

## SMALL BUSINESS ADMINISTRATION

For 2007, the Budget requests \$624 million in new budget authority for the Small Business Administration (SBA). SBA's continuing operations will provide more than \$28 billion in new loans to small businesses, funding for non-credit programs, and funding for the disaster loan program.

### Federal Funds

#### General and special funds:

##### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law [108-447] 109-108, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed \$3,500 for official reception and representation expenses, [\$313,029,000] \$303,550,000: *Provided*, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan [servicing] program activities, *including fees authorized by section 5(b) of the Small Business Act: Provided further*, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to [be] remain available until expended, for carrying out these purposes without further appropriations: *Provided further*, That the sum herein appropriated from the general fund shall be reduced up to the amount of \$7,000,000, as the fees assessed and collected under the authority of section 5(b)(12)(E) of the Small Business Act are received, and any fees received in excess of \$7,000,000 shall be available until expended: *Provided further*, That [\$89,000,000] \$87,120,000 shall be available to fund grants for performance in fiscal year [2006] 2007 or fiscal year [2007] 2008 as authorized: *Provided further*, That the Small Business Administration is authorized to award grants under the Women's Business Center Sustainability Pilot Program established by section 4(a) of Public Law 106-165 (15 U.S.C. 656(l): [Provided further, That, of the amounts provided for Women's Business Centers, not less than 41 percent shall be available to continue Women's Business Centers in sustainability status].

(RESCISSION)

Of the unobligated balances available under this heading, [\$3,000,000] \$6,100,000 are rescinded. (*Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.*)

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

Identification code 73-0100-0-1-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01 Executive Direction .....	42	42	42
00.02 Capital Access .....	41	41	44
00.03 Gov. Contracting/ Bus. Development .....	19	19	21
00.04 Entrepreneurial Development .....	6	6	8
00.05 Management & Administration .....	15	15	18
00.06 Office of Chief Information Officer .....	25	26	32
00.07 Regional & District Offices .....	124	124	127
00.08 Agency Wide Costs .....	48	47	48
00.09 Non Credit Programs .....	135	127	106
00.10 Congressional Initiatives .....	39	90	.....
00.12 Disaster .....	223	437	105
09.00 Reimbursable program .....	9	12	11
10.00 Total new obligations .....	726	986	562
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	40	349	84
22.00 New budget authority (gross) .....	1,034	721	556
22.10 Resources available from recoveries of prior year obligations .....	2	.....	.....
23.90 Total budgetary resources available for obligation	1,076	1,070	640
23.95 Total new obligations .....	-726	-986	-562
23.98 Unobligated balance expiring or withdrawn .....	-1	.....	.....

24.40	Unobligated balance carried forward, end of year	349	84	78
<b>New budget authority (gross), detail:</b>				
Discretionary:				
40.00	Appropriation .....	362	404	297
40.33	Appropriation permanently reduced (P.L. 109-148) .....	-4	.....	.....
40.35	Appropriation permanently reduced .....	-5	-1	.....
40.36	Unobligated balance permanently reduced .....	.....	-3	-6
43.00	Appropriation (total discretionary) .....	357	396	291
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash) .....	677	139	151
68.00	Offsetting collections (cash) .....	.....	186	114
68.90	Spending authority from offsetting collections (total discretionary) .....	677	325	265
70.00	Total new budget authority (gross) .....	1,034	721	556
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	287	303	214
73.10	Total new obligations .....	726	986	562
73.20	Total outlays (gross) .....	-685	-1,075	-602
73.40	Adjustments in expired accounts (net) .....	-23	.....	.....
73.45	Recoveries of prior year obligations .....	-2	.....	.....
74.40	Obligated balance, end of year .....	303	214	174
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	520	543	428
86.93	Outlays from discretionary balances .....	165	532	174
87.00	Total outlays (gross) .....	685	1,075	602
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.00	Payments from business loan program account	-125	-124	-126
88.00	Payments from disaster loan program account	-539	-186	-114
88.00	Federal sources .....	-10	-12	-11
88.00	Business Loan Fees .....	.....	.....	-7
88.40	Non-Federal sources .....	-3	-3	-7
88.90	Total, offsetting collections (cash) .....	-677	-325	-265
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	357	396	291
90.00	Outlays .....	8	750	337

The appropriation for this account is necessary to cover the administrative expenses for SBA headquarters and the field and for non-credit programs. Appropriations for the administration of the Disaster direct loan and business loan programs are merged with this account. In addition, this account funds technical assistance grant programs.

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

Identification code 73-0100-0-1-376	2005 actual	2006 est.	2007 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	166	161	170
11.3	Other than full-time permanent .....	11	10	10
11.5	Other personnel compensation .....	3	3	3
11.9	Total personnel compensation .....	180	174	183
12.1	Civilian personnel benefits .....	54	47	47
21.0	Travel and transportation of persons .....	4	5	5
23.1	Rental payments to GSA .....	32	35	35
23.3	Communications, utilities, and miscellaneous charges .....	5	6	7
24.0	Printing and reproduction .....	1	1	1
25.2	Other services .....	39	44	51
25.3	Other purchases of goods and services from Government accounts (Disaster Administrative Expenses) .....	223	437	105

**General and special funds—Continued****SALARIES AND EXPENSES—Continued****(RESCISSION)—Continued****Object Classification (in millions of dollars)—Continued**

Identification code 73-0100-0-1-376	2005 actual	2006 est.	2007 est.
26.0 Supplies and materials .....	2	3	4
31.0 Equipment .....	3	5	7
41.0 Grants, subsidies, and contributions .....	174	217	106
99.0 Direct obligations .....	717	974	551
99.0 Reimbursable obligations .....	9	12	11
99.9 Total new obligations .....	726	986	562

**Personnel Summary**

Identification code 73-0100-0-1-376	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment .....	4,030	5,122	2,860
Reimbursable:			
2001 Civilian full-time equivalent employment .....	11	11	8

**OFFICE OF INSPECTOR GENERAL**

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, **[\$13,900,000] \$14,355,000.** (*Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.*)

**[For an additional amount for the “Office of Inspector General” for necessary expenses related to the consequences of hurricanes in the Gulf of Mexico in calendar year 2005, \$5,000,000, to remain available until expended: *Provided*, That the amount provided under this heading is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.]** (*Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006.*)

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

Identification code 73-0200-0-1-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01 Audit .....	5	7	6
00.02 Investigations .....	6	8	7
00.03 Management Policy .....	1	1	1
00.04 General Office/Legal Counsel .....	1	1	1
10.00 Total new obligations .....	13	17	15

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year .....			4
22.00 New budget authority (gross) .....	14	21	15
23.90 Total budgetary resources available for obligation .....	14	21	19
23.95 Total new obligations .....	—13	—17	—15
24.40 Unobligated balance carried forward, end of year .....		4	4

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

Discretionary:			
40.00 Appropriation .....	13	14	14
40.30 Appropriations adjusted pursuant to PL 109-148 (+) .....		5	
43.00 Appropriation (total discretionary) .....	13	19	14
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	1	2	1
70.00 Total new budget authority (gross) .....	14	21	15

**Change in obligated balances:**

72.40 Obligated balance, start of year .....	2	2	2
73.10 Total new obligations .....	13	17	15
73.20 Total outlays (gross) .....	—14	—17	—16
74.40 Obligated balance, end of year .....	2	2	1

**Outlays (gross), detail:**

86.90 Outlays from new discretionary authority .....	13	16	14
86.93 Outlays from discretionary balances .....	1	1	2
87.00 Total outlays (gross) .....	14	17	16

**Offsets:**

Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Payments from disaster loan program account .....	—1	—2	—1

**Net budget authority and outlays:**

89.00 Budget authority .....	13	19	14
90.00 Outlays .....	13	15	15

The Budget proposes \$14.3 million in new budget authority and \$0.5 million transferred from the Disaster Loans Program account for a total of \$14.9 million for the Office of Inspector General (OIG) for 2007. This appropriation provides funds for agency-wide audit, investigative, and related functions to promote economy and efficiency in agency operations and to prevent and detect waste, fraud, and abuse.

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

Identification code 73-0200-0-1-376	2005 actual	2006 est.	2007 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent .....	8	9	9
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	9	10	10
12.1 Civilian personnel benefits .....	2	2	2
25.2 Other services .....	1	4	2
99.0 Direct obligations .....	12	16	14
99.0 Reimbursable obligations .....	1	1	1
99.9 Total new obligations .....	13	17	15

**Personnel Summary**

Identification code 73-0200-0-1-376	2005 actual	2006 est.	2007 est.
Direct:			
1001 Civilian full-time equivalent employment .....	95	107	107

**Public enterprise funds:****SURETY BOND GUARANTEES REVOLVING FUND**

For additional capital for the Surety Bond Guarantees Revolving Fund, authorized by the Small Business Investment Act of 1958, as amended, **[\$2,861,000] \$2,970,000**, to remain available until expended. (*Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.*)

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

Identification code 73-4156-0-3-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
09.01 Reimbursable obligations .....	8	10	10
10.00 Total new obligations (object class 42.0) .....	8	10	10

**Budgetary resources available for obligation:**

21.40 Unobligated balance carried forward, start of year .....	22	23	21
22.00 New budget authority (gross) .....	9	8	9
23.90 Total budgetary resources available for obligation .....	31	31	30
23.95 Total new obligations .....	—8	—10	—10
24.40 Unobligated balance carried forward, end of year .....	23	21	20

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

Discretionary:			
40.00 Appropriation .....	3	3	3
68.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	6	5	6
70.00 Total new budget authority (gross) .....	9	8	9

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	1	2	3
73.10	Total new obligations .....	8	10	10
73.20	Total outlays (gross) .....	-7	-9	-10
74.40	Obligated balance, end of year .....	2	3	3
<b>Outlays (gross), detail:</b>				
86.90	Outlays from new discretionary authority .....	6	8	9
86.93	Outlays from discretionary balances .....	1	1	1
87.00	Total outlays (gross) .....	7	9	10
<b>Offsets:</b>				
Against gross budget authority and outlays:				
88.40	Offsetting collections (cash) from: Non-Federal sources .....	-6	-5	-6
<b>Net budget authority and outlays:</b>				
89.00	Budget authority .....	3	3	3
90.00	Outlays .....	1	4	4

SBA is authorized to issue bond guarantees to surety companies for construction, service, and supply contracts that do not exceed \$2,000,000 and to reimburse these sureties up to 90 percent of the losses sustained if the contractor defaults. SBA's guarantees provide the incentive necessary for sureties to issue bonds to small contractors who could not otherwise secure them and compete in the contracting industry.

In 2007, the Budget proposes a \$1.7 billion program level that is anticipated to be sufficient to accommodate demand from prior-approval and preferred sureties.

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

Identification code 73-4156-0-3-376		2004 actual	2005 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury .....	23	25
Investments in US securities:			
1106	Receivables, net .....	5	4
		<hr/>	<hr/>
1999	Total assets .....	28	29
LIABILITIES:			
2201	Non-Federal liabilities: Accounts payable .....	21	25
		<hr/>	<hr/>
2999	Total liabilities .....	21	25
NET POSITION:			
3100	Appropriated capital .....	1	1
3300	Cumulative results of operations .....	6	3
		<hr/>	<hr/>
3999	Total net position .....	7	4
		<hr/>	<hr/>
4999	Total liabilities and net position .....	28	29

#### Credit accounts:

##### BUSINESS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, \$1,300,000, to remain available until expended: *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 subject **Subject** to section 502 of the Congressional Budget Act of 1974, during fiscal year **[2006]** 2007 commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958, shall not exceed **[the levels established under 20(e)(1)(B)(ii) of the Small Business Act]** \$7,500,000,000: *Provided [further]*, That during fiscal year **[2006]** 2007 commitments for general business loans authorized under section 7(a) of the Small Business Act, shall not exceed **[the levels established under 20(e)(1)(B)(i) of the Small Business Act]** \$17,500,000,000: *Provided further*, That during fiscal year **[2006]** 2007 commitments to guarantee loans for debentures under section 303(b) of the Small Business Investment Act of 1958, shall not exceed \$3,000,000,000: *Provided further*, That during fiscal year **[2006]** 2007 guarantees of trust certificates authorized by section 5(g) of the Small Business Act shall not exceed a principal amount of \$12,000,000,000.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, **[\$125,307,000]** \$126,136,000, which may be transferred to and merged with the appropriations for Salaries and Expenses: *Provided*, That, of the funds previously made available under Public Law 105-135, section 507(g), for the Delta Loan program, up to \$500,000 may be transferred to and merged with the appropriation for Salaries and Expenses.

#### (RESCISSION)

Of the unobligated balances available under this heading, **[\$4,000,000]** \$5,000,000 are rescinded. (*Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.*)

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

Identification code 73-1154-0-1-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01	Direct loan subsidy .....	2	1
00.02	Guaranteed loan subsidy .....	3	
00.05	Reestimate of direct loan .....		12
00.06	Interest on direct loan reestimation .....		14
00.07	Reestimate of loan guarantee subsidy .....	1,357	329
00.08	Interest on reestimates of loan guarantee subsidy .....	549	50
00.09	Administrative expenses .....	125	124
10.00	Total new obligations .....	2,036	530
<b>Budgetary resources available for obligation:</b>			
21.40	Unobligated balance carried forward, start of year .....	101	13
22.00	New budget authority (gross) .....	2,034	526
22.10	Resources available from recoveries of prior year obligations .....	6	
23.90	Total budgetary resources available for obligation .....	2,141	539
23.95	Total new obligations .....	-2,036	-530
23.98	Unobligated balance expiring or withdrawn .....	-92	
24.40	Unobligated balance carried forward, end of year .....	13	9
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00	Appropriation .....	128	127
40.33	Appropriation permanently reduced (P.L. 109-148) .....		-1
40.35	Appropriation permanently reduced .....	-2	-1
40.36	Unobligated balance permanently reduced .....		-4
43.00	Appropriation (total discretionary) .....	126	121
Mandatory:			
60.00	Appropriation .....	1,906	405
Discretionary:			
68.00	Spending authority from offsetting collections: Offsetting collections (cash) .....	2	
70.00	Total new budget authority (gross) .....	2,034	526
<b>Change in obligated balances:</b>			
72.40	Obligated balance, start of year .....	63	19
73.10	Total new obligations .....	2,036	530
73.20	Total outlays (gross) .....	-2,071	-531
73.40	Adjustments in expired accounts (net) .....	-3	
73.45	Recoveries of prior year obligations .....	-6	
74.40	Obligated balance, end of year .....	19	18
<b>Outlays (gross), detail:</b>			
86.90	Outlays from new discretionary authority .....	128	121
86.93	Outlays from discretionary balances .....	37	5
86.97	Outlays from new mandatory authority .....	1,906	405
87.00	Total outlays (gross) .....	2,071	531
<b>Offsets:</b>			
Against gross budget authority and outlays:			
88.40	Offsetting collections (cash) from: Non-Federal sources .....	-3	
Against gross budget authority only:			
88.96	Portion of offsetting collections (cash) credited to expired accounts .....	1	
<b>Net budget authority and outlays:</b>			
89.00	Budget authority .....	2,032	526
90.00	Outlays .....	2,069	531

**Credit accounts—Continued****BUSINESS LOANS PROGRAM ACCOUNT—Continued****(RESCISSION)—Continued****Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)**

Identification code 73-1154-0-1-376	2005 actual	2006 est.	2007 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Micro loans	18	20	
115901 Total direct loan levels	18	20	
Direct loan subsidy (in percent):			
132001 Micro loans	10.25	7.17	0.00
132901 Weighted average subsidy rate	10.25	7.17	0.00
Direct loan subsidy budget authority:			
133001 Micro loans	2	1	
133901 Total subsidy budget authority	2	1	
Direct loan subsidy outlays:			
134001 Micro loans	2	1	
134901 Total subsidy outlays	2	1	
Direct loan upward reestimate subsidy budget authority:			
135001 Misc. loans		26	
135901 Total upward reestimate budget authority		26	
Direct loan downward reestimate subsidy budget authority:			
137001 Misc. loans		-42	
137901 Total downward reestimate budget authority		-42	
Guaranteed loan levels supportable by subsidy budget authority:			
215002 General business — 7(a)	14,284	17,000	17,500
215004 Section 504	5,000	7,500	7,500
215006 SBIC debentures	355	3,000	3,000
215010 Secondary market guarantee	10,000	12,000	12,000
215011 General business 7(a) prior	300		
215901 Total loan guarantee levels	29,939	39,500	40,000
Guaranteed loan subsidy (in percent):			
232002 General business — 7(a)	0.00	0.00	0.00
232004 Section 504	0.00	0.00	0.00
232006 SBIC debentures	0.00	0.00	0.00
232010 Secondary market guarantee	0.00	0.00	0.00
232011 General business 7(a) prior	0.01	0.00	0.00
232901 Weighted average subsidy rate	0.00	0.00	0.00
Guaranteed loan subsidy budget authority:			
233002 General business— 7(a)			
233004 Section 504			
233006 SBIC debentures			
233010 Secondary market guarantee			
233011 General business 7(a) prior	3		
233901 Total subsidy budget authority	3		
Guaranteed loan subsidy outlays:			
234002 General business — 7(a)	32		
234004 Section 504			
234006 SBIC debentures			
234010 Secondary market guarantee			
234011 General business 7(a) prior	3		
234901 Total subsidy outlays	35		
Guaranteed loan upward reestimate subsidy budget authority:			
235001 Microloan guarantees			
235002 General business 7(a)	556	99	
235003 General business — 7(a) terrorist response			
235004 Section 504	221		
235005 Section 504-DELTA			
235006 SBIC debentures	117	64	
235007 SBIC participating securities	969	153	
235008 New Market Venture Capital		1	
235009 General business 7(a) -DELTA		8	
235010 Secondary market guarantee	44	53	
235011 General business 7(a) prior			
235012 SBIC 301(d) Guarantee		1	
235013 502 Local development companies			
235901 Total upward reestimate budget authority	1,907	379	

**Guaranteed loan downward reestimate subsidy budget authority:**

237001 Microloan guarantees		-1	
237002 general business 7(a)	-135	-156	
237003 General business — 7(a)-terrorist response	-13	-7	
237004 Section 504	-98	-202	
237005 Section 504 -DELTA		-18	
237006 SBIC debentures	-178	-48	
237007 SBIC participating securities	-46	-499	
237008 New Market Venture Capital			
237009 General business 7(a)-DELTA		-1	
237010 Secondary market guarantee		-4	
237011 General business 7(a) Prior			
237012 SBIC 301(d) Guarantee		-10	
237013 502 Local development compnies		-4	
237901 Total downward reestimate subsidy budget authority	-470	-950	

**Administrative expense data:**

351001 Budget authority	125	127	126
359001 Outlays from new authority	125	124	120

As required by the Federal Credit Reform Act of 1990, as amended, this account records, for this program, the subsidy costs associated with the direct loans obligated and loan guarantees committed 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.

For 2007, the Budget proposes \$126.1 million in new budget authority for the Business Loans Program account, of which \$7 million will be repaid through administrative fee collections on loans over \$1 million. No appropriations are required to cover loan subsidy as fees are sufficient to offset losses.

The Section 7(a) program provides general business credit assistance. The requested guaranteed loan program level for 2007 is \$17.5 billion. The Section 504 Certified Development Company program is for long-term fixed rate financing and the requested guaranteed loan program level is \$7.5 billion in 2007. The Small Business Investment Company (SBIC) program provides credit to support venture capital investments. The Budget proposes a program level of \$3 billion for SBIC Debentures.

As part of the Secondary Market Guarantee (SMG), SBA's fiscal agent pools the guaranteed portion of 7(a) loans and sells the securities to investors. This mechanism provides liquidity to lenders participating in the 7(a) loan program. For FY 2007, the Budget proposes a program level of \$12 billion in such securities. In addition, the Budget proposes fee authority for the program to simplify program management.

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

Identification code 73-1154-0-1-376	2005 actual	2006 est.	2007 est.
25.2 Other services	125	124	126
41.0 Grants, subsidies, and contributions	1,911	406	
99.9 Total new obligations	2,036	530	126

**BUSINESS DIRECT LOAN FINANCING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 73-4148-0-3-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01 Direct loans	18	20	
00.02 Interest on Treasury borrowing	10	7	
00.91 Direct obligations—Subtotal	28	27	
08.02 Payment of downward reestimate to a receipt account		28	
08.04 Payment of interest on downward reestimate to a receipt account		14	
08.91 Direct obligations—Subtotal		42	

10.00	Total new obligations .....	28	69	.....
<b>Budgetary resources available for obligation:</b>				
21.40	Unobligated balance carried forward, start of year .....	73	41	.....
22.00	New financing authority (gross) .....	46	74	12
22.10	Resources available from recoveries of prior year obligations .....	7	.....	.....
22.60	Portion applied to repay debt .....	-57	-46	-12
23.90	Total budgetary resources available for obligation .....	69	69	.....
23.95	Total new obligations .....	-28	-69	.....
24.40	Unobligated balance carried forward, end of year .....	41	.....	.....
<b>New financing authority (gross), detail:</b>				
Mandatory:				
67.10	Authority to borrow .....	19	21	.....
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash) .....	28	53	12
68.10	Change in uncollected customer payments from Federal sources (unexpired) .....	-1	.....	.....
68.90	Spending authority from offsetting collections (total discretionary) .....	27	53	12
70.00	Total new financing authority (gross) .....	46	74	12
<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year .....	29	23	70
73.10	Total new obligations .....	28	69	.....
73.20	Total financing disbursements (gross) .....	-28	-22	-10
73.45	Recoveries of prior year obligations .....	-7	.....	.....
74.00	Change in uncollected customer payments from Federal sources (unexpired) .....	1	.....	.....
74.40	Obligated balance, end of year .....	23	70	60
87.00	Total financing disbursements (gross) .....	28	22	10
<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Federal sources: Payments from program account .....	-2	-2	.....
88.00	Upward reestimate .....	-12	.....	.....
88.00	Interest on reestimate .....	-14	.....	.....
88.25	Interest on uninvested funds .....	-5	-6	.....
88.40	Repayments of principal, net .....	-21	-20	-11
88.40	Other income .....	.....	.....	-1
88.90	Total, offsetting collections (cash) .....	-28	-54	-12
Against gross financing authority only:				
88.95	Change in receivables from program accounts .....	1	.....	.....
88.96	Portion of offsetting collections (cash) credited to expired accounts .....	.....	1	.....
<b>Net financing authority and financing disbursements:</b>				
89.00	Financing authority .....	19	21	.....
90.00	Financing disbursements .....	.....	-32	-2

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

Identification code 73-4148-0-3-376	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on obligations:			
1111	Limitation on direct loans .....	18	20
1150	Total direct loan obligations .....	18	20
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	132	134
1231	Disbursements: Direct loan disbursements .....	19	18
1251	Repayments: Repayments and prepayments .....	-17	-15
1263	Write-offs for default: Direct loans .....	.....	-3
1290	Outstanding, end of year .....	134	134

As required by the Federal Credit Reform Act of 1990, as amended, 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 73-4148-0-3-376	2004 actual	2005 actual
<b>ASSETS:</b>		
Federal assets:		
1101	Fund balances with Treasury .....	102
Investments in US securities:		
1106	Receivables, net .....	24
1206	Non-Federal assets: Receivables, net .....	2
Net value of assets related to post-1991 direct loans receivable:		
1401	Direct loans receivable, gross .....	132
1405	Allowance for subsidy cost (-) .....	-42
1499	Net present value of assets related to direct loans ..	90
1999	Total assets .....	194
<b>LIABILITIES:</b>		
Federal liabilities:		
2103	Debt .....	191
2105	Other .....	43
2207	Non-Federal liabilities: Other .....	3
2999	Total liabilities .....	194
4999	Total liabilities and net position .....	194

**BUSINESS GUARANTEED LOAN FINANCING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 73-4149-0-3-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01	Default claims .....	1,547	1,660
00.02	Interest on Treasury borrowing .....	127	275
00.05	Other Expenses .....	131	120
00.91	Direct obligations—Subtotal .....	1,805	2,055
08.02	Payment of downward reestimate to receipt account .....	323	719
08.04	Payment of interest on downward reestimate to receipt account .....	147	231
08.91	Direct obligations—Subtotal .....	470	950
10.00	Total new obligations .....	2,275	3,005
<b>Budgetary resources available for obligation:</b>			
21.40	Unobligated balance carried forward, start of year .....	3,072	2,514
22.00	New financing authority (gross) .....	3,713	2,834
22.10	Resources available from recoveries of prior year obligations .....	10	.....
22.60	Portion applied to repay debt .....	-2,006	.....
23.90	Total budgetary resources available for obligation .....	4,789	5,348
23.95	Total new obligations .....	-2,275	-3,005
24.40	Unobligated balance carried forward, end of year .....	2,514	2,343
<b>New financing authority (gross), detail:</b>			
Mandatory:			
67.10	Authority to borrow .....	470	950
Spending authority from offsetting collections:			
Discretionary:			
68.00	Offsetting collections (cash) .....	3,288	1,884
68.10	Change in uncollected customer payments from Federal sources (unexpired) .....	-45	.....
68.90	Spending authority from offsetting collections (total discretionary) .....	3,243	1,884
70.00	Total new financing authority (gross) .....	3,713	2,834
<b>Change in obligated balances:</b>			
72.40	Obligated balance, start of year .....	-39	16
73.10	Total new obligations .....	2,275	3,005
73.20	Total financing disbursements (gross) .....	-2,255	-2,750
73.45	Recoveries of prior year obligations .....	-10	.....
74.00	Change in uncollected customer payments from Federal sources (unexpired) .....	45	.....

**Credit accounts—Continued****BUSINESS GUARANTEED LOAN FINANCING ACCOUNT—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 73-4149-0-3-376	2005 actual	2006 est.	2007 est.
74.40 Obligated balance, end of year .....	16	271	86
87.00 other .....	2,255	2,750	2,100
<b>Offsets:</b>			
Against gross financing authority and financing disbursements:			
Offsetting collections (cash) from:			
88.00 Payments from program account .....	-35		
88.00 Upward reestimate .....	-1,357	-329	
88.00 Interest on reestimate .....	-550	-50	
88.00 Other .....			
88.25 Interest on uninvested funds .....	-170	-130	-130
88.40 Fees .....	-593	-700	-725
88.40 Recoveries .....	-546	-650	-750
88.40 other .....	-38	-25	-20
88.90 Total, offsetting collections (cash) .....	-3,289	-1,884	-1,625
Against gross financing authority only:			
88.95 Change in receivables from program accounts .....	45		
88.96 Portion of offsetting collections (cash) credited to expired accounts .....	1		
<b>Net financing authority and financing disbursements:</b>			
89.00 Financing authority .....	470	950	300
90.00 Financing disbursements .....	-1,033	866	475

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

Identification code 73-4149-0-3-376	2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on commitments:			
2111 Limitation on guaranteed loans made by private lenders .....	29,939	39,500	40,000
2150 Total guaranteed loan commitments .....	29,939	39,500	40,000
2199 Guaranteed amount of guaranteed loan commitments .....	23,000	29,625	30,400
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	56,962	72,880	82,670
2231 Disbursements of new guaranteed loans .....	18,551	24,490	22,940
2251 Repayments and prepayments .....	-11,348	-12,800	-14,700
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-1,547	-1,900	-2,100
2264 Other adjustments, net .....	10,262		
2290 Outstanding, end of year .....	72,880	82,670	88,810
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	69,726	78,536	84,370
<b>Addendum:</b>			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	2,769	4,204	5,219
2331 Disbursements for guaranteed loan claims .....	1,547	1,900	2,100
2351 Repayments of loans receivable .....	-402	-610	-730
2361 Write-offs of loans receivable .....	-219	-275	-275
2364 Other adjustments, net .....	509		
2390 Outstanding, end of year .....	4,204	5,219	6,314

As required by the Federal Credit Reform Act of 1990, as amended, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond (including modifications of loan guarantees that resulted from commitments 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 73-4149-0-3-376	2004 actual	2005 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	3,032	2,529

Investments in US securities:		
1106 Receivables, net .....	1,763	354
1206 Non-Federal assets: Receivables, net .....	53	50
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross .....	2,769	4,204
1504 Foreclosed property .....		15
1505 Allowance for subsidy cost (-) .....	-2,459	-3,154
1599 Net present value of assets related to defaulted guaranteed loans .....	310	1,065
1999 Total assets .....	5,158	3,998
<b>LIABILITIES:</b>		
Federal liabilities:		
2103 Debt .....	2,492	956
2105 Other .....	488	889
Non-Federal liabilities:		
2201 Accounts payable .....	23	31
2204 Liabilities for loan guarantees .....	2,175	2,143
2207 Other .....	-20	-21
2999 Total liabilities .....	5,158	3,998
4999 Total liabilities and net position .....	5,158	3,998

**BUSINESS LOAN FUND LIQUIDATING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 73-4154-0-3-376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01 Interest Expense to Treasury .....	6	4	3
00.05 Guaranteed loan default claims .....	5	3	2
00.09 Other expenses .....	11	7	5
10.00 Total new obligations .....	22	14	10
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	93	78	
22.00 New budget authority (gross) .....	115	78	56
22.10 Resources available from recoveries of prior year obligations .....	2		
22.40 Capital transfer to general fund .....	-93	-127	-34
22.60 Portion applied to repay debt to FFB .....	-17	-15	-12
23.90 Total budgetary resources available for obligation .....	100	14	10
23.95 Total new obligations .....	-22	-14	-10
24.40 Unobligated balance carried forward, end of year .....	78		
<b>New budget authority (gross), detail:</b>			
Mandatory:			
60.00 Appropriation .....	50	30	20
69.00 Spending authority from offsetting collections: Offsetting collections (cash) .....	65	48	36
70.00 Total new budget authority (gross) .....	115	78	56
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	15	10	6
73.10 Total new obligations .....	22	14	10
73.20 Total outlays (gross) .....	-25	-18	-13
73.45 Recoveries of prior year obligations .....	-2		
74.40 Obligated balance, end of year .....	10	6	3
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....	25	18	13
Loan repayments:			
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
Loan repayments:			
88.40 Financing Investment programs-principal .....	-37	-25	-17
88.40 Interest Income-Business & investment .....	-6	-5	-4
88.40 Fees .....	-1	-1	-1
88.40 Collection on FFB loans .....	-17	-15	-12
88.40 Other Income-both Business and Investment .....	-4	-2	-2
88.90 Total, offsetting collections (cash) .....	-65	-48	-36

Net budget authority and outlays:			
89.00	Budget authority .....	50	30
90.00	Outlays .....	—40	—30
			20
			—23

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

Identification code 73-4154-0-3-376	2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	4	9	4
1232 Disbursements: Purchase of loans assets from the public .....			
1251 Repayments: Repayments and prepayments .....	—2	—4	—2
Write-offs for default:			
1263 Direct loans .....		—1	
1264 Other adjustments, net <sup>1</sup> .....	7		
1290 Outstanding, end of year .....	9	4	2
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	57	40	25
1251 Repayments: Repayments and prepayments .....	—17	—15	—12
1290 Outstanding, end of year .....	40	25	13
			1

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

Identification code 73-4154-0-3-376	2005 actual	2006 est.	2007 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	531	377	268
2251 Repayments and prepayments .....	—150	—106	—75
2261 Adjustments: Terminations for default that result in loans receivable .....	—4	—3	—2
2290 Outstanding, end of year .....	377	268	191
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	331	214	168
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	79	55	44
2331 Disbursements for guaranteed loan claims .....	4	3	2
2351 Repayments of loans receivable .....	—20	—13	—11
2361 Write-offs of loans receivable .....	—2	—1	—1
2364 Other adjustments, net .....	—6		
2390 Outstanding, end of year .....	55	44	34

As required by the Federal Credit Reform Act of 1990, as amended, this account records all cash flows to and from the Government resulting from SBA direct loans obligated and loan guarantees committed prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond (including modifications of direct loans or loan guarantees made in any year) is recorded in corresponding program and financing accounts.

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

Identification code 73-4154-0-3-376	2004 actual	2005 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury .....	108	88
1206 Non-Federal assets: Receivables, net .....	8	2
1601 Direct loans, gross .....	133	104
1604 Direct loans and interest receivable, net .....	133	104
1699 Value of assets related to direct loans .....	133	104
1901 Other Federal assets: Other assets .....	35	35
1999 Total assets .....	284	229
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable .....	8	6
2103 Debt .....	58	41
2105 Other Liabilities .....	183	156
Non-Federal liabilities:		
2201 Accounts payable .....	8	4
2207 Other Liabilities .....	27	22
2999 Total liabilities .....	284	229

4999	Total liabilities and net position .....	284	229
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**Object Classification** (in millions of dollars)

Identification code 73-4154-0-3-376	2005 actual	2006 est.	2007 est.
42.0 Insurance claims and indemnities .....	16	10	7
43.0 Interest and dividends .....	6	4	3
99.9 Total new obligations .....	22	14	10

**DISASTER LOANS PROGRAM ACCOUNT**

(INCLUDING TRANSFERS OF FUNDS)

**[From unobligated balances under this heading, in fiscal year 2006, not to exceed \$9,000,000 may be transferred to and merged with appropriations for Salaries and Expenses for indirect administrative expenses, of which \$1,500,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General.] For the cost of direct loans authorized by section 7(b) of the Small Business Act, \$85,140,000, to remain available until expended: 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. In addition, for administrative expenses to carry out the direct loan program authorized by section 7(b), of the Small Business Act, \$113,850,000, of which \$495,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General; of which \$104,445,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program, to remain available until expended, and which may be transferred and merged with appropriations for Salaries and Expenses; and of which \$8,910,000 is for indirect administrative expenses, which may be transferred and merged with appropriations for Salaries and Expenses.**

(RESCISSION)

*Of the unobligated balances available under this heading, \$3,700,000 are rescinded. (Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.)*

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

**[For an additional amount for the "Disaster Loans Program Account" authorized by section 7(b) of the Small Business Act, for necessary expenses related to hurricanes in the Gulf of Mexico in calendar year 2005 and other natural disasters, \$264,500,000, to remain available until expended: 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.**

In addition, for administrative expenses to carry out the direct loan program authorized by section 7(b), \$176,500,000, to remain available until expended, which may be transferred to and merged with "Salaries and Expenses": *Provided, That the amounts provided under this heading are designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006: Provided further, That no funds shall be transferred to the appropriation for "Salaries and Expenses" for indirect administrative expenses.] (Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006.)*

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

Identification code 73-1152-0-1-453	2005 actual	2006 est.	2007 est.
Obligations by program activity:			
00.01 Direct loan subsidy .....	163	671	118
00.05 Upward reestimate of direct loans .....	223	70	
00.06 Interest on upward reestimates of direct loans .....	114	10	
00.09 Administrative expense .....	540	187	114
10.00 Total new obligations .....	1,040	938	232
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year .....	29	386	4

**Credit accounts—Continued****DISASTER LOANS PROGRAM ACCOUNT—Continued****[(INCLUDING TRANSFER OF FUNDS)]—Continued****Program and Financing (in millions of dollars)—Continued**

Identification code 73-1152-0-1-453	2005 actual	2006 est.	2007 est.
22.00 New budget authority (gross) .....	1,377	521	195
22.10 Resources available from recoveries of prior year obligations .....	20	35	33
23.90 Total budgetary resources available for obligation .....	1,426	942	232
23.95 Total new obligations .....	-1,040	-938	-232
24.40 Unobligated balance carried forward, end of year .....	386	4	.....
<b>New budget authority (gross), detail:</b>			
Discretionary:			
40.00 Appropriation .....	113	.....	199
40.00 Appropriation (supplemental) .....	929	441	.....
40.35 Appropriation permanently reduced .....	-2	.....	.....
40.36 Unobligated balance permanently reduced .....	.....	.....	-4
43.00 Appropriation (total discretionary) .....	1,040	441	195
Mandatory:			
60.00 Appropriation .....	337	80	.....
70.00 Total new budget authority (gross) .....	1,377	521	195
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year .....	43	59	33
73.10 Total new obligations .....	1,040	938	232
73.20 Total outlays (gross) .....	-1,003	-929	-153
73.45 Recoveries of prior year obligations .....	-20	-35	-33
74.10 Change in uncollected customer payments from Federal sources (expired) .....	-1	.....	.....
74.40 Obligated balance, end of year .....	59	33	79
<b>Outlays (gross), detail:</b>			
86.90 Outlays from new discretionary authority .....	640	441	153
86.93 Outlays from discretionary balances .....	26	408	.....
86.97 Outlays from new mandatory authority .....	337	80	.....
87.00 Total outlays (gross) .....	1,003	929	153
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	1,377	521	195
90.00 Outlays .....	1,003	929	153

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

Identification code 73-1152-0-1-453	2005 actual	2006 est.	2007 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Disaster Loan .....	1,271	4,587	900
115901 Total direct loan levels .....	1,271	4,587	900
Direct loan subsidy (in percent):			
132001 Disaster Loan .....	12.86	14.64	13.18
132901 Weighted average subsidy rate .....	12.86	14.64	13.18
Direct loan subsidy budget authority:			
133001 Disaster Loan .....	163	671	118
133901 Total subsidy budget authority .....	163	671	118
Direct loan subsidy outlays:			
134001 Disaster Loan .....	127	671	69
134901 Total subsidy outlays .....	127	671	69
Direct loan upward reestimate subsidy budget authority:			
135001 Disaster Loan .....	337	80	.....
135901 Total upward reestimate budget authority .....	337	80	.....
Direct loan downward reestimate subsidy budget authority:			
137001 Disaster Loan .....	-70	-14	.....
137901 Total downward reestimate budget authority .....	-70	-14	.....
Administrative expense data:			
351001 Budget authority .....	540	187	114

359001 Outlays from new authority .....	463	170	81
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As required by the Federal Credit Reform Act of 1990, as amended, this account records, for loans made pursuant to Section 7(b) of the Small Business Act, as amended, 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.

Disaster loans made pursuant to Section 7(b) of the Small Business Act provide Federal assistance for non-farm, private sector disaster losses. Through this program, SBA helps homeowners, renters, businesses of all sizes, and non-profit organizations pay for the cost of rebuilding and repairing structures damaged by natural disasters. The program is the only form of SBA assistance not limited to small businesses. The program provides subsidized loans of up to 30 years to borrowers who have incurred uninsured physical losses or economic injury as the result of a natural disaster.

The 2007 Budget proposes to continue providing preferential loan terms to victims of disasters. However, to more appropriately tailor Federal assistance to borrower needs and contain the escalating costs of the loans, the Budget proposes to adopt graduated interest rates for the Disaster Loan program. During the first five years after a disaster, interest rates would remain well below the Treasury's interest rate for most borrowers. Thereafter, rates would graduate to a comparable-maturity Treasury instrument. This structure would continue to provide borrowers with deep interest subsidies when they need them most—immediately after a disaster—and after five years, subsidies would continue at a reduced level.

In 2007, the Budget supports \$900 million in loans. The subsidy rate is 13.18 percent.

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

Identification code 73-1152-0-1-453	2005 actual	2006 est.	2007 est.
25.2 Other services .....	540	187	114
41.0 Grants, subsidies, and contributions .....	500	751	118
99.9 Total new obligations .....	1,040	938	232

**DISASTER DIRECT LOAN FINANCING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 73-4150-0-3-453	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01 Direct loans .....	1,271	4,587	900
00.02 Interest on Treasury borrowing .....	406	600	300
00.03 Other .....	26	.....	.....
00.91 Direct obligations—Subtotal .....	1,703	5,187	1,200
08.02 Payment of downward reestimate to a receipt account .....	27	9	.....
08.04 Payment of interest on downward reestimate to a receipt account .....	43	5	.....
08.91 Direct obligations—Subtotal .....	70	14	.....
10.00 Total new obligations .....	1,773	5,201	1,200
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	2,844	3,192	.....
22.00 New financing authority (gross) .....	4,940	5,720	1,491
22.10 Resources available from recoveries of prior year obligations .....	171	.....	.....
22.60 Portion applied to repay debt .....	-2,990	-3,711	-291
23.90 Total budgetary resources available for obligation .....	4,965	5,201	1,200
23.95 Total new obligations .....	-1,773	-5,201	-1,200



24.40	Unobligated balance carried forward, end of year	3,192		
<b>New financing authority (gross), detail:</b>				
Mandatory:				
67.10	Authority to borrow	3,713	3,915	782
Spending authority from offsetting collections:				
Discretionary:				
68.00	Offsetting collections (cash)	1,211	1,805	709
68.10	Change in uncollected customer payments from Federal sources (unexpired)	16		
68.90	Spending authority from offsetting collections (total discretionary)	1,227	1,805	709
70.00	Total new financing authority (gross)	4,940	5,720	1,491

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year	293	404	605
73.10	Total new obligations	1,773	5,201	1,200
73.20	Total financing disbursements (gross)	-1,475	-5,000	-993
73.45	Recoveries of prior year obligations	-171		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-16		
74.40	Obligated balance, end of year	404	605	812
87.00	Total financing disbursements (gross)	1,475	5,000	993

<b>Offsets:</b>				
Against gross financing authority and financing disbursements:				
Offsetting collections (cash) from:				
88.00	Payments from program account	-127	-671	-69
88.00	Upward reestimate	-223	-70	
88.00	Interest on upward reestimate	-114	-10	
88.25	Interest income from Treasury	-269	-500	-275
88.40	Repayments of principal, net	-478	-554	-350
88.40	Collection of misc. receivables			-15
88.90	Total, offsetting collections (cash)	-1,211	-1,805	-709
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	3,713	3,915	782
90.00	Financing disbursements	265	3,195	284

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

Identification code 73-4150-0-3-453		2005 actual	2006 est.	2007 est.
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans .....	.....	.....	.....
1131	Direct loan obligations exempt from limitation .....	1,271	4,587	900
1150	Total direct loan obligations .....	1,271	4,587	900
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	3,034	3,618	6,534
1231	Disbursements: Direct loan disbursements .....	995	3,532	693
1251	Repayments: Repayments and prepayments .....	- 372	- 554	- 350
Write-offs for default:				
1263	Direct loans .....	- 51	- 62	- 60
1264	Other adjustments, net .....	12	.....	.....
1290	Outstanding, end of year .....	3,618	6,534	6,817

As required by the Federal Credit Reform Act of 1990, as amended, 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 73-4150-0-3-453	2004 actual	2005 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury .....	3,137	3,595
Investments in US securities:		
1106 Interest/Accounts Receivables .....	375	79

Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	3,034	3,618
1405	Allowance for subsidy cost (-)	-613	-689
1499	Net present value of assets related to direct loans	2,421	2,929
1999	Total assets	5,933	6,603
<b>LIABILITIES:</b>			
Federal liabilities:			
2103	Debt	5,863	6,585
2105	Other	68	18
2201	Non-Federal liabilities: Accounts payable	2	
2999	Total liabilities	5,933	6,603
4999	Total liabilities and net position	5,933	6,603

**DISASTER LOAN FUND LIQUIDATING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 73-4153-0-3-453	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
01.01 Interest expense to Treasury .....	2	3	1
01.03 Other expenses .....	.....	2	2
10.00 Total new obligations .....	2	5	3
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	61	62	.....
22.00 New budget authority from offsetting collections (gross) .....	64	21	12
22.40 Capital transfer to general fund .....	-61	-78	-9
23.90 Total budgetary resources available for obligation	64	5	3
23.95 Total new obligations .....	-2	-5	-3
24.40 Unobligated balance carried forward, end of year	62	.....	.....

<b>New budget authority (gross), detail:</b>				
Mandatory:				
60.00	Appropriation	50	10	5
69.00	Spending authority from offsetting collections: Offsetting collections (cash)	14	11	7
70.00	Total new budget authority (gross)	64	21	12

<b>Change in obligated balances:</b>				
72.40	Obligated balance, start of year	3	2	4
73.10	Total new obligations	2	5	3
73.20	Total outlays (gross)	-3	-3	-2
74.40	Obligated balance, end of year	2	4	5

<b>Outlays (gross), detail:</b>				
86.97	Outlays from new mandatory authority	3	3	2
<b>Offsets:</b>				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
88.40	Loan repayments	-8	-9	-5
88.40	Other collection	-6	-2	-2
88.90	Total, offsetting collections (cash)	-14	-11	-7

<b>Net budget authority and outlays:</b>				
89.00	Budget authority	50	10	5
90.00	Outlays	-11	-8	-5

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

Identification code 73-4153-0-3-453		2005 actual	2006 est.	2007 est.
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	35	28	21
1251	Repayments: Repayments and prepayments .....	-8	-6	-5
Write-offs for default:				
1263	Direct loans .....		-1	
1264	Other adjustments, net .....	1		1
1290	Outstanding, end of year .....	28	21	17

**Credit accounts—Continued****DISASTER LOAN FUND LIQUIDATING ACCOUNT—Continued**

As required by the Federal Credit Reform Act of 1990, as amended, this account records all cash flows to and from the Government resulting from SBA disaster direct loans obligated prior to 1992. This account is shown on a cash basis. All new activity in this program in 1992 and beyond (including modifications of direct loans or loan guarantees made in any year) is recorded in corresponding program and financing accounts.

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

Identification code 73–4153–0–3–453	2004 actual	2005 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	64	64
1601 Direct loans, net .....	35	28
1699 Value of assets related to direct loans .....	35	28
1901 Other Federal assets: Other assets .....	3	
1999 Total assets .....	102	92
<b>LIABILITIES:</b>		
2101 Federal liabilities: Accounts payable .....	3	2
2105 Other .....	99	90
2999 Total liabilities .....	102	92
4999 Total liabilities and net position .....	102	92

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

Identification code 73–4153–0–3–453	2005 actual	2006 est.	2007 est.
25.2 Other services .....		2	2
43.0 Interest and dividends .....	2	3	1
99.9 Total new obligations .....	2	5	3

**POLLUTION CONTROL EQUIPMENT FUND LIQUIDATING ACCOUNT****Program and Financing (in millions of dollars)**

Identification code 73–4147–0–3–376	2005 actual	2006 est.	2007 est.
<b>Obligations by program activity:</b>			
00.01 Disbursement for Guaranty Loan Claim .....		3	3
10.00 Total new obligations (object class 42.0) .....		3	3
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year .....	3	3	
22.00 New budget authority (gross) .....	3	3	3
22.40 Capital transfer to general fund .....	–3	–3	
23.90 Total budgetary resources available for obligation .....	3	3	3
23.95 Total new obligations .....		–3	–3
24.40 Unobligated balance carried forward, end of year .....	3		
<b>New budget authority (gross), detail:</b>			
60.00 Mandatory: Appropriation .....	3	3	3
<b>Change in obligated balances:</b>			
73.10 Total new obligations .....		3	3
73.20 Total outlays (gross) .....		–3	–3
<b>Outlays (gross), detail:</b>			
86.97 Outlays from new mandatory authority .....		3	3
<b>Net budget authority and outlays:</b>			
89.00 Budget authority .....	3	3	3
90.00 Outlays .....		3	3

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

Identification code 73–4147–0–3–376	2005 actual	2006 est.	2007 est.
<b>Cumulative balance of guaranteed loans outstanding:</b>			
2210 Outstanding, start of year .....	6	4	1
2251 Repayments and prepayments .....	–2	–2	–1
<b>Adjustments:</b>			
2261 Terminations for default that result in loans receivable .....		–1	
2264 Other adjustments, net .....			
2290 Outstanding, end of year .....	4	1	
<b>Memorandum:</b>			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	4	1	
<b>Addendum:</b>			
<b>Cumulative balance of defaulted guaranteed loans that result in loans receivable:</b>			
2310 Outstanding, start of year .....	49	20	23
2331 Disbursements for guaranteed loan claims .....		3	3
2361 Write-offs of loans receivable .....	–29		
2390 Outstanding, end of year .....	20	23	26

Public Law 94–305 established this fund to alleviate the adverse impact of pollution regulations on small businesses. As a result of the elimination of tax exempt financing associated with the Pollution Control Guaranteed program, no new activity is anticipated for this program.

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

Identification code 73–4147–0–3–376	2004 actual	2005 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	3	3
1603 Allowance for estimated uncollectible loans and interest (-) .....		–15
1701 Defaulted guaranteed loans, gross .....	16	20
1999 Total assets .....	19	8
<b>LIABILITIES:</b>		
2104 Federal liabilities: Resources payable to Treasury .....	19	8
2999 Total liabilities .....	19	8
4999 Total liabilities and net position .....	19	8

**ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION**

Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: *Provided*, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section. (*Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.*)

**GENERAL FUND RECEIPT ACCOUNTS****(in millions of dollars)**

	2005 actual	2006 est.	2007 est.
<b>Offsetting receipts from the public:</b>			
73–272130 Disaster loan program, Downward reestimates of subsidies .....	70	14	
73–272230 Business loan program, Downward reestimates of subsidies .....	470	992	
General Fund Offsetting receipts from the public .....	540	1,006	