVERED PRODUCTS

“SEC. 804. (a) REGULATIONS.—The Secretary, after consultation with the United States Trade Representative and the Commissioner of Customs, shall promulgate regulations permitting pharmacists and wholesalers to import into the United States covered products.

“(b) LIMITATION.—Regulations under subsection (a) shall—

“(1) require that safeguards be in place to ensure that each covered product imported pursuant to such subsection complies with section 505 (including with respect to being safe and effective for its intended use), with sections 501 and 502, and with other applicable requirements of this Act;

“(2) require that an importer of a covered product pursuant to subsection (a) comply with the applicable provisions of this section, including subsection (d); and

“(3) contain any additional provisions determined by the Secretary to be appropriate as a safeguard to protect the public health or as a means to facilitate the importation of such products.

“(c) RECORDS.—Regulations under subsection (a) shall require that records regarding the importation of covered products pursuant to such subsection be provided to and maintained by the Secretary for a period of time determined to be necessary by the Secretary.

“(d) IMPORTATION.—Regulations under subsection (a) shall require an importer of a covered product pursuant to such subsection to provide to the Secretary the following information and records:

“(1) The name and amount of the active ingredient of such product and description of the dosage form.

“(2) The date that the product is shipped and the quantity of the product that is shipped, points of origin and destination for the product, the price paid for the product by the importer, and (once the product is distributed) the price for which such product is sold by the importer.

“(3) Documentation from the foreign seller specifying the original source of the product and the amount of each lot of the product originally received.

“(4) The manufacturer’s lot or control number of the product imported.

“(5) The name, address, and telephone number of the importer, including the professional license number of the importer, if any.

“(6) For a product that is coming directly from the first foreign recipient of the product from the manufacturer:

“(A) Documentation demonstrating that such product came from such recipient and was received by the recipient from such manufacturer.

“(B) Documentation of the amount of each lot of the product received by such recipient to demonstrate that the amount being imported into the United States is not more than the amount that was received by the recipient.

“(C) In the case of the initial imported shipment, documentation demonstrating that each batch of such shipment was statistically sampled and tested for authenticity and degradation.

“(D) In the case of all subsequent shipments from such recipient, documentation demonstrating that a statistically valid sample of such shipments was tested for authenticity and degradation.

“(E) Certification from the importer or manufacturer of such product that the product is approved for marketing in the United States and meets all labeling requirements under this Act.

“(7) For a product that is not coming directly from the first foreign recipient of the product from the manufacturer:

## “IMPORTATION OF COVERED PRODUCTS—Continued

“(A) Documentation demonstrating that each batch in all shipments offered for importation into the United States was statistically sampled and tested for authenticity and degradation.

“(B) Certification from the importer or manufacturer of such product that the product is approved for marketing in the United States and meets all labeling requirements under this Act.

“(8) Laboratory records, including complete data derived from all tests necessary to assure that the product is in compliance with established specifications and standards.

“(9) Documentation demonstrating that the testing required by paragraphs (6) through (8) was performed at a qualifying laboratory (as defined in subsection (k)).

“(10) Any other information that the Secretary determines is necessary to ensure the protection of the public health.

“(e) TESTING.—Regulations under subsection (a)—

“(1) shall require that testing referred to in paragraphs (6) through (8) of subsection (d) be conducted by the importer of the covered product pursuant to subsection (a), or the manufacturer of the product;

“(2) shall require that if such tests are conducted by the importer, information needed to authenticate the product being tested, and to confirm that the labeling of such product complies with labeling requirements under this Act, be supplied by the manufacturer of such product to the pharmacist or wholesaler, and shall require that such information be kept in strict confidence and used only for purposes of testing under this Act; and

“(3) may include such additional provisions as the Secretary determines to be appropriate to provide for the protection of trade secrets and commercial or financial information that is privileged or confidential.

“(f) COUNTRY LIMITATION.—Regulations under subsection (a) shall provide that covered products may be imported pursuant to such subsection only from a country, union, or economic area that is listed in subparagraph (A) of section 802(b)(1) or designated by the Secretary, subject to such limitations as the Secretary determines to be appropriate to protect the public health.

“(g) SUSPENSION OF IMPORTATIONS.—The Secretary shall require that importations of specific covered products or importations by specific importers pursuant to subsection (a) be immediately suspended upon discovery of a pattern of importation of such products or by such importers that is counterfeit or in violation of any requirement pursuant to this section, until an investigation is completed and the Secretary determines that the public is adequately protected from counterfeit and violative covered products being imported pursuant to subsection (a).

“(h) PROHIBITED AGREEMENTS.—No manufacturer of a covered product may enter into a contract or agreement that includes a provision to prevent the sale or distribution of covered products imported pursuant to subsection (a).

“(i) STUDIES; REPORTS.—

“(1) STUDY BY SECRETARY.—

“(A) IN GENERAL.—The Secretary shall conduct, or contract with an entity to conduct, a study on the imports permitted pursuant to subsection (a), including consideration of the information received under subsection (d). In conducting such study, the Secretary or entity shall—

“(i) evaluate the compliance of importers with regulations under subsection (a), and the number of shipments pursuant to such subsection, if any, that have been determined to be counterfeit, misbranded, or adulterated, and determine how such compliance contrasts with the number of shipments of prescription drugs transported within the United States that have been determined to be counterfeit, misbranded, or adulterated; and

“(ii) consult with the United States Trade Representative and the Commissioner of Patents and Trademarks to evaluate the effect of importations pursuant to subsection (a) on trade and patent rights under Federal law.

“(B) REPORT.—Not later than two years after the effective date of final regulations under subsection (a), the Secretary shall prepare and submit to the Congress a report describing the findings of the study under subparagraph (A).

“(2) STUDY BY GENERAL ACCOUNTING OFFICE.—The Comptroller General of the United States shall conduct a study to determine

the effect of this section on the price of covered products sold to consumers at retail. Not later than 18 months after the effective date of final regulations under subsection (a), the Comptroller General shall prepare and submit to the Congress a report describing the findings of such study.

“(j) CONSTRUCTION.—Nothing in this section shall be construed to limit the statutory, regulatory, or enforcement authority of the Secretary relating to the importation of covered products, other than with respect to section 801(d)(1) as provided in this section.

“(k) DEFINITIONS.—

“(1) COVERED PRODUCT.—

“(A) IN GENERAL.—For purposes of this section, the term ‘covered product’ means a prescription drug, except that such term does not include a controlled substance in schedule I, II, or III under section 202(c) of the Controlled Substances Act or a biological product as defined in section 351 of the Public Health Service Act.

“(B) CHARITABLE CONTRIBUTIONS; PARENTERAL DRUGS.—Notwithstanding any other provision of this section, section 801(d)(1)—

“(i) continues to apply to a covered product donated or otherwise supplied for free by the manufacturer of the drug to a charitable or humanitarian organization, including the United Nations and affiliates, or to a government of a foreign country; and

“(ii) continues to apply to a covered product that is a parenteral drug the importation of which pursuant to subsection (a) is determined by the Secretary to pose a threat to the public health.

“(2) OTHER TERMS.—For purposes of this section:

“(A) The term ‘importer’ means a pharmacist or wholesaler.

“(B) The term ‘pharmacist’ means a person licensed by a State to practice pharmacy, including the dispensing and selling of prescription drugs.

“(C) The term ‘prescription drug’ means a drug subject to section 503(b).

“(D) The term ‘qualifying laboratory’ means a laboratory in the United States that has been approved by the Secretary for purposes of this section.

“(E) The term ‘wholesaler’ means a person licensed as a wholesaler or distributor of prescription drugs in the United States pursuant to section 503(e)(2)(A). Such term does not include a person authorized to import drugs under section 801(d)(1).

“(l) CONDITIONS.—This section shall become effective only if the Secretary demonstrates to the Congress that the implementation of this section will—

“(1) pose no additional risk to the public’s health and safety; and

“(2) result in a significant reduction in the cost of covered products to the American consumer.

“(m) SUNSET.—Effective upon the expiration of the five-year period beginning on the effective date of final regulations under subsection (a), this section ceases to have any legal effect.”.

(d) PROHIBITED ACT.—

(1) IN GENERAL.—Section 301 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 331) is amended by adding at the end the following:

“(aa) The importation of a covered product in violation of section 804, the falsification of any record required to be maintained or provided to the Secretary under such section, or any other violation of regulations under such section.”.

(2) ENHANCED PENALTIES.—Section 303(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 333(b)) is amended by adding at the end the following:

“(6) Notwithstanding subsection (a), any person who is a manufacturer or importer of a covered product pursuant to section 804(a) and knowingly fails to comply with a requirement of section 804(e) that is applicable to such manufacturer or importer, respectively, shall be imprisoned for not more than 10 years or fined not more than \$250,000, or both.”.

(e) For an additional amount for “Salaries and expenses”, Food and Drug Administration, \$23,000,000, solely to carry out the “Medicine Equity and Drug Safety Act of 2000”, to be available only upon submission of an official budget request and justification for such amount by the President to the Congress.】

【SEC. 746. (a) SHORT TITLE.—This section may be cited as the “Prescription Drug Import Fairness Act of 2000”.

(b) FINDINGS.—The Congress finds as follows:

(1) Patients and their families sometimes have reason to import into the United States drugs that have been approved by the Food and Drug Administration (“FDA”).

(2) There have been circumstances in which—

(A) an individual seeking to import such a drug has received a notice from FDA that importing the drug violates or may violate the Federal Food, Drug, and Cosmetic Act; and

(B) the notice failed to inform the individual of the reasons underlying the decision to send the notice.

(3) FDA should not send a warning notice regarding the importation of a drug without providing to the individual involved a statement of the underlying reasons for the notice.

(c) CLARIFICATION OF CERTAIN RESPONSIBILITIES OF FOOD AND DRUG ADMINISTRATION WITH RESPECT TO IMPORTATION OF PRESCRIPTION DRUGS INTO UNITED STATES.—Section 801 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381) is amended by adding at the end the following subsection:

“(g)(1) With respect to a prescription drug being imported or offered for import into the United States, the Secretary, in the case of an individual who is not in the business of such importations, may not send a warning notice to the individual unless the following conditions are met:

“(A) The notice specifies, as applicable to the importation of the drug, that the Secretary has made a determination that—

“(i) importation is in violation of section 801(a) because the drug is or appears to be adulterated, misbranded, or in violation of section 505;

“(ii) importation is in violation of section 801(a) because the drug is or appears to be forbidden or restricted in sale in the country in which it was produced or from which it was exported;

“(iii) importation is or appears to be in violation of section 801(d)(1); or

“(iv) importation otherwise is or appears to be in violation of Federal law.

“(B) The notice does not specify any provision described in subparagraph (A) that is not applicable to the importation of the drug.

“(C) The notice states the reasons underlying such determination by the Secretary, including a brief application to the principal facts involved of the provision of law described in subparagraph (A) that is the basis of the determination by the Secretary.

“(2) For purposes of this section, the term ‘warning notice’, with respect to the importation of a drug, means a communication from the Secretary (written or otherwise) notifying a person, or clearly suggesting to the person, that importing the drug for personal use is, or appears to be, a violation of this Act.”.]

【SEC. 747. Notwithstanding any other provision of law, the Secretary of Agriculture may not deny a loan application made pursuant to the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in Arkansas solely on the basis that—

(a) the proceeds of the loan will be used to conduct activities in a flood plain; or

(b) the loan is secured by land that is in a flood plain.】

【SEC. 748. Section 2111(a)(3) of the Organic Foods Production Act of 1990 (7 U.S.C. 651(a)(3)) is amended by adding after “sulfites,” “except in the production of wine.”.]

【SEC. 749. Notwithstanding any other provision of law or regulation, hereafter, Friends of the National Arboretum, an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code incorporated in the District of Columbia, shall not be considered a prohibited source with respect to gifts to the United States National Arboretum so long as Friends of the National Arboretum remains an organization described under section 501(c)(3) of such Code and continues to conduct its operations exclusively for the benefit of the United States National Arboretum. The Secretary of Agriculture shall, within 90 days of enactment of this Act, provide the Appropriations Committees of both Houses of Congress with either a copy of a Memorandum of Understanding detailing the nature of its partnership with the Friends of the National Arboretum, or with a written explanation of why such a Memorandum of Understanding could not be achieved.】

【SEC. 750. None of the funds made available by this Act may be used to require an office of the Farm Service Agency that is using FINPACK on May 17, 1999, for financial planning and credit analysis, to discontinue use of FINPACK for six months from the date of enactment of this Act.】

【SEC. 751. Hereafter, the Secretary of Agriculture shall consider any borrower whose income does not exceed 115 percent of the median family income of the United States as meeting the eligibility requirements for a borrower contained in section 502(h)(2) of the Housing Act of 1949 (42 U.S.C. 1472(h)(2)).】

【SEC. 752. Effective 180 days after the date of the enactment of this Act and continuing for the remainder of fiscal year 2001 and each subsequent fiscal year, establishments in the United States that slaughter or process birds of the order Ratitae, such as ostriches, emus and rheas, and squab, for distribution in commerce as human food shall be subject to the ante mortem and post mortem inspection, reinspection, and sanitation requirements of the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) rather than the voluntary poultry inspection program of the Department of Agriculture under section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622).】

【SEC. 753. In developing a rule concerning on-farm standards for prevention of *Salmonella Enteritidis* in shell eggs pursuant to any plan to eliminate *Salmonella Enteritidis* illnesses due to eggs, the Food and Drug Administration shall—

(a) consider one environmental test per laying cycle for each layer house for verification of the producer’s *Salmonella Enteritidis* reduction plan;

(b) consider when it is appropriate to require diversion of shell eggs to treatment, such as pasteurization, and base any requirement for testing that would necessitate diversion, which may include the receipt of a positive egg test result, on sound science;

(c) conduct or support research to develop cost-effective and improved tests for determination of *Salmonella Enteritidis*; and

(d) solicit comments on appropriate options for implementing a *Salmonella Enteritidis* reduction plan in shell eggs, including comments on conducting and funding testing, through state and federal programs.】

【SEC. 754. Public Law 105–277, division A, title XI, section 1121 (112 Stat. 2681–44, 2681–45) is amended by—

(1) striking “not later than January 1, 2000” and inserting “not later than January 1, 2001”; and

(2) adding the following new subsection at the end thereof—

“(d) ADDITIONAL DISBURSEMENT.—

“(1) COTTON STORED IN GEORGIA.—The State of Georgia may use funds remaining in the indemnity fund established in accordance with this section to compensate cotton producers in other States who stored cotton in the State of Georgia and incurred losses in 1998 or 1999 as the result of the events described in subsection (a).

“(2) GINNERS AND OTHERS.—The State of Georgia may also use funds remaining in the indemnity fund established in accordance with this section to compensate cotton ginner and others in the business of producing, ginning, warehousing, buying, or selling cotton for losses they incurred in 1998 or 1999 as the result of the events described in subsection (a), if—

“(A) as of March 1, 2000, the indemnity fund has not been exhausted,

“(B) the State of Georgia provides cotton producers an additional time period prior to May 1, 2000, in which to establish eligibility for compensation under this section;

“(C) the State of Georgia determines during calendar year 2000 that all cotton producers in that State and cotton producers in other States as described in paragraph (d)(1) have been appropriately compensated for losses incurred in 1998 or 1999 as described in subsection (a); and

“(D) such additional compensation is not made available until May 1, 2000.”.]

【SEC. 755. The Food Security Act of 1985 is amended by inserting after section 1230 (16 U.S.C. 3830) the following:

**“SEC. 1230A. GOOD FAITH RELIANCE.**

“(a) IN GENERAL.—Except as provided in subsection (d) and notwithstanding any other provision of this chapter, the Secretary shall provide equitable relief to an owner or operator that has entered into a contract under this chapter, and that is subsequently determined to be in violation of the contract, if the owner or operator in attempting to comply with the terms of the contract and enrollment requirements took actions in good faith reliance on the action or advice of an authorized representative of the Secretary.

“(b) TYPES OF RELIEF.—The Secretary shall—

“(1) to the extent the Secretary determines that an owner or operator has been injured by good faith reliance described in sub-

**“SEC. 1230A. GOOD FAITH RELIANCE.—Continued**

section (a), allow the owner or operator to do any one or more of the following—

“(A) to retain payments received under the contract;

“(B) to continue to receive payments under the contract;

“(C) to keep all or part of the land covered by the contract enrolled in the applicable program under this chapter;

“(D) to reenroll all or part of the land covered by the contract in the applicable program under this chapter; or

“(E) or any other equitable relief the Secretary deems appropriate; and

“(2) require the owner or operator to take such actions as are necessary to remedy any failure to comply with the contract.

“(c) RELATION TO OTHER LAW.—The authority to provide relief under this section shall be in addition to any other authority provided in this or any other Act.

“(d) EXCEPTION.—This section shall not apply to a pattern of conduct in which an authorized representative of the Secretary takes actions or provides advice with respect to an owner or operator that the representative and the owner or operator know are inconsistent with applicable law (including regulations).

“(e) APPLICABILITY OF RELIEF.—Relief under this section shall be available for contracts in effect on January 1, 2000 and for all subsequent contracts.”.]

[SEC. 756. Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)(B)) is amended by striking “\$20,000,000” and inserting “\$25,000,000”.]

SEC. [757] 722. Refunds or rebates received on an on-going basis from a credit card services provider under the Department of Agriculture’s charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital Fund established under 7 U.S.C. 2235 and used to fund management initiatives of general benefit to the Department of Agriculture bureaus and offices as determined by the Secretary of Agriculture or the Secretary’s designee.

[SEC. 758. The Act of August 19, 1958 (7 U.S.C. 1431 note) is amended—

(1) by striking “clause (3) or (4) of” the first place it appears and inserting “the Food for Progress Act of 1985;”;

(2) by striking “clause (3) or (4) of such” and inserting “the Food for Progress Act of 1985, such;” and

(3) by striking “to the President”.]

[SEC. 759. Notwithstanding any other provision of law, the Sea Island Health Clinic located on Johns Island, South Carolina, shall remain eligible for assistance and funding from the Rural Development community facilities programs administered by the Department of Agriculture until such time new population data is available from the 2000 Census.]

[SEC. 760. Notwithstanding any other provision of law, the area bounded by West 197th Avenue, North S.W. 232nd Street, East U.S. Highway 1 and S.W. 360th Street in Dade County, Florida, shall continue to be eligible to receive business and industry guaranteed loans under section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932) until such time that population data is available from the 2000 decennial Census.]

[SEC. 761. Hereafter, the Secretary of Agriculture shall consider the City of Kewanee and the City of Jacksonville, Illinois, as meeting the requirements of a rural area contained in section 520 of the Housing Act of 1949 (42 U.S.C. 1490).]

[SEC. 762. Notwithstanding any other provision of law, the Chief of the Natural Resources Conservation Service shall provide funds, within discretionary amounts available, to pay the balance of the amount due pursuant to the settlement of claims associated with the Chuquatonchee Watershed Project in Mississippi to close out this project.]

[SEC. 763. Notwithstanding any other provision of law, the Konocti Water District, California, shall be eligible for grants and loans administered by the Rural Utilities Service.]

[SEC. 764. Notwithstanding any other provision of law, Jefferson County, Kentucky, shall be considered to be a rural area for the purposes of the business and industry direct and guaranteed loan program authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.).]

[SEC. 765. The Secretary of Agriculture may convey, under such terms and conditions as the Secretary considers appropriate, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately one acre located within the Sun-

nyside Subdivision in Prince George’s County, Maryland, for the purpose of resolving land title claims and encroachments at the Beltsville Agricultural Research Center and for promoting public access on Sunnyside Avenue. Any funds received by the Secretary as a result of the conveyance shall be credited to and merged with the appropriations available to operate the Beltsville Agricultural Research Center and shall be available, without further appropriation, for the same purposes and for the same time period as such appropriations.]

[SEC. 766. Of the funds provided to carry out section 211(a) of the Agricultural Risk Protection Act of 2000 (16 U.S.C. 2820 note; Public Law 106–224), up to \$500,000 shall be used solely for the State of California.]

[SEC. 767. The first section of the Act of March 2, 1931 (7 U.S.C. 426) is amended to read as follows:

**“SECTION 1. PREDATORY AND OTHER WILD ANIMALS.**

“The Secretary of Agriculture may conduct a program of wildlife services with respect to injurious animal species and take any action the Secretary considers necessary in conducting the program. The Secretary shall administer the program in a manner consistent with all of the wildlife services authorities in effect on the day before the date of the enactment of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001.”.]

[SEC. 768. Section 412(d) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736f(d)) is amended by striking “title I of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.)” and inserting “dairy price support operations”.]

[SEC. 769. Notwithstanding any other provision of law, the City of Coachella, California, shall be eligible for grants and loans administered by the rural development mission areas of the Department of Agriculture.]

[SEC. 770. Notwithstanding any other provision of law, the Secretary of Agriculture shall consider the City of Vicksburg, Mississippi, as meeting the requirements of a rural area in section 520 of the Housing Act of 1949 (42 U.S.C. 1490).]

[SEC. 771. Notwithstanding any other provision of law, the Administrator of the Rural Utilities Service shall use the authorities provided in the Rural Electrification Act of 1936 to finance the acquisition of existing generation, transmission and distribution systems and facilities serving high cost, predominantly rural areas by entities capable of and dedicated to providing or improving service in such areas in an efficient and cost effective manner.]

[SEC. 772. None of the funds appropriated or otherwise made available by this Act shall be used to issue a notice of proposed rule-making, to promulgate a proposed rule, or to otherwise change or modify the definition of “animal” in existing regulations pursuant to the Animal Welfare Act.]

[SEC. 773. Section 306(a)(19)(A) of the Consolidated Farmers Home Administration Act of 1961 is amended by inserting after “nonprofit corporations” the following new phrase: “, Indian tribes (as such term is defined under section 4(e) of Public Law 93–638, as amended).”]

[SEC. 774. Section 2101 of the Emergency Supplemental Act, 2000 (Public Law 106–246; 114 Stat. 541) is amended—

(1) by inserting “or prior” after “such outstanding”; and

(2) by inserting “and subsequently repaid” after “placed under loan”.]

[SEC. 775. For purposes of administering Title IX of this Act, the term “agricultural commodity” shall also include fertilizer and organic fertilizer, except to the extent provided pursuant to Section 904 of that title.]

**[SEC. 776. SENSE OF THE CONGRESS; HAMILTON GRANGE, NEW YORK.]**

[(a) Congress finds that—

(1) Alexander Hamilton, assisted by James Madison and George Washington, was the principal drafter of the Constitution of the United States;

(2) Hamilton was General Washington’s aide-de-camp during the Revolutionary War, and, given command by Washington of the New York and Connecticut light infantry battalion, led the successful assault on British redoubt number 10 at Yorktown;

(3) after serving as Secretary of the Treasury, Hamilton founded the Bank of New York and the New York Post;

(4) the only home Hamilton ever owned, commonly known as “the Grange”, is a fine example of Federal period architecture designed by New York architect John McComb, Jr., and was built in upper Manhattan in 1803;

(5) the New York State Assembly enacted a law in 1908 authorizing New York City to acquire the Grange and move it to nearby St. Nicholas Park, part of the original Hamilton estate, but no action was taken;

(6) in 1962, the National Park Service took over management of the Grange, by then wedged on Convent Avenue within inches between an apartment house on the north side and a church on the south side;

(7) the 1962 designation of the Grange as a national memorial was contingent on the acquisition by the National Park Service of a site to which the building could be relocated;

(8) the New York State legislature enacted a law in 1998 that granted approval for New York City to transfer land in St. Nicholas Park to the National Park Service, causing renovations to the Grange to be postponed; and

(9) no obelisk, monument, or classical temple along the national mall has been constructed to honor the man who more than any other designed the Government of the United States, Hamilton should at least be remembered by restoring his home in a sylvan setting.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Alexander Hamilton made an immense contribution to the United States by serving as a principal drafter of the Constitution; and

(2) the National Park Service should expeditiously—

(A) proceed to relocate the Grange to St. Nicholas Park; and

(B) restore the Grange to a state befitting the memory of Alexander Hamilton. ]

**[SEC. 777. FINANCIAL ASSISTANCE FOR LAND ACQUISITION FOR FALLEN TIMBERS BATTLEFIELD AND FORT MIAMIS NATIONAL HISTORIC SITE.]**

**[**(a) **IN GENERAL.**—Section 4 of the Fallen Timbers Battlefield and Fort Miamis National Historic Site Act of 1999 (Public Law 106–164; 16 U.S.C. 461 note) is amended by adding at the end the following:

“(d) **LAND ACQUISITION ASSISTANCE.**—

“(1) **IN GENERAL.**—The Secretary may provide financial assistance to the management entity for acquiring lands or interests in lands within the boundaries of the historic site under subsection (b).

“(2) **COST SHARING.**—Financial assistance under this subsection may not be used to pay more than 50 percent of the cost of any acquisition made with the assistance.

“(3) **CONDITION.**—The Secretary shall require, as a condition of any assistance under this subsection, that any interest in land acquired with assistance under this subsection shall be included in and managed as part of the historic site.”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 6 of such Act is amended by inserting “(a) **IN GENERAL.**—” before “There is authorized”, and by adding at the end the following:

“(b) **LAND ACQUISITION ASSISTANCE.**—There is authorized to be appropriated \$2,500,000 to carry out section 4(d).”.]

*SEC. 723. Notwithstanding section 412 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736f) any balances available to carry out title III of such Act as of the date of enactment of this Act, and any recoveries and reimbursements that become available to carry out title III of such Act, may be used to carry out title II of such Act. (Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, as enacted by section 1(a) of P.L. 106–387.)*

**[GENERAL PROVISIONS—THIS CHAPTER]**

**[SEC. 101. The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, is amended—**

(1) In title III, under the heading “Rural Utilities Service, Rural Electrification and Telecommunications Loans Program Account”, after “per year” insert “: *Provided further*, That not more than \$100,000 shall be available for guarantees of private sector loans”.

(2) In title III, at the end of the first proviso under the “Rural Housing Assistance Grants” account, insert “in Mississippi and Alaska”.

(3) In section 724, by striking “to Hispanic-serving institutions” and all that follows through “maintained by such institutions” and inserting “to eligible grantees specified in subsection (d)(3) of that section”;

(4) In title VIII, under the heading “Rural Community Advancement Program”, by striking “January 1, 2001” and inserting “January 1, 2000”;

(5) In section 806, by inserting “: *Provided further*, That of the funds made available by this section, the Secretary shall transfer \$5,000,000 to the State of Alabama to be used in conjunction with the program administered by the Alabama Department of Agriculture and Industries: *Provided further*, That of the funds made available by this section, the Secretary shall transfer not more than \$300,000 to the State of Montana for transportation needs associated with emergency haying and feeding: *Provided further*, That of the funds made available by this section, the Secretary shall use not more than \$2,000,000 to carry out a program for income losses sustained before April 30, 2001, by individuals who raise poultry owned by other individuals as a result of Poultry Enteritis Mortality Syndrome control programs, as determined by the Secretary” after “American Indian Livestock Feed Program”;

(6) In section 815(d)(3), by inserting “affected” after “all”;

(7) In section 830, by striking “Section 401” and inserting “Title IV”.

(8) In section 843, by striking “were unable to market the crops” and all that follows through “in this section.” and inserting “suffered a loss because of the insolvency of an agriculture cooperative in the State of California: *Provided*, That the amount of a payment made to a producer under this section shall not exceed 50 percent of the loss referred to in this section.”;

(9) In section 844—

(A) in the section heading, by inserting “, FLUE-CURED, AND CIGAR BINDER TYPE 54–55” after “BURLEY”; and

(B) in subsection (a)—

(i) in paragraph (1)—

(I) by inserting “, without further cost to the association,” after “settle”; and

(II) by inserting “, Flue-cured, or Cigar Binder Type 54–55” after “Burley” each place it appears;

(ii) in paragraph (2)(B), by inserting “, Flue-cured, Cigar Binder Type 54–55,” after “Burley”; and

(iii) in paragraph (3), by striking subparagraph (A) and inserting the following:

“(A) counted for the purpose of determining the Burley, Flue-cured, or Cigar Binder Type 54–55 tobacco quota or allotment for any year under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.); or”;

(10) Notwithstanding any other provision of law, section 204(b)(10)(B) of Public Law 106–224 shall not be effective until July 1, 2001; and

(11) The effective date of this section is the date of enactment of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001.]

**[SEC. 102. The second sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by striking “1990 decennial census” and inserting “1990 or 2000 decennial census”, and by striking “year 2000” and inserting “year 2010”.]**

**[SEC. 103. The Secretary of Agriculture, in collaboration with the Secretaries of Energy and Interior, shall undertake a study of the feasibility of including ethanol, biodiesel, and other bio-based fuels as part of the Strategic Petroleum Reserve. This study shall include a review of legislative and regulatory changes needed to allow this inclusion, and those elements necessary to design and implement such a program, including cost. The Secretary shall provide this study to the House and Senate Appropriations Committees by February 15, 2001.]**

**[SEC. 104. Notwithstanding section 730 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000 (Public Law 106–78), the City of Wilson, North Carolina, shall be eligible in fiscal year 2001 for the community facility loan guarantee program under section 306(a)(1) of the Consolidated Farm and Rural Development Act.]**

**[SEC. 105. Title VIII of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, is amended by inserting at the end the following new section: “SEC. 778. Notwithstanding section 723 of this Act or any other provision of law, there are hereby appropriated \$26,000,000, to remain available until expended, for the program authorized under section 334 of the Federal Agriculture Improvement and Reform Act of 1996: *Provided*, That the entire amount shall be available only to the extent an official budget request for \$26,000,000, 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.”.]

【SEC. 106. In carrying out the bovine tuberculosis eradication program covered by the Secretary of Agriculture’s emergency declaration effective as of October 11, 2000, the Secretary of Agriculture shall pay 100 percent of the amounts of approved claims for materials affected by or exposed to bovine tuberculosis, and of approved claims growing out of the destruction of animals: *Provided*, That in calculating the net present value of the future income portion of any claim, the Secretary shall use a discount rate of 7 percent: *Provided further*, That the entire amount necessary to carry out this section 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.】

【SEC. 107. Section 820(b) of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, is amended by striking “of 1996” and inserting the following: “of 1996, and for the Farmland Protection Program established under section 388 of the Federal Agriculture Improvement and Reform Act of 1996”.】

【SEC. 108. For an additional amount for the United States Department of Agriculture, Office of the General Counsel, \$500,000: *Provided*, That the entire amount shall be available only to the extent an official budget request for \$500,000, 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.】

【SEC. 109. For an additional amount for Grain Inspection, Packers and Stockyards Administration, Salaries and Expenses, \$200,000: *Provided*, That the entire amount shall be available only to the extent an official budget request for \$200,000, 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 further*, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.】

【SEC. 110. Notwithstanding any other provision of law, the Natural Resources Conservation Service may provide financial and technical assistance to the Hamakua Ditch project in Hawaii from funds available for the Emergency Watershed Program, not to exceed \$3,000,000.】 (*Division A, Miscellaneous Appropriations Act, 2001, as enacted by section 1(a)(4) of P.L. 106-554.*)